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Shenzhen Pagoda Industrial (Group) Corporation Limited

深圳百果園實業（集團）股份有限公司

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

(Stock Code: 2411)

VOLUNTARY ANNOUNCEMENT SHARE REPURCHASE UNDER THE H SHARE REPURCHASE MANDATE

This announcement is made by Shenzhen Pagoda Industrial (Group) Corporation Limited (the **“Company”**) on a voluntary basis.

References are made to (i) the circular of the Company and the notices of the 2023 second extraordinary general meeting, the 2023 first domestic share class meeting and the 2023 first H share class meeting of the Company (collectively, the **“Shareholders’ Meetings”**) dated December 12, 2023 and (ii) the poll results of the resolutions proposed at the Shareholders’ Meetings held on December 28, 2023. The shareholders of the Company (the **“Shareholders”**) resolved at the Shareholders’ Meetings to grant a general mandate (the **“H Share Repurchase Mandate”**) to the board (the **“Board”**) of directors (the **“Directors”**) of the Company to repurchase H shares of the Company (the **“H Shares”**), by reference to needs and market conditions and approval(s) of the relevant regulatory authorities being obtained in compliance with all applicable laws, rules, administrative regulations and the articles of association of the Company (the **“Articles of Association”**), subject to a restriction that the aggregate number of H Shares repurchased shall not be exceeding 10% of the number of H Shares in issue and listed on The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) as at the date on which the relevant resolution was considered and approved at the Shareholders’ Meetings and within the relevant authorisation period.

The Board hereby announces that it intends to exercise its power under the H Share Repurchase Mandate to repurchase H shares of the Company. Pursuant to the H Share Repurchase Mandate, the Company is allowed to repurchase up to 10% of the aggregate number of H Shares in issue as at the time of the Shareholders’ Meetings, i.e. up to an aggregate of 118,261,660 H Shares.

The Board further resolved on January 11, 2024 that, subject to market conditions, the Company shall, from time to time, repurchase H shares on the open market during the period from the date of this announcement to the conclusion of the first annual general meeting of the Company after the Shareholders’ Meetings or revocation or variation by the Shareholders at any general meeting (the **“H Share Repurchase Plan”**) pursuant to the H Share Repurchase Mandate. The H Share Repurchase Plan is proposed to use up to RMB634.3 million for the repurchase of no more than 118,261,660 H Shares, representing 10% of the total number of H Shares in issue at the time of the Shareholders’ Meetings. The actual purchase price shall not be more than the closing market price of the Company’s H shares on January 8, 2024, i.e. HKD5.96 per H Share. In addition, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Listing Rules”**), the actual repurchase price of each H Share shall be no more than 5% higher than the average closing market price for the H Shares over the five trading days immediately preceding each repurchase. The Company will finance the repurchase of H Shares using its own current available cash.

The Board considers that the H Share Repurchase Plan demonstrates the Company's confidence in the development prospects, long-term growth and market performance of the Company, which would in turn create value to the Shareholders, and therefore, the Board believes that the H Share Repurchase Plan is in the best interest of the Company and its Shareholders as a whole. The Board also believes that the Company's current financial resources would enable it to implement the H Share Repurchase Plan while maintaining a solid financial position.

The implementation of the H Share Repurchase Plan will be subject to compliance with the H Share Repurchase Mandate, the Articles of Association, the Listing Rules, The Codes on Takeovers and Mergers and Share Buy-backs (the "**Takeovers Code**") and other applicable Hong Kong and PRC laws and regulations. Any H Shares repurchased under the H Share Repurchase Plan will be cancelled in due course.

The Directors have no intention to exercise the H Share Repurchase Mandate to the extent that would result in the number of H Shares in the hands of the public falling below the prescribed minimum percentage as required by the Stock Exchange or give rise to an obligation to make a general offer to the Shareholders under Rule 26 of the Takeovers Code.

Shareholders and potential investors of the Company should note that the exercise of the H Share Repurchase Mandate by the Company and the implementation of the H Share Repurchase Plan will be subject to the Company's actual needs and market conditions and will be at the Board's absolute discretion and/or its authorized person(s). There is no assurance of the timing, quantity or price of any H Share repurchase or whether the Company will make any repurchases at all. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the shares of the Company.

By order of the Board
Shenzhen Pagoda Industrial (Group) Corporation Limited
深圳百果園實業(集團)股份有限公司
YU Huiyong
Chairman and Executive Director

Shenzhen, the People's Republic of China
January 11, 2024

As at the date of this announcement, the Board of Directors of the Company comprises Mr. YU Huiyong, Ms. XU Yanlin, Mr. TIAN Xiqiu, Mr. JIAO Yue and Mr. ZHU Qidong as executive Directors, Mr. PAN Pan and Mr. HU Qihao as non-executive Directors, and Dr. JIANG Yanbo, Mr. MA Ruiguang, Dr. WU Zhanchi, Mr. CHEUNG Yee Tak Jonathan and Ms. ZHU Fang as independent non-executive Directors.