

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

**RESTORATION OF PUBLIC FLOAT AND
RESUMPTION OF TRADING**

References are made to the announcements of the Company dated 1 February 2023, 18 April 2023, 26 April 2023, 5 May 2023, 1 August 2023, 27 August 2023, 11 September 2023, 20 September 2023, 6 October 2023, 9 October 2023, 1 November 2023, 7 February 2024, 30 April 2024 and 24 July 2024 (the “**Grant of Award Announcement**”) (collectively, the “**Announcements**”) in relation to, among other things, (i) the close of the Offers and the insufficient public float of the Company; (ii) the suspension of trading in the H Shares with effect from 9:00 a.m. on 2 February 2023; (iii) the waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules for the period from 1 February 2023 to 31 August 2023, and such extension to 30 April 2024 for the Company to restore its minimum public float; (iv) the resumption guidance from the Stock Exchange received by the Company on 25 April 2023 (the “**Resumption Guidance**”); (v) the quarterly updates on resumption progress; (vi) the Subscription; (vii) the Disposal; (viii) the Further Disposal and (ix) the grant of awards under the 2023 SAS. Unless otherwise defined herein or where the context otherwise requires, capitalised terms shall have the same meanings as those set out in the Announcements.

BACKGROUND TO SUSPENSION OF TRADING

On 1 February 2023, the Company and the Offeror published an announcement in relation to, among other things, the public float falling below 25% following the close of the Offers and the minimum public float requirement as set out in Rule 8.08(1)(a) of the Listing Rules is not satisfied.

The Company applied for, and the Stock Exchange granted, a waiver from strict compliance with the requirements under Rule 8.08(1)(a) of the Listing Rules for a period from 1 February 2023 to 31 August 2023, 1 September 2023 to 31 December 2023, 1 January 2024 to 30 April 2024, and 1 May 2024 to 31 July 2024, respectively.

In order to satisfy the Resumption Guidance, the Company has been taking appropriate steps to restore its public float as required under Rule 8.08(1)(a) of the Listing Rules and resume the trading in H Shares as soon as practicable.

RESTORATION OF PUBLIC FLOAT

The Company completed subscriptions of a total 182,618,000 H Shares with two subscribers on 11 September 2023, representing approximately 11.53% of the issued share capital of the Company as at the date of this announcement.

The Offeror further completed sales of a total 80,520,000 H Shares with two purchasers on 15 September 2023 and 3 October 2023, representing approximately 5.09% of the issued share capital of the Company as at the date of this announcement.

On 24 July 2024, the 2021 Awards granted to certain Non-connected Grantees were cancelled and substituted by new grant of 2023 Awards to such Non-connected Grantees, which were satisfied partly by issuance of 730,000 new H Shares within the Scheme Mandate Limit, representing approximately 0.05% of the total issued Shares as enlarged by the allotment and issue of new Shares, and partly by existing H Shares in issue under the 2023 SAS. The Trustee holds such H Shares on behalf of the 2023 Employee Participants, hence satisfy the requirement under Rule 8.24 of the Listing Rules and be counted towards the public float of the Company.

Upon completion of the above steps, the Company's public float restored to over 25%. The Company has fulfilled the Resumption Guidance.

The following is a summary of the shareholding structure of the Company immediately before the completion of the issue of new H Shares and as at the date of this announcement:

	Immediately before the completion of the issue of new H Shares		As at the date of this announcement	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Domestic Shares				
— Falcon	992,854,500	62.74	992,854,500	62.71
— Other holders of Domestic Shares	<u>52,145,500</u>	<u>3.29</u>	<u>52,145,500</u>	<u>3.29</u>
Total Domestic Shares	<u>1,045,000,000</u>	<u>66.03</u>	<u>1,045,000,000</u>	<u>66.00</u>
H Shares				
<i>Non-public Shareholders</i>				
— Falcon	137,265,505	8.67	137,265,505	8.67
— Other core connected persons	<u>5,242,100</u>	<u>0.33</u>	<u>5,242,100</u>	<u>0.33</u>
Sub-total	<u>142,507,605</u>	<u>9.00</u>	<u>142,507,605</u>	<u>9.00</u>
<i>Public Shareholders</i>				
— Shenzhen Capital Value Partners GBA Fund	33,042,000	2.09	33,042,000	2.09
— JinYi Capital	47,478,000	3.00	47,478,000	3.00
— Subscriber A	156,679,000	9.90	156,679,000	9.90
— Subscriber B	25,939,000	1.64	25,939,000	1.64
— Trustee of 2023 SAS (Note 1)	10,587,968	0.67	11,317,968	0.71
— Other holders of H Shares	<u>121,384,427</u>	<u>7.67</u>	<u>121,384,427</u>	<u>7.67</u>
Sub-total	<u>395,110,395</u>	<u>24.97</u>	<u>395,840,395</u>	<u>25.00</u>
Total H Shares	<u>537,618,000</u>	<u>33.97</u>	<u>538,348,000</u>	<u>34.00</u>
Total issued Shares (Note 2)	<u>1,582,618,000</u>	<u>100.00</u>	<u>1,583,348,000</u>	<u>100.00</u>

Notes:

- (1) The eligible participants of the 2023 SAS exclude any Director, supervisor, chief executive, substantial shareholder of the Company, or any of their respective associates or any other person that may otherwise be regarded as a connected person of the Company. Hence, the Shares held by the Trustee on behalf of the beneficiaries of the 2023 SAS will be counted towards the public float of the Company. As at the date of this announcement, the Trustee of 2023 SAS holds 11,317,968 H Shares, of which 2,955,968 H Shares are held on behalf of the Non-connected Grantees under the 2023 SAS.
- (2) The aggregate percentage may not sum to total due to rounding.

RESUMPTION OF TRADING

At the request of the Company, trading in H Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 February 2023. As the Resumption Guidance has been fulfilled, the Company has made an application to the Stock Exchange for the resumption of trading in H Shares of the Company with effect from 9:00 a.m. on 31 July 2024.

By order of the Board of Directors
Shandong Fengxiang Co., Ltd.
Zhu Lingjie
Chairman

Shandong, the PRC, 30 July 2024

As at the date of this announcement, the Board of Directors comprises Mr. Xiao Dongsheng and Mr. Shi Lei as executive Directors; Mr. Qiu Zhongwei, Mr. Lu Wei, Mr. Zhu Lingjie and Ms. Zhou Ruijia as non-executive Directors; and Ms. Wang Anyi, Ms. Zhao Yinglin and Mr. Chung Wai Man as independent non-executive Directors.