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凤祥食品

SHANDONG FENGXIANG CO., LTD.

山東鳳祥股份有限公司

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

(Stock Code: 9977)

PROPOSED ELECTION OF THE FIFTH SESSION OF THE BOARD OF DIRECTORS AND THE BOARD OF SUPERVISORS

In view of the recent change in the ownership structure of Shandong Fengxiang Co., Ltd. (the “**Company**”), in order to improve the corporate governance structure and ensure the Company’s effective decision-making and stable development, the Company has resolved on (i) the early expiration of the term of the fourth session of the board of directors (the “**Board of Directors**”) and the board of supervisors (the “**Board of Supervisors**”); and (ii) the election of the fifth session of the Board of Directors and the Board of Supervisors by way of shareholders’ meeting.

All incumbent directors (the “**Director(s)**”) and all incumbent supervisors (the “**Supervisor(s)**”) of the Company will retire from their positions upon the conclusion of the 2023 first extraordinary general meeting (the “**General Meeting**”) and the H share class meeting of the Company to be held on 18 January 2023 (collectively, the “**Shareholders Meetings**”).

Each of the retiring Directors has confirmed that he/she has no disagreement with the Board of Directors, and there is no matter relating to his/her retirement that needs to be brought to the attention of the Company’s shareholders (the “**Shareholders**”). The retiring Directors of the fourth session of the Board of Directors were diligent and responsible during their tenure of office in the Company, and played positive roles in the healthy development and standardised operation of the Company. The Company would like to express sincere gratitude to the retiring Directors for their valuable contributions to the Company during their tenure of office.

Each of the retiring Supervisors has also confirmed that he/she has no disagreement with the Board of Supervisors and the Board of Directors, and there is no matter relating to his/her retirement that needs to be brought to the attention of the Shareholders. The Company would like to express sincere gratitude to the retiring Supervisors for their valuable contribution to the Board of Supervisors during their tenure of office.

PROPOSED ELECTION OF DIRECTORS OF THE FIFTH SESSION OF THE BOARD OF DIRECTORS

Re-election of Retiring Directors

The Board of Directors has resolved to re-elect the following Directors who are eligible for re-election as Directors for the fifth session of the Board of Directors and have confirmed to offer themselves for re-election at the General Meeting:

Executive Directors

Mr. Xiao Dongsheng (肖東生先生)

Mr. Xiao Dongsheng, aged 50, an executive Director and the general manager of the Company. He was appointed as a Director on 1 November 2018. He is primarily responsible for the sales and marketing functions of the Group. He is also a director of iShape Food Technology Co., Ltd. (“**iShape Food Technology**”) (formerly known as Fengxiang Food Co., Ltd.) and Fengxiang Foods (Japan) Co., Ltd.. Mr. Xiao has over 24 years of experience in corporate and business management. He joined the Group in December 2010. He has been a general manager and the general manager of international marketing centre of Shandong Fengxiang Food Development Co., Ltd. since December 2011. He has also been a general manager of iShape Food Technology since June 2019. Mr. Xiao obtained a bachelor’s degree in engineering from Nanjing University of Chemical Technology (currently known as Nanjing Tech University) in the People’s Republic of China (the “**PRC**”) in July 1994.

As at the date of the announcement, Mr. Xiao is interested in an aggregate of 3,216,000 H shares granted under the share award schemes adopted by the Company on 4 June 2020 and 10 December 2021, respectively.

Mr. Shi Lei (石磊先生)

Mr. Shi Lei, aged 36, an executive Director, vice general manager, the chief financial officer, the secretary to the Board of Directors and a joint company secretary of the Company. He was appointed as a Director on 31 May 2022. He is primarily responsible for the financial aspects of the Group. Mr. Shi has over 14 years of experience in finance, accounting and management, and joined the Group in June 2013. Mr. Shi served as a vice general manager of financial budget and analysis department, a financial manager and an assistant director of financial centre of the Company from June 2013 to February 2018. Mr. Shi was a supervisor of Xingwen Tianyang Jishi Food Development Co., Ltd. (興文天養極食食品發展有限公司) from May 2016 to June 2021, and has been a supervisor of Yucheng Fengming Food Co., Ltd. (禹城鳳鳴食品有限公司) since August 2017. Prior to joining the Group, Mr. Shi worked for the finance department of Qingdao Zhengda Co., Ltd. (青島正大有限公司) from January 2008 to June 2010, and worked as a supervisor of the finance department of OSI Group (Weihai) Poultry Development Co., Ltd (福喜(威海)農牧發展有限公司) from June 2010 to June 2013. Mr. Shi obtained a bachelor’s degree in financial management from Qingdao Agricultural University (青島農業大學) in the PRC in July 2007.

As at the date of this announcement, Mr. Shi is interested in an aggregate of 586,000 H shares granted under the share award schemes adopted by the Company on 4 June 2020 and 10 December 2021, respectively.

Independent Non-Executive Directors

Ms. Zhao Yinglin (趙迎琳女士)

Ms. Zhao Yinglin, aged 56, an independent non-executive Director. She was appointed as a Director on 28 May 2021. She is a member of the audit committee and the nomination committee of the Company. Ms. Zhao has 23 years of experience in corporate and business management. She was the general manager of the investment management department of China Life Property & Casualty Insurance Company Limited between October 2007 and March 2020 and the chief investment officer of PICC Health Insurance Company Limited from March 2020 to February 2021. Ms. Zhao completed her postgraduate studies in finance and investment and received her doctorate degree in economics from the Northwest University in the PRC in July 2000. She obtained the Securities Practitioners Qualifications Certificate from the Securities Association of China in February 2004 and obtained the Independent Director Qualification Certificate from the Shanghai Stock Exchange in March 2014.

Mr. Chung Wai Man (鍾偉文先生)

Mr. Chung Wai Man, aged 59, an independent non-executive Director. He was appointed as a Director on 8 August 2019. He is the chairman of the audit committee and a member of the remuneration committee of the Company. Mr. Chung has over 32 years of experience in accounting, taxation and finance. Mr. Chung has served as an independent non-executive director of Net Pacific Financial Holdings Limited (stock code: 5QY) since June 2018, the shares of which are listed on the Singapore Exchange Limited and E Lighting Group Holdings Limited (stock code: 8222) since September 2014, the shares of which are listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Mr. Chung has been the general manager of Yipei Global Capital Limited since May 2021. Mr. Chung obtained a bachelor’s degree in social sciences from The University of Hong Kong in December 1989 and a master’s degree in international business management from City University of Hong Kong in November 1998. Mr. Chung has been an associate member of the Hong Kong Institute of Certified Public Accountants since April 1995 and a fellow of The Association of Chartered Certified Accountants in the United Kingdom since November 1999.

Election of New Directors

The Board of Directors has also resolved to propose the following candidates as Directors for election at the General Meeting:

Non-Executive Directors

Mr. Qiu Zhongwei (邱中偉先生)

Mr. Qiu Zhongwei, aged 54, has over 30 years of experience in corporate finance and private equity investment. He has been a partner and managing director of PAG Asia Capital since April 2015. From 1990 to 2000, Mr. Qiu served as a vice president at Goldpark China Limited, a subsidiary of China Huaneng Group. Mr. Qiu has served as the managing director and managing partner at Hony Capital (弘毅投資) for 10 years from January 2005. Before that, he was the chairman of Yintai Holdings Limited (銀泰控股公司). From July 2006 to June 2015, he served as a non-executive director of Changsha Zoomlion Heavy Industry Science and Technology Development Co., Ltd. (currently known as Zoomlion Heavy Industry Science and Technology Co., Ltd.), a company listed on the main board of the Stock Exchange (stock code: 1157) and the Shenzhen Stock Exchange (stock code: 000157). He has been a director of Metro Land Corporation Ltd. (京投發展股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600683), since December 2017; and a non-executive director of China Youran Dairy Group Limited, a company listed on the main board of the Stock Exchange (stock code: 9858), since August 2020. He is currently the chairman and the chief executive officer of Shanghai Baosteel Gases Co., Ltd. (上海寶鋼氣體有限公司). Mr. Qiu obtained a bachelor's degree in engineering from Xi'an Jiaotong University in the PRC in 1990. He then obtained a master's degree in business administration jointly awarded by Kellogg School of Management of Northwestern University in the United States and the Hong Kong University of Science and Technology in Hong Kong in 2003.

Mr. Lu Wei (呂巖先生)

Mr. Lu Wei, aged 44, has over 20 years of experience in banking, investment and business consultation. He joined PAG Asia Capital as a senior associate in August 2011 and was subsequently promoted to vice president and executive director. He is currently a managing director of PAG Asia Capital. From September 2001 to June 2004, Mr. Lu served at the Shanghai office of Standard Chartered Bank (China) Limited. From August 2004 to April 2010, he served as a business analyst and an associate at McKinsey & Company. He served as a senior associate at the Shanghai office of CITIC Capital from May 2010 to August 2011. Mr. Lu obtained a bachelor's degree in economics with a major in international finance from Renmin University of China in the PRC in July 2001. He then obtained a master's degree in business administration from Harvard University in the United States in June 2009.

Mr. Zhu Lingjie (朱凌潔先生)

Mr. Zhu Lingjie, aged 43, has over 18 years of experience in business and marketing strategy formation and investment. Mr. Zhu joined PAG Asia Capital in October 2013 and his current position is managing director. He has extensive experience in consumer goods sector and retail industry as a consultant and professional manager. From July 2005 to March 2008, he worked as a senior manager at Opera Solutions, LLC., a company providing analytics consulting service. From March 2008 to March 2012, he served as a senior project manager at Roland Berger, a worldwide management consulting company. Mr. Zhu joined Beiersdorf AG, a German multinational company that manufactures and retails personal care products in April 2012, and he served as the trade marketing director and the head of e-commerce of the “NIVEA” brand and the business unit head of the “Eucerin” brand. Mr. Zhu obtained a bachelor’s degree in finance from Nanjing University in the PRC in July 2002. He then obtained a certificate of graduate studies from Johns Hopkins University Nanjing University Center for Chinese and American Studies in July 2004. He further obtained a master’s degree in finance from Nanjing University in the PRC in July 2005.

Ms. Zhou Ruijia (周瑞佳女士)

Ms. Zhou Ruijia, aged 33, has over 11 years of experience in investment, financial and operational management. Ms. Zhou currently serves as an executive director of PAG Asia Capital, focusing on buyouts, privatisations, and structured minority investments. Since joining PAG Asia Capital in 2013, Ms. Zhou has been actively involved in a number of investments in the business services and technology sectors, including several leading public companies on the New York Stock Exchange and the Stock Exchange. She is primarily responsible for conducting investments and advising invested portfolio companies on strategic, financial and operational initiatives. Prior to joining PAG Asia Capital, Ms. Zhou worked as an analyst in the investment banking division of Goldman Sachs in New York from July 2011 to July 2013, primarily responsible for conducting financial analysis and advising corporate clients and financial institutions on mergers and acquisitions, as well as equity and debt issuances. Ms. Zhou obtained a bachelor of science degree from Duke University in the United States in 2011.

Independent Non-Executive Director

Ms. Wang Anyi (王安易女士)

Ms. Wang Anyi, aged 45, has over 20 years of experience in business consultancy, corporate management and finance. Ms. Wang has been a partner and the chief financial officer of BosWinner, a company providing building and facility construction and management software, since June 2007. Prior to that, she served as the chief financial officer of e-Shang, an integrated development and investment management business that subsequently merged into the ESR Group from 2014 to 2017. Ms. Wang started her career as an analyst at McKinsey & Company in 1999. She joined Morgan Stanley as an associate in its Chicago office’s mergers and acquisition team in 2004 and then served in the global capital markets team in the Hong Kong office in 2006. She was promoted to vice president of the China investment banking and real estate team in the Hong Kong office in 2007. From 2009 to 2013,

she served as the head of corporate finance and investor relations at Yanlord Land Group Limited. Ms. Wang obtained a bachelor's degree in international finance and real estate from Shanghai Jiaotong University in the PRC in 1999. She then obtained a master's degree in business administration from Kellogg School of Management of Northwestern University in the United States in 2004.

The Directors of the fifth session of the Board of Directors shall have a term of three years upon their appointments becoming effective until the expiration of the term of the fifth session of the Board of Directors. The above candidates for re-election or appointment as Directors will enter into service contracts or letters of appointments (as the case may be) with the Company upon the approval of their re-elections or appointments at the General Meeting and their appointments become effective.

In the event that the appointments of the proposed Directors are approved at the General Meeting, such appointment will not take effect until (i) the earliest date as permitted under the Code on Takeovers and Mergers in Hong Kong (the “**Takeovers Code**”), or (ii) such other date as agreed upon by Falcon Holding LP as the offeror and the Company in compliance with the Takeovers Code, whichever is later.

Save as disclosed herein, as at the date of this announcement, none of the proposed Directors has any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”). Save as disclosed above, each of the proposed Directors (1) has not held any directorships in any public listed companies in the past three years, and does not have any other major appointment and professional qualifications; (2) does not have any positions with the Company; and (3) is not connected with any Directors, Supervisors, senior management or controlling shareholders of the Company. Save as disclosed above, there are no other matters concerning the proposed re-election or appointment of the above candidates as the Directors of the fifth session of the Board of Directors that need to be brought to the attention of the Shareholders and the Stock Exchange and there are no other matters which shall be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Each of Ms. Wang Anyi, Ms. Zhao Yinglin and Mr. Chung Wai Man has provided written confirmation of their independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules and confirmed that each of them remains independent as at the date of this announcement.

Proposal on Remuneration Package for Directors of the Fifth Session of the Board of Directors

Independent non-executive Directors will receive remuneration from the Company. The Company will pay HKD300,000 per annum to each independent non-executive Director.

The executive Directors with other employment positions at the Company, namely Mr. Xiao Dongsheng and Mr. Shi Lei, based on their positions and in accordance with the Company's remuneration policy, receive remuneration from the Company.

The non-executive Directors will not receive any remuneration from the Company.

PROPOSED ELECTION OF SUPERVISORS OF THE FIFTH SESSION OF THE BOARD OF SUPERVISORS

Election of New Supervisors

The Board of Supervisors has resolved to propose the following candidates as Supervisors for election at the General Meeting:

Shareholders Representative Supervisors

Ms. Gao Jin (高瑾女士)

Ms. Gao Jin, aged 40, has over 10 years of experience in professional accounting and tax advisory services. Ms. Gao joined PAG Asia Capital in April 2019 and her current position is vice president. From August 2005 to October 2014, she served as a manager at KPMG Advisory (China) Ltd.. From November 2014 to June 2015, she worked as a senior manager at WTS Consulting (Shanghai) Ltd. (偉拓商務諮詢(上海)有限公司). From July 2015 to February 2019, she served as a director at Sinopharm Capital Management Co., Ltd. (國藥資本管理有限公司) (currently known as Sinopharm Capital Management Limited Company (上海健壹私募基金管理有限公司)). Since June 2020, she has been a supervisor at Shenzhen Xin Jiao Cultural Information Consulting Co., Ltd. (深圳鑫教文化信息諮詢有限公司). Since June 2021, she has been a director at Mingya Insurance Brokers Co., Ltd. (明亞保險經紀股份有限公司). Since April 2022, she has been a manager at Chengdu Xuyu Education Consulting Co., Ltd. (成都煦予教育諮詢有限公司) and Chengdu Fanshun Education Consulting Co., Ltd. (成都梵順教育諮詢有限公司). Ms. Gao obtained a bachelor's degree in accounting from Fudan University in the PRC in July 2005. Ms. Gao has been a certified public accountant in the PRC since December 2006 and a certified tax advisor in the PRC since August 2009.

Mr. Zhu Kaijie (朱愷傑先生)

Mr. Zhu Kaijie, aged 27. Mr. Zhu has over five years of experience in finance and investment banking. Mr. Zhu joined PAG Asia Capital in February 2021 and his current position is senior associate of private equity strategy. From July 2017 to August 2019, he worked at Morgan Stanley Asia Limited with his last position as an associate of the investment banking division. From September 2019 to January 2021, he worked as an analyst at DCP Capital. Mr. Zhu obtained a bachelor's degree in arts with a double major in economics and mathematics-statistics from Columbia University in the City of New York in the United States in May 2017 with magna cum laude honour.

The Supervisors of the fifth session of the Board of Supervisors shall have a term of three years upon their appointments become effective until the expiration of the term of the fifth session of the Board of Supervisors. The above candidates for appointment as Supervisors will enter into service contracts with the Company upon the approval of their appointments at the General Meeting and their appointments become effective.

Save as disclosed herein, as at the date of this announcement, none of the proposed Supervisors has any interest in the shares of the Company within the meaning of Part XV of the SFO. Save as disclosed above, each of the proposed Supervisors (1) has not held any directorships in any public listed companies in the past three years, and does not have any other major appointment and professional qualifications; (2) does not have any positions with the Company; and (3) is not connected with any Directors, Supervisors, senior management or controlling shareholders of the Company. Save as disclosed above, there are no other matters concerning the proposed appointment of the above candidates as the Supervisors of the fifth session of the Board of Supervisors that need to be brought to the attention of the Shareholders and the Stock Exchange and there are no other matters which shall be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

The candidate for employees representative Supervisor will be elected at the employees representatives' meeting to be held on 18 January 2023.

Proposal on Remuneration Package for Supervisors of the Fifth Session of the Board of Supervisors

The employees representative Supervisor with other employment positions at the Company, based on his/her position and in accordance with the Company's remuneration policy, receive remuneration from the Company. The shareholders representative Supervisors will not receive any remuneration from the Company.

GENERAL

A circular containing, among other things, further details of the proposed election of the above candidates as the executive Directors, non-executive Directors, independent non-executive Directors and Supervisors of the Company for the fifth session of the Board of Directors and the Board of Supervisors will be despatched to the Shareholders in due course.

By order of the Board of Directors

Shandong Fengxiang Co., Ltd.

Shi Lei

Executive Director and company secretary

Shandong, the PRC, 30 December 2022

As at the date of this announcement, the Board of Directors comprises Mr. Liu Zhiguang, Mr. Xiao Dongsheng, Ms. Zhou Jinying and Mr. Shi Lei as executive Directors, Mr. Liu Xuejing and Mr. Zhang Chuanli as non-executive Directors, and Mr. Guo Tianyong, Ms. Zhao Yinglin and Mr. Chung Wai Man as independent non-executive Directors.