
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Shandong Fengxiang Co., Ltd., you should at once hand this circular and the enclosed proxy form to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**PROFIT DISTRIBUTION PLAN FOR THE YEAR 2021;
PROPOSED RE-APPOINTMENT OF DOMESTIC AND OVERSEAS AUDITORS;
PROPOSED APPOINTMENT OF EXECUTIVE DIRECTORS;
GENERAL MANDATE TO ISSUE SHARES;
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM of Shandong Fengxiang Co., Ltd. to be held at 3rd Floor, GMK Building, Xiangguang ECO-Industrial Park, Yanggu County, Liaocheng City, Shandong Province, the PRC on Tuesday, 31 May 2022 at 9:00 a.m. is set out on pages 11 to 15 of this circular. A proxy form for use is enclosed herewith and also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.fengxiang.com>).

Whether or not you intend to attend the AGM, please complete and sign the enclosed proxy form in accordance with the instructions printed thereon and return it to the Company's registered office at Liumiao Village, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC (for holders of Domestic Shares) or to the Company's H Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the AGM (i.e. not later than 9:00 a.m. on Monday, 30 May 2022) or the adjourned meeting (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM should you so wish.

29 April 2022

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“2021 Annual Report”	the annual report of the Company for the year ended 31 December 2021, published on the websites of the Company and the Stock Exchange on 28 April 2022
“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at 3rd Floor, GMK Building, Xiangguang ECO-Industrial Park, Yanggu County, Liaocheng City, Shandong Province, the PRC at 9:00 a.m. on Tuesday, 31 May 2022, or any adjournment thereof and notice of which is set out on pages 11 to 15 of this circular
“Articles of Association”	the articles of association of the Company (as amended, modified or otherwise supplemented from time to time)
“BDO China”	BDO China SHU LUN PAN Certified Public Accountants LLP, a certified public accountant firm approved by the Ministry of Finance of the PRC and the China Securities Regulatory Commission and is qualified to adopt the China Standards on Auditing in providing auditing services to the issuers incorporated in China and listed in Hong Kong
“Board of Directors”	the board of Directors
“Board of Supervisors”	the board of Supervisors
“Company”	Shandong Fengxiang Co., Ltd. (山東鳳祥股份有限公司), a joint stock company established in the PRC with limited liability on 17 December 2010, whose H Shares are listed on the Main Board of the Stock Exchange (stock code: 9977)
“Director(s)”	director(s) of the Company
“Domestic Share(s)”	ordinary share in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in RMB by PRC nationals and/or PRC-incorporated entities

DEFINITIONS

“General Mandate”	the general and unconditional mandate proposed to be granted to the Board of Directors at the AGM to issue, allot and/or deal with each of Domestic Shares and H Shares during the period as set out in Special Resolution numbered 8 up to but not exceeding 20% of each of the Domestic Shares and H Shares, respectively in issue as at the date of passing of Special Resolution numbered 8
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“H Share Registrar”	Computershare Hong Kong Investor Services Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$” or “Hong Kong dollars”	the lawful currency of Hong Kong
“Latest Practicable Date”	21 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC” or “China”	the People’s Republic of China but excluding, for the purposes of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	the lawful currency of the PRC
“Share(s)”	Domestic Share(s) and/or H Share(s)
“Shareholder(s)”	the registered holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	supervisor(s) of the Company
“%”	per cent

LETTER FROM THE BOARD OF DIRECTORS



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)

Executive Directors:

Mr. Liu Zhiguang (*Chairman*)

Mr. Xiao Dongsheng (*General Manager*)

Non-executive Directors:

Mr. Liu Xuejing

Mr. Zhang Chuanli

Independent Non-executive Directors:

Mr. Guo Tianyong

Ms. Zhao Yinglin

Mr. Chung Wai Man

Headquarters in the PRC and

Registered Office:

Liumiao Village

Anle Town

Yanggu County

Liaocheng City

Shandong Province

PRC

Principal Place of Business

in Hong Kong:

14th Floor, Golden Centre

188 Des Voeux Road Central

Hong Kong

29 April 2022

To the Shareholders

Dear Sir or Madam,

**PROFIT DISTRIBUTION PLAN FOR THE YEAR 2021;
PROPOSED RE-APPOINTMENT OF DOMESTIC AND OVERSEAS AUDITORS;
PROPOSED APPOINTMENT OF EXECUTIVE DIRECTORS;
GENERAL MANDATE TO ISSUE SHARES;
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the notice of the AGM and the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM.

LETTER FROM THE BOARD OF DIRECTORS

The ordinary resolutions for approving (a) the report of the Board of Directors for 2021; (b) the report of the Board of Supervisors for 2021; (c) the audited consolidated financial statements of the Group and the independent auditor's report for the year ended 31 December 2021; (d) the profit distribution plan for the year 2021; (e) the re-appointment of domestic and overseas auditors; and (f) the appointment of executive Directors will be proposed at the AGM, and the special resolution for approving the grant of General Mandate to the Board of Directors to issue Shares will be proposed at the AGM.

REPORT OF THE BOARD OF DIRECTORS FOR 2021

The full text of the report of the Board of Directors for the year ended 31 December 2021 is set out in the 2021 Annual Report.

REPORT OF THE BOARD OF SUPERVISORS FOR 2021

The full text of the report of the Board of Supervisors for the year ended 31 December 2021 is set out in the 2021 Annual Report.

FINAL FINANCIAL ACCOUNTS FOR 2021

The full text of the audited consolidated financial statements of the Group and the independent auditor's report for the year ended 31 December 2021 are set out in the 2021 Annual Report.

PROFIT DISTRIBUTION PLAN FOR THE YEAR 2021

Pursuant to the Articles of Association, an ordinary resolution will be proposed at the AGM to approve the profit distribution plan of the Company. In order to cope with the business expansion, the Company needs to implement measures to reserve more funds for supporting the daily operation, to achieve a sustainable, stable and healthy development of the Company, and better preserve the long-term interest of all Shareholders, the Company proposes not to declare final dividend for the year 2021.

PROPOSED RE-APPOINTMENT OF DOMESTIC AND OVERSEAS AUDITORS AND AUTHORISE THE BOARD OF DIRECTORS TO FIX ITS REMUNERATION

An ordinary resolution will be proposed at the AGM to consider and approve the re-appointment of BDO China as the overseas auditor of the Company and as the domestic auditor of the Company for the audit of annual financial statements for the year ending 31 December 2022, and to authorise the Board of Directors to fix its remuneration for the year ending 31 December 2022.

LETTER FROM THE BOARD OF DIRECTORS

PROPOSED APPOINTMENT OF EXECUTIVE DIRECTORS

Reference is made to the announcement of the Company dated 30 March 2022 in relation to the proposed appointment of executive Directors. The Board of Directors has resolved to appoint Ms. Zhou Jinying and Mr. Shi Lei as executive Directors for a term of not more than three years commencing from the date of approval at the AGM until the expiration of the term of the fourth session of the Board of Directors. Biographical details of Ms. Zhou Jinying and Mr. Shi Lei are set out in the Appendix to this circular.

The ordinary resolutions in respect of the appointment of Ms. Zhou Jinying and Mr. Shi Lei as executive Directors for the fourth session of the Board of Directors will be proposed at the AGM for consideration and approval by the Shareholders according to the Articles of Association. In the event that such appointment is approved at the AGM, the Company will enter into service agreements with them. Ms. Zhou Jinying and Mr. Shi Lei will not receive any director's fee during their tenure as executive Directors.

GENERAL MANDATE TO ISSUE SHARES

In order to meet the Group's long-term business development needs, the Company proposes a special resolution to consider and approve the grant of the General Mandate at the AGM.

Pursuant to the General Mandate, a general and unconditional mandates is to be granted to the Board of Directors exercise the power of the Company to separately or concurrently to issue, allot and/or deal with additional Domestic Shares and/or H Shares, and to make or grant offers, agreements or options which would or might require to issue, allot and/or deal with not exceeding 20% of each of the Domestic Shares and H Shares in issue of the Company, as at the date of passing the relevant resolution at the AGM.

Any exercise of the power by the Board of Directors under the General Mandate shall comply with the relevant requirements under the Listing Rules, the Articles of Association, and the applicable laws and regulations of the PRC, as amended from time to time, and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained.

The General Mandate shall be valid from the date of passing of this resolution until the earliest of: (a) the conclusion of the next annual general meeting of the Company following the passing of this resolution; (b) the expiration of the 12-month period following the passing of this resolution; or (c) the date on which the authority granted to the Board of Directors set out in this resolution is revoked or varied by a special resolution of the Shareholders in a general meeting.

LETTER FROM THE BOARD OF DIRECTORS

As at the Latest Practicable Date, there were in issue in aggregate of 1,045,000,000 Domestic Shares and 355,000,000 H Shares. Subject to the passing of the special resolution on the General Mandate to issue Shares and in accordance with terms therein, the Company would be allowed under the General Mandate to issue additional Shares up to a maximum of 209,000,000 Domestic Shares and 71,000,000 H Shares, respectively, on the basis that no further Domestic Shares and/or H Shares will be issued or repurchased prior to the AGM.

AGM AND PROXY ARRANGEMENT

The notice convening the AGM is set out on pages 11 to 15 of this circular.

A proxy form for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon to the Company's H Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) or the Company's registered office at Liumiao Village, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC (for holders of Domestic Shares) as soon as possible and in any event not less than 24 hours before the time appointed for holding the AGM (i.e. not later than 9:00 a.m. on Monday, 30 May 2022) or the adjourned meeting (as the case may be). Completion and delivery of the proxy form will not preclude you from attending and voting at the AGM or any adjournment thereof should you so wish.

For the purpose of determining the eligibility of Shareholders to attend and vote at the AGM, the registers of members of the Company will be closed from Thursday, 26 May 2022 to Tuesday, 31 May 2022 (both days inclusive), during which period no transfer of Shares will be registered. All transfer documents together with the relevant share certificates must be lodged for registration with the Company's H Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) or the Company's registered office at Liumiao Village, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC (for holders of Domestic Shares) not later than 4:30 p.m. on Wednesday, 25 May 2022. The Shareholders whose names appear on the registers of members of the Company on Tuesday, 31 May 2022 will be entitled to attend and vote at the AGM.

LETTER FROM THE BOARD OF DIRECTORS

VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the chairman of the AGM will exercise his power under the Articles of Association to demand a poll in relation to all the proposed resolutions at the AGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Board of Directors believes that the proposals mentioned above are in the interests of the Company and its Shareholders as a whole. Accordingly, the Board of Directors recommends that all Shareholders vote in favour of the relevant resolutions to be proposed at the AGM as set out in the notice of AGM.

Yours faithfully

By order of the Board of Directors

Shandong Fengxiang Co., Ltd.

Liu Zhiguang

Chairman

Biographical details of the candidates proposed for appointment as executive Directors are set out as follows:

Ms. Zhou Jinying (周勁鷹), aged 49, served as a vice general manager of the Company and the person-in-charge of the business of iShape (優形), and is also the general manager of marketing centre.

Ms. Zhou has over 24 years of experience in marketing and media industry. Ms. Zhou joined the Group in February 2018, and has been a vice general manager of the Company since February 2018.

Prior to joining the Group, Ms. Zhou served as a reporter of the China Central Television (中國中央電視台) from April 1998 to June 2005. Ms. Zhou also worked as a director and general manager of the public affairs department, a senior general manager of business planning department of Inner Mongolia Yili Industrial Group Co., Ltd. (內蒙古伊利實業集團股份有限公司), a company whose shares are listed on the Shanghai Stock Exchange (stock code: 600887), from July 2005 to March 2016. Ms. Zhou served as a general manager and a chief brand officer at the brand management centre of GMK Holdings Group Co., Ltd. from September 2016 to April 2018. Ms. Zhou was a vice general manager and chief brand officer of GMK Holdings Group Co., Ltd. from April 2018 to January 2019.

Ms. Zhou obtained a bachelor's degree in cultural business management from Beijing Film Academy (北京電影學院) in the PRC in June 1998.

As at the Latest Practicable Date, Ms. Zhou was interested in 2,605,000 H Shares pursuant to the grants under the share award schemes adopted by the Company on 4 June 2020 and 10 December 2021, respectively.

Mr. Shi Lei (石磊), aged 36, served as the chief financial officer, the vice general manager of the Company, the secretary to the Board of Directors and a joint company secretary of the Company. He is primarily responsible for the financial aspects of the Group.

Mr. Shi has over 12 years of experience in finance, accounting and management, and joined the Group in June 2013. Mr. Shi was a vice general manager of financial budget and analysis department of the Company from June 2013 to November 2013. Mr. Shi served as a financial manager of the Company from November 2013 to December 2015. Mr. Shi then served as an assistant director of financial centre of the Company from December 2015 to February 2018. Mr. Shi was a supervisor of Xingwen Tianyang Jishi Food Development Co., Ltd. from May 2016 to June 2021 and has been a supervisor of Yucheng Fengming Food Co., Ltd. since August 2017.

Prior to joining the Group, Mr. Shi worked for the finance department of the Qingdao Zhengda Co., Ltd. (青島正大有限公司) from January 2008 to June 2010, and 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, and also completed his education specialising in Chinese manager project from Peking University (北京大學) in the PRC in April 2017. Mr. Shi obtained a qualification certificate for accountant issued by Qingdao Southern District Finance Bureau (青島市南區財政局) in July 2008, and completed a chief financial officer programme of the China Europe International Business School (中歐國際工商學院) in China in November 2018.

As at the Latest Practicable Date, Mr. Shi was interested in 586,000 H Shares pursuant to the grants under the share award schemes adopted by the Company on 4 June 2020 and 10 December 2021, respectively.

Save as disclosed above, each of Ms. Zhou Jinying and Mr. Shi Lei has confirmed that, (i) she/he neither held any directorship in any listed company other than the Company nor held any positions in the group members of the Company in the past three years; (ii) she/he has no relationship with any other Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) she/he has no 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); and (iv) there is no other information relating to his/her appointment that needs to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange.

NOTICE OF THE ANNUAL GENERAL MEETING



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)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “AGM”) of Shandong Fengxiang Co., Ltd. (the “Company”) will be held at 3rd Floor, GMK Building, Xiangguang ECO-Industrial Park, Yanggu County, Liaocheng City, Shandong Province, the PRC on Tuesday, 31 May 2022 at 9:00 a.m. for the purposes of considering and, if thought fit, with or without amendments, the following resolutions. Unless the context otherwise requires, capitalised terms used herein shall have the same meanings as those defined in the circular of the Company dated 29 April 2022 (the “Circular”):

ORDINARY RESOLUTIONS

1. To consider and approve the report of the Board of Directors for the year ended 31 December 2021;
2. To consider and approve the report of the Board of Supervisors for the year ended 31 December 2021;
3. To consider and approve the audited consolidated financial statements of the Group and independent auditor’s report for the year ended 31 December 2021;
4. To consider and approve the profit distribution plan for the year 2021;
5. To re-appoint BDO China SHU LUN PAN Certified Public Accountants LLP as the domestic and overseas auditors of the Company, and to authorise the Board of Directors to fix its remuneration;
6. To consider and approve the appointment of Ms. Zhou Jinying as an executive director of the Company; and

NOTICE OF THE ANNUAL GENERAL MEETING

7. To consider and approve the appointment of Mr. Shi Lei as an executive director of the Company.

SPECIAL RESOLUTION

8. To consider and approve the grant of a general mandate to the Board of Directors to issue shares of the Company:

“THAT:

- (a) the Board of Directors be and is hereby granted a general and unconditional mandate to separately and concurrently, issue, allot and/or deal with the additional Domestic Shares and/or H Shares, and to make or grant offers, agreements and options which would or might require to issue, allot and/or deal with Domestic Shares and/or H Shares, subject to the following terms:
- (i) such mandate shall not extend beyond the Relevant Period save that the Board of Directors may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;
 - (ii) as at the date of the resolution to be made herein, the aggregate number of Domestic Shares and H Shares to be issued, allotted and/or dealt with or agreed conditionally or unconditionally to be issued, allotted and/or dealt with (whether pursuant to an option or otherwise) by the Board of Directors, shall not exceed 20% of each of the Domestic Shares and H Shares in issue, respectively, as at the date of passing this resolution; and
 - (iii) the Board of Directors will only exercise its power under such mandate in accordance with the relevant requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the articles of association of the Company, and the applicable laws and regulations of the PRC, as amended from time to time, and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained.
- (b) for the purpose of this resolution:

“Domestic Share(s)” means ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi;

NOTICE OF THE ANNUAL GENERAL MEETING

“**H Share(s)**” means overseas listed foreign shares in the share capital of the Company with a nominal value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars and listed on The Stock Exchange of Hong Kong Limited;

“**Relevant Period**” means the period from the passing of this resolution until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution;
 - (ii) the expiration of the 12-month period following the passing of this resolution; and
 - (iii) the date on which the authority granted to the Board of Directors set out in this resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting.
- (c) contingent upon the Directors resolving to issue and allot the Domestic Shares and H Shares pursuant to subparagraph (a) of this resolution, the Board of Directors be and is hereby authorised to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the issue of such new Domestic Shares and/or H Shares including but not limited to determining the time and place of issue, making all necessary applications to the relevant authorities and entering into an underwriting agreement (or any other agreement), to determine the use of proceeds and to make all necessary filings and registrations with the relevant PRC, Hong Kong and/or other authorities, and to amend the articles of association of the Company as it thinks fit so as to reflect the increase in the registered capital and the new share capital structure of the Company after the issue and allotment of the Domestic Shares and H Shares pursuant to subparagraph (a) of this resolution and to take any necessary actions and to go through any necessary procedures (including but not limited to obtaining approvals from relevant regulatory authorities and completing registration processes with relevant industrial and commercial administration) to give effect to the issue of shares.”

By order of the Board of Directors
Shandong Fengxiang Co., Ltd.
Liu Zhiguang
Chairman

Shandong, the PRC, 29 April 2022

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

1. The holders of H Shares and Domestic Shares whose names appear on the registers of the members of the Company on Tuesday, 31 May 2022 are entitled to attend and vote at the AGM. For the purpose of determining the Shareholders' eligibility to attend and vote at the AGM, the registers of members of the Company will be closed from Thursday, 26 May 2022 to Tuesday, 31 May 2022, (both days inclusive), during which no transfer of Shares can be registered. All transfer documents together with the relevant share certificates must be lodged for registration with the Company's H Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) or the Company's registered office at Liumiao Village, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC (for holders of Domestic Shares) not later than 4:30 p.m. on Wednesday, 25 May 2022.
2. Any shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote at the meeting on his/her behalf. A proxy needs not be a shareholder of the Company.
3. A proxy shall be appointed by an instrument in writing (including the proxy form). Such instrument shall be signed by the appointor or his/her attorney duly authorised in writing. If the appointor is a legal person, then the instrument shall be signed under a legal person's seal or signed by its director or an attorney duly authorised in writing. In order to be valid, the instrument appointing the proxy shall be deposited at the Company's H Share Registrar in Hong Kong (for holders of H Shares) or at the address of the Company's registered office in the PRC (for holders of Domestic Shares) not less than 24 hours before the time appointed for holding the AGM (i.e. not later than 9:00 a.m. on Monday, 30 May 2022) or any adjourned meeting (as the case may be). If the instrument appointing the proxy is signed by a person authorised by the appointor, the power of attorney or other document of authority under which the instrument is signed shall be notarised. The notarised power of attorney or other document of authority shall be deposited together and at the same time with the instrument appointing the proxy at the Company's H share registrar in Hong Kong or the address of the Company's registered office in the PRC (as may be applicable).

Completion and return of the proxy form will not preclude shareholders of the Company from attending and voting in person at the AGM or any of its adjourned meetings should they so wish.

4. Shareholders or their proxies are required to produce their identification documents when attending the AGM.
5. Miscellaneous
 - i. It is expected that the AGM will last for half a day. All attending shareholders shall arrange for their transportation and accommodation and shall bear all their own expenses in connection with their attendance.
 - ii. Details on the abovementioned resolutions to be considered and approved at the AGM are set out in the circular of the Company in respect of the AGM dated 29 April 2022.
 - iii. The address of Computershare Hong Kong Investor Services Limited is:

17M Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong
Tel: (852) 2862 8555
Fax: (852) 2865 0990

NOTICE OF THE ANNUAL GENERAL MEETING

- iv. The address of the headquarters in the PRC and registered office of the Company is:

Liumiao Village
Anle Town
Yanggu County
Liaocheng City
Shandong Province
PRC
Tel: (86) 635 713 8018
Fax: (86) 635 713 6002 166

6. References to dates and times in this notice are to Hong Kong dates and times.

As at the date of this notice, the Board of Directors comprises Mr. Liu Zhiguang and Mr. Xiao Dongsheng 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.