

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

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

If you have sold or transferred all your shares in **Dekon Food and Agriculture Group**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.

---



## **DEKON FOOD AND AGRICULTURE GROUP**

### **四川德康農牧食品集團股份有限公司**

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

**(Stock Code: 2419)**

- (1) WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023;**
- (2) WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2023;**
- (3) REPORT FOR FINAL FINANCIAL ACCOUNTS FOR 2023;**
- (4) ANNUAL FINANCIAL BUDGET FOR 2024;**
- (5) 2023 ANNUAL REPORT;**
- (6) REMUNERATION OF DIRECTORS AND SUPERVISORS OF 2024;**
- (7) RE-APPOINTMENT OF AUDITORS;**
- (8) APPLICATION FOR CREDIT LINES  
FOR THE COMPANY AND ITS SUBSIDIARIES;**
- (9) PROVISION OF GUARANTEE IN FAVOUR OF SUBSIDIARIES AND  
GUARANTEES BETWEEN SUBSIDIARIES;**
- (10) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**
- (11) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE SHARES;**
- (12) PROPOSED GRANT OF GENERAL MANDATES TO  
REPURCHASE H SHARES;**
- AND**
- (13) NOTICE OF 2023 ANNUAL GENERAL MEETING**

---

The Company will convene the AGM at Conference Room 10, 11/F, Building 2, Chengdu East Aviation Centre, 32 Lingang Road, Shuangliu District, Chengdu, Sichuan Province, the PRC at 10:00 a.m. on Friday, 10 May 2024. The notice of the AGM is set out on pages 18 to 21 of this circular.

The proxy forms for the AGM of Shareholders is also enclosed. Any Shareholders entitled to attend and vote at the AGM are entitled to appoint one or more proxies to attend and vote on his or her behalf. A proxy need not be a shareholder of the Company. Shareholders who intend to appoint a proxy to attend the AGM shall complete and return the accompanying proxy form in accordance with the instructions printed thereon not less than 24 hours before the scheduled time for the holding of the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM or at any adjournment thereof should you so wish at that time.

19 April 2024

---

## CONTENTS

---

	<i>Pages</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b>	
I. INTRODUCTION .....	4
II. MATTERS TO BE RESOLVED AT THE AGM .....	4
III. THE AGM .....	12
IV. RECOMMENDATIONS .....	12
V. CLOSURE OF REGISTER OF MEMBERS .....	12
VI. VOTING BY POLL .....	12
VII. RESPONSIBILITY STATEMENT .....	13
<b>APPENDIX I — EXPLANATORY STATEMENT</b> .....	14
<b>NOTICE OF THE ANNUAL GENERAL MEETING</b> .....	18

---

## DEFINITIONS

---

*In this circular, unless the context otherwise requires, the following terms shall have the meanings set out below.*

“AGM”	the annual general meeting of the Company to be held at Conference Room 10, 11/F, Building 2, Chengdu East Aviation Centre, 32 Lingang Road, Shuangliu District, Chengdu, Sichuan Province, the PRC at 10:00 a.m. on Friday, 10 May 2024, or any adjournment thereof (as the case may be) and notice of which is set out on pages 18 to 21 of this circular
“Articles of Association”	the articles of association of the Company, as amended, modified or supplemented, from time to time
“Board” or “Board of Directors”	the board of Directors of the Company
“Board of Supervisors”	the board of Supervisors of the Company
“Business Day(s)”	any day on which the Stock Exchange is open for business of dealing in securities
“China” or “the PRC”	the People’s Republic of China, and for the purposes of this circular for geographical reference only, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Company”, “Our Company” or “the Company”	Dekon Food and Agriculture Group (四川德康農牧食品集團股份有限公司), a joint stock company incorporated under the laws of the PRC with limited liability, the H shares of which are listed on the Stock Exchange (stock code: 02419)
“Company Law”	the Company Law of the PRC (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time
“Connected Person(s)”	has the meaning ascribed thereto under the Listing Rules
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share in our capital, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign shares in our ordinary share capital with a nominal value of RMB1.00 each, which are listed on 6 December 2023 and subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange

---

## DEFINITIONS

---

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	15 April 2024, being the latest practicable date for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“SAFE”	State Administration of Foreign Exchange of the PRC and its branches
“Share Repurchase General Mandate”	a general mandate proposed to be granted to the Directors at the AGM to repurchase the H Shares in issue
“Share(s)”	ordinary share(s) in the Share Capital of the Company with a nominal value of RMB1.00 each, comprising H Share(s) and Domestic Share(s)
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisors of the Company
“%”	per cent



## DEKON FOOD AND AGRICULTURE GROUP

### 四川德康農牧食品集團股份有限公司

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

**(Stock Code: 2419)**

*Executive Directors:*

Mr. Wang Dehui (*Chairman*)  
Mr. Wang Degen  
Mr. Yao Hailong  
Mr. Hu Wei  
Mr. Zeng Min

*Head office and principal place of  
business in the PRC:*

Unit 901–909, 9th Floor, Building 2  
Chengdu East Aviation Centre  
32 Lingang Road  
Shuangliu District  
Chengdu, Sichuan Province  
PRC

*Non-executive Director:*

Ms. Liu Shan

*Principal place of business in Hong Kong:*

*Independent Non-executive Directors:*

Mr. Pan Ying  
Mr. Zhu Qing  
Mr. Fung Che Wai, Anthony

5/F, Manulife Place  
348 Kwun Tong Road  
Kowloon  
Hong Kong

19 April 2024

*To the Shareholders*

Dear Sir or Madam,

- (1) WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023;**
- (2) WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2023;**
- (3) REPORT FOR FINAL FINANCIAL ACCOUNTS FOR 2023;**
- (4) ANNUAL FINANCIAL BUDGET FOR 2024;**
- (5) 2023 ANNUAL REPORT;**
- (6) REMUNERATION OF DIRECTORS AND SUPERVISORS OF 2024;**
- (7) RE-APPOINTMENT OF AUDITORS;**
- (8) APPLICATION FOR CREDIT LINES  
FOR THE COMPANY AND ITS SUBSIDIARIES;**
- (9) PROVISION OF GUARANTEE IN FAVOUR OF SUBSIDIARIES AND  
GUARANTEES PROVIDED BETWEEN SUBSIDIARIES;**
- (10) PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION;**
- (11) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE SHARES;**
- (12) PROPOSED GRANT OF GENERAL MANDATES TO  
REPURCHASE H SHARES;**
- AND**
- (13) NOTICE OF 2023 ANNUAL GENERAL MEETING**

---

## LETTER FROM THE BOARD

---

### I. INTRODUCTION

The purpose of this circular is to provide you with information about certain proposals to be considered at the AGM as set out in the notice of the AGM, and provide you with all reasonable necessary information to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the AGM.

At the AGM, the following resolutions will be proposed to consider and approve:

#### **Ordinary Resolutions**

- (1) the work report of the report of the Board of Directors for 2023;
- (2) the work report of the Board of Supervisors for 2023;
- (3) the report for final financial accounts for 2023;
- (4) the annual financial budget of the Group for 2024;
- (5) the 2023 annual report of the Company;
- (6) remuneration of Directors and Supervisors of 2024;
- (7) re-appointment of auditors;
- (8) application for credit lines for the Company and its subsidiaries;
- (9) provision of guarantee in favour of subsidiaries of the Company and guarantees provided between subsidiaries;

#### **Special Resolutions**

- (10) the amendments to the Articles of Association;
- (11) the grant of general mandates to the Board to issue Shares; and
- (12) the grant of general mandates to the Board to repurchase H Shares.

### II. MATTERS TO BE RESOLVED AT THE AGM

#### **(1) Work Report of the Board of Directors for 2023**

An ordinary resolution will be proposed at the AGM to consider and approve the report of the Board of Directors for 2023, the full text of which is set out in the 2023 annual report of the Company.

---

## LETTER FROM THE BOARD

---

### **(2) Work Report of the Board of Supervisors for 2023**

An ordinary resolution will be proposed at the AGM to consider and approve the report of the Board of Supervisors for 2023, the full text of which is set out in the 2023 annual report of the Company.

### **(3) Report for Final Financial Accounts for 2023**

An ordinary resolution will be proposed at the AGM to approve the report for final financial accounts for 2023. During 2023, the revenue in the Company's consolidated financial statements amounted to RMB16,155.4 million, representing an increase of 7.4% as compared with RMB15,037.0 million for 2022; the net loss attributable to shareholders of the parent company was RMB1,775.1 million, representing a decrease of RMB2,768.0 million as compared with a net profit of RMB992.9 million in the previous period; net loss before biological assets fair value adjustments in 2023 amounted to RMB1,278.5 million, representing a decrease of RMB1,883.5 million as compared with a net profit before biological assets fair value adjustments of RMB605.0 million in the previous period; total assets amounted to RMB18,934.2 million, representing a decrease of RMB366.3 million as compared with RMB19,300.5 million in the previous period; the asset-liability ratio at the end of 2023 was 79.6%; cost of sales for 2023 amounted to RMB16,035.7 million representing an increase of 23.7% as compared with RMB12,968.8 million for 2022; selling expenses for 2023 amounted to RMB109.9 million, representing an increase of 36.9% as compared with RMB80.3 million for 2022; administrative expenses for 2023 amounted to RMB1,288.1 million representing an increase of 21.7% as compared with RMB1,058.2 million for 2022; financial costs for 2023 amounted to RMB441.5 million representing an increase of 8.9% as compared with RMB405.3 million in the previous period; in 2023, net decrease in cash and cash equivalents was RMB296.1 million.

### **(4) Annual Financial Budget for 2024**

An ordinary resolution will be proposed at the AGM to consider and approve the annual financial budget of the Group for the year 2024.

Based on the Company's financial results for the year 2023, the Company's target operating revenue for 2024 is approximately RMB20,154 million.

Important note: The budget serves as the Company's internal management and control indicators for its operation plan for 2024, and does not represent its annual profit forecast. Achievement of the indicators is conditional upon corporate operation and management practices, market changes, macroeconomic environment and other internal and external factors, and is subject to uncertainty. Investors are advised to pay attention.

---

## LETTER FROM THE BOARD

---

### **(5) 2023 Annual Report**

An ordinary resolution will be proposed at the AGM to consider and approve the 2023 annual report of the Company.

### **(6) Remuneration of Directors and Supervisors of 2024**

An ordinary resolution will be proposed at the AGM to consider and approve the remuneration of Directors and Supervisors of 2024.

The proposed remuneration for Directors is as follows: executive Directors receive remuneration in accordance with their management positions and duties in the Company without receiving additional remuneration for Directors; non-executive Directors receive no remuneration for Directors; each independent non-executive Director is entitled to an annual allowance of RMB120,000 (after tax).

The proposed remuneration for Supervisors is as follows: Supervisors receive remuneration in accordance with their positions and duties in the Company without receiving additional remuneration for Supervisors.

### **(7) Re-appointment of Auditors**

An ordinary resolution will be proposed at the AGM to consider and approve the re-appointment of KPMG to serve as auditors of the Company for 2024, with the term of office of one year, and to authorise the Board to determine their remunerations.

### **(8) Application for Credit Lines for the Company and its Subsidiaries**

An ordinary resolution will be proposed at the AGM to consider and approve the application for credit lines for the Company and its subsidiaries.

In order to meet the company's operation and development needs, reduce capital occupation and provide capital operating capabilities, the Group intends to apply for consolidated credit lines from banks and other institutions in order to meet the Group's production and operation and business development needs. The consolidated credit lines will not exceed RMB13 billion. The above consolidated credit lines and term are subject to the approval by relevant banks and institutions, and the final amount may not be equal to the actual financing amount of the Company. The specific use of lines will be based on the conditions to satisfy the needs of the Company. The specific financing method, financing term, guarantee method and implementation will be implemented in accordance with the content and manner finally agreed with the relevant banks.

It is hereby proposed that the Chairman or general manager of the Company be authorised by the AGM to have full authority to conduct specific business on behalf of the Company, including but not limited to signing various legal documents such as contracts and agreements relating to the granting of above consolidated credit lines, and the financial department of the Company be authorised to handle procedures in



---

## LETTER FROM THE BOARD

---

relation to the granting of above consolidated credit lines with relevant banks. In particular, resolutions in relation to credit lines and financing shall be signed by the general manager of the Company. The authorisation period started from 1 January 2024 to the date of convening the 2024 annual general meeting of the Company. The consolidated credit lines can be used in a revolving manner during the authorisation period, during which Board meetings or general meetings will not separately held to consider the individual credit and loan business.

### **(9) Provision of Guarantee in favour of Subsidiaries of the Company and Guarantees Provided Between Subsidiaries**

An ordinary resolution will be proposed at the AGM to consider and approve the provisions of guarantee in favour of subsidiaries of the Company and guarantees provided between subsidiaries.

In order to ensure the sustainable and stable development of the Group's production and operation, it is hereby proposed that the amount of guarantee to be provided to the consolidated subsidiaries of the Company and the guarantees provided between controlled subsidiaries shall not exceed RMB9.8 billion, among which RMB6.8 billion is for financial institutions, quasi-financial institutions and partners providing financial assistance and RMB3 billion is for suppliers providing credit periods. Such guarantee lines can be used in a revolving manner. Within the scope of the above total guarantee amount, the guarantee amount between similar guarantee targets can be transferred and utilised. The relevant matters in relation to the guarantees shall be subject to the actual guarantee contract signed. Such guarantee amount is valid from 1 January 2024 to the date of convening the 2024 annual general meeting of the Company. The guarantees mentioned above include security, mortgage, pledge and other methods in the form of bank borrowings, finance leasing and other financing and factoring services. The guaranteed parties are all non-related parties.

The legal representatives of the Company and relevant subsidiaries shall be authorised to sign legal documents in relation to the aforesaid guarantees, and resolutions in relation to guarantee and counter-guarantee of the Company shall be signed by the general manager of the Company. The Board meetings and general meetings will not separately consider such documents.

### **(10) Proposed Amendments to the Articles of Association**

Reference is made to the announcement of the Company dated 8 April 2024 in relation to certain proposed amendments (the "**Proposed Amendments**") to the Articles of Association.

The Board of Directors has considered and approved the resolution on the Proposed Amendments in order to reflect the share capital structure of the Company resulting from the completion of the full circulation of certain Domestic Shares held by certain Shareholders and to incorporate certain housekeeping amendments.

---

**LETTER FROM THE BOARD**

---

The Proposed Amendments are set out below:

Article No.	Contents of the Original Articles	Amended to
<p><b>Article 20</b></p>	<p>Upon the completion of the initial public issuance of H shares, the shareholding structure of the Company shall be 388,875,636 ordinary shares as follows:</p> <p>(1) 322,755,952 domestic unlisted shares;</p> <p>(2) 66,119,684 H shares, including conversion of 39,207,684 H shares.</p> <p>After the issuance of the above H shares, the Company will register the corresponding change in the registered capital with the company registration authority based on the actual amount of the registered capital of the Company as determined by the capital verification report issued by the certified public accountant, and at the same time report to the local commerce department authorized by the State Council and the securities regulatory authority of the State Council for record.</p> <p>The total number of shares of the Company upon completion of the issuance and listing of H shares is 388,875,636 shares, all of which are ordinary shares.</p>	<p><del>Upon the completion of the initial public issuance of H shares, the shareholding structure of the Company shall be 388,875,636 ordinary shares as follows:</del></p> <p><del>(1) 322,755,952 domestic unlisted shares;</del></p> <p><del>(2) 66,119,684 H shares, including conversion of 39,207,684 H shares.</del></p> <p><del>After the issuance of the above H shares, the Company will register the corresponding change in the registered capital with the company registration authority based on the actual amount of the registered capital of the Company as determined by the capital verification report issued by the certified public accountant, and at the same time report to the local commerce department authorized by the State Council and the securities regulatory authority of the State Council for record.</del></p> <p>The total number of shares of the Company upon completion of the issuance and listing of H shares is 388,875,636 shares, all of which are ordinary shares, <b>comprising 260,811,451 domestic unlisted shares and 128,064,185 H shares.</b></p>

---

**LETTER FROM THE BOARD**

---

Article No.	Contents of the Original Articles	Amended to
<b>Article 115</b>	<p>The Board of Directors shall meet regularly, and meetings of the Board of Directors shall be held at least four times a year, which shall be held approximately once each quarter and convened by the chairman of the Board of Directors. The written notice of meeting shall be sent to all directors and supervisors ten days before the date of the meeting.</p> <p>The notice of a meeting shall be deemed to have been issued to a director if he is present at the meeting and does not raise an objection to the non-receipt of such notice prior to or at the time of his arrival at the meeting.</p> <p>Regular or extraordinary board meetings may be held by way of a teleconference or by virtue of other communication devices. In such meetings, so long as the participating directors can hear and communicate with each other, all participating directors are deemed to have participated in the meeting in person.</p>	<p>The Board of Directors shall meet regularly, and meetings of the Board of Directors shall be held at least four times a year, which shall be held approximately once each quarter and convened by the chairman of the Board of Directors. The written notice of meeting shall be sent to all directors and supervisors <del>ten</del> <b>fourteen (14)</b> days before the date of the meeting.</p> <p>The notice of a meeting shall be deemed to have been issued to a director if he is present at the meeting and does not raise an objection to the non-receipt of such notice prior to or at the time of his arrival at the meeting.</p> <p>Regular or extraordinary board meetings may be held by way of a teleconference or by virtue of other communication devices. In such meetings, so long as the participating directors can hear and communicate with each other, all participating directors are deemed to have participated in the meeting in person.</p>

Shareholders should be aware that the Articles of Association are written in Chinese. In the event of discrepancies between the Chinese version and the English translation of the Articles of Association, the Chinese version shall prevail.

The Proposed Amendments shall be subject to the passing of a special resolution by the Shareholders at the AGM.

**(11) Proposed Grant of General Mandates to the Board to Issue Shares**

In order to ensure flexibility and to give discretion to the Board in the event that it becomes desirable to issue any shares, a special resolution will be proposed at the AGM that the Board be granted a general and unconditional mandate to exercise the power of the Company to allot, issue and/or deal with additional Shares of not more than 20% of the total issued Shares of the Company as at the date of the relevant resolution to be proposed and passed at the AGM, as well as to authorise the Board to make corresponding amendments to the Articles of Association so as to reflect the increase in registered capital and changes to the shareholding structure of the Company upon any allotment and issuance of shares under the above general mandate.

---

## LETTER FROM THE BOARD

---

The total number of Shares in issue of the Company as at the Latest Practicable Date was 388,875,636 Shares, being 128,064,185 H Shares and 260,811,451 Domestic Shares, respectively. Assuming that the number of Shares remain unchanged as at the date of passing the special resolution, the Board will be allowed under the general mandate to issue a maximum of 77,775,127 Shares.

The general mandate to issue Shares will expire upon the expiration of 12 months following the passing of the special resolution.

### **(12) Proposed Grant of General Mandates to Repurchase H Shares**

The PRC Company Law (to which the Company is subject) provides that a joint stock limited company incorporated in the PRC may not repurchase its shares except under any of the following circumstances: (a) in order to reduce the registered capital of the company; (b) merger with another company holding shares in the company; (c) the shares are used for employee stock ownership plan or equity incentives; (d) a shareholder requests the company to purchase the shares held by him/her since he/she objects to a resolution of the shareholders' meeting on the combination or division of the company; (e) the shares are used for converting convertible corporate bonds issued by the listed company; or (f) when it is necessary for the listed company to preserve its value and shareholders' rights and interests. The Mandatory Provisions (which the Company has incorporated in its Articles of Association) provides that the Company may, subject to procedures of its articles of association and approval of the relevant competent authorities of the PRC, repurchase its issued shares under the following circumstances: (a) cancellation of shares in order to reduce its capital; (b) merger with another company holding shares in the Company; or (c) other circumstances permitted by the laws and regulations.

The Listing Rules permits shareholders of a PRC joint stock limited company to grant a general mandate to its directors to repurchase H shares of such company that are listed on the Stock Exchange. Such mandate is required to be given by way of a special resolution passed by shareholders at general meeting.

As H Shares are traded on the Stock Exchange in Hong Kong dollars and the price payable by the Company upon any repurchase of H Shares shall, therefore, be paid in Hong Kong dollars, the payment of the repurchase price is subject to the approval of SAFE or entities authorised by it or filing in accordance with the requirements of regulatory authorities. Besides, the Company shall file with the CSRC (if required), seek approval of the Ministry of Commerce of the PRC (if required) and register the changes with company registration authorities after the Company has repurchased its H Shares.

---

## LETTER FROM THE BOARD

---

In accordance with the requirements of Article 178 of the Articles of Association, the Company will have to notify its creditors within 10 days from the date of passing the resolution to reduce registered capital of the Company, and shall publish an announcement in a newspaper within 30 days from the date of such resolution. A creditor shall have the right to demand the Company to repay its debts or provide a corresponding guarantee for such indebtedness within 30 days upon receiving such notice from the Company, or, in the case of a creditor who has not received any notice, within 45 days from the date of the announcement.

In order to provide more flexibility to the Directors to repurchase Shares, a special resolution will be proposed at the AGM to grant to the Board the Share Repurchase General Mandate.

Pursuant to the Share Repurchase General Mandate, the H Shares which may be repurchased shall not exceed 10% of the total number of H Shares in issue as at the date of the passing of the Share Repurchase General Mandate resolution.

The Share Repurchase General Mandate will be conditional upon the special resolution for approving the granting of the Share Repurchase General Mandate being passed at the AGM. The Share Repurchase General Mandate, if approved will lapse at the earliest of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of the Share Repurchase General Mandate resolution at the AGM;
- (ii) the expiration of the 12-month period following the passing of the Share Repurchase General Mandate resolution at the AGM; or
- (iii) the date on which the authority conferred to the Board by the Share Repurchase General Mandate resolution is revoked or varied by a special resolution of Shareholders at a general meeting.

The obtaining of the Share Repurchase General Mandate is in accordance with the Listing Rules, the Articles of Association and the applicable laws, rules and regulations of government and regulatory authorities of the PRC. The Share Repurchase General Mandate resolution is set out as resolution No.12 in the notice of AGM, which is appended to this circular.

An explanatory statement containing information regarding the Share Repurchase General Mandate is set out in Appendix I to this circular.

---

## LETTER FROM THE BOARD

---

### III. THE AGM

The AGM of the Company will be held at 10:00 a.m. on Friday, 10 May 2024 at Conference Room 10, 11/F, Building 2, Chengdu East Aviation Centre, 32 Lingang Road, Shuangliu District, Chengdu, Sichuan Province, the PRC to consider and approve, as appropriate, the resolutions set out in the notice of the AGM. The notice of the AGM is set out on pages 18 to 21 of this circular and published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.dekangroup.com](http://www.dekangroup.com)).

A form of proxy for use at the AGM is enclosed with this circular. If you wish to appoint a proxy to attend and vote for you at the AGM, please complete the form of proxy in accordance with the instructions thereon and return as soon as practicable and in any event not less than 24 hours before the time appointed for the AGM (i.e. not later than 10:00 a.m. on Thursday, 9 May 2024) or any adjournment thereof (as the case may be).

### IV. RECOMMENDATIONS

The Board believes that all the resolutions proposed for consideration and approval as set out in this circular are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders vote in favour of the relevant resolutions set out in the notice of AGM.

### V. CLOSURE OF REGISTER OF MEMBERS

To determine the eligibility of Shareholders to attend and vote at the AGM, the register of members of the Company will be closed on Tuesday, 7 May 2024 to Friday, 10 May 2024 (both days inclusive), during which no transfer of Shares will be effected. In order to be eligible to attend the AGM and to vote thereat as Shareholders, all transfers of H Shares together with the relevant share certificates must be delivered to the Company's H Share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Monday, 6 May 2024.

### VI. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the meeting will therefore demand a poll for every resolution put to vote at the AGM in accordance with the Articles of Association. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Listing Rule 13.39(5).

---

## LETTER FROM THE BOARD

---

### VII. 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.

By order of the Board

**Dekon Food and Agriculture Group**  
**四川德康農牧食品集團股份有限公司**

**Wang Dehui**

*Chairman of the Board and Executive Director*

People's Republic of China, 19 April 2024

*In accordance with the Listing Rules, this appendix serves as the explanatory statement to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the special resolutions to be proposed at the AGM for the granting of the Share Repurchase General Mandate to the Board.*

## **SECURITIES REPURCHASE GENERAL MANDATE**

### **Reasons for Repurchasing Shares**

The Board considered that the repurchase of the Shares would be beneficial to and in the best interests of the Company and its Shareholders as a whole. It can strengthen the investors' confidence in the Company and promote a positive effect on maintaining the Company's reputation in the capital market. Such repurchases will only be made when the Board believes that such repurchases will benefit the Company and its Shareholder as a whole.

### **Registered Capital**

As at the Latest Practicable Date, the registered capital of the Company was RMB388,875,636, comprising 128,064,185 H shares with a nominal value of RMB1.00 each and 260,811,451 Domestic Shares with a nominal value of RMB1.00 each.

### **Exercise of the Share Repurchase General Mandate**

Subject to the passing of the special resolution No. 12 as set out in the notice of AGM, the Board will be granted the Share Repurchase General Mandate until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company following the passing of the Share Repurchase General Mandate resolution at the AGM;
- (ii) the expiration of the 12-month period following the passing of the Share Repurchase General Mandate resolution at the AGM; or
- (iii) the date on which the authority conferred to the Board by the Share Repurchase General Mandate resolution is revoked or varied by a special resolution of Shareholders at a general meeting.

(hereinafter referred to as the "**Relevant Period**").

The exercise of the Share Repurchase General Mandate is subject to relevant approval of and/or filings with the relevant regulatory authorities as required by the laws, rules and regulations of the PRC being obtained and/or carried out.

The exercise in full of the Share Repurchase General Mandate (on the basis of 128,064,185 H Shares in issue as at the Latest Practicable Date and no H Shares will be allotted and issued or repurchased by the Company on or prior to the date of the AGM) would result in a maximum of 12,806,418 H Shares being repurchased by the Company during the Relevant Period, being the maximum of 10% of the total H Shares in issue as at the date of passing the relevant resolutions.



**Funding of Repurchase**

In repurchasing its H Shares, the Company intends to apply funds from the Company's internal resources (which may include surplus funds and retained profits) legally available for such purpose in accordance with the Articles of Association and the applicable laws, rules and regulations of the PRC.

The Company is empowered by its Articles of Association to repurchase its H Shares. Any repurchases by the Company may only be made out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the proceeds of a new issue of shares made for such purpose. Under PRC laws, H Shares so repurchased should be cancelled and the Company's registered capital should be reduced by amount equivalent to the aggregate nominal value of the H Shares so cancelled. The Company may not purchase securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

**IMPACT ON WORKING CAPITAL**

The Directors consider that there would not be a material adverse impact on the working capital or on the gearing position of the Company in the event that the Share Repurchase General Mandate is exercised in full at any time during the proposed repurchase period (as compared with the position disclosed in the latest published audited accounts of the Company for the year ended 31 December 2023). However, the Directors do not propose to exercise the Share Repurchase General Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels of the Company. The number of H Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Board at the relevant time having regarded to the circumstances then prevailing, in the best interests of the Company.

**EXERCISE OF POWER**

The Directors will exercise the powers of the Company to make repurchases under the Share Repurchase General Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws, rules and regulations of the PRC. The Directors confirm that neither this explanatory statement nor the proposed share repurchase has any unusual features.

**H SHARES PRICES**

The highest and lowest prices at which the H Shares have been traded on the Stock Exchange during each of the 12 months preceding the Latest Practicable Date were as follows:

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
2023		
December (from the Listing Date)	55.55	35.00
2024		
January	62.00	46.70
February	54.00	33.85
March	53.50	40.05
April (up to the Latest Practicable Date)	54.60	42.60

**EFFECT OF THE TAKEOVERS CODE**

If as a result of a share repurchase by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of the interest in the voting rights of the Company, could obtain or consolidate control of the Company or further become obligated to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, and to the best knowledge and belief of the Directors based on the register of members kept by the Company under Section 336 of the SFO, 131,067,169 Shares of the Company are directly held by Sichuan Desheng Ronghe Group Co. Ltd. (四川德盛榮和實業集團有限公司) ("**Desheng Ronghe**"), a company 100% held by Mr. Wang Degen (王德根) ("**Mr. Wang**"). Mr. Wang also holds 11,915,198 Shares in the Company. Thus, Mr. Wang is deemed to be interested in 142,982,367 Shares, representing approximately 36.77% of the total issued share capital of the Company as at the Latest Practicable Date. Assuming that there is no issue of Domestic Shares and H Shares between the Latest Practicable Date and the date of a repurchase, to the best knowledge and belief of the Directors, if the Share Repurchase General Mandate was exercised in full, the aggregate percentage shareholding of Mr. Wang in the Company would increase to approximately 38.02% of the then issued share capital of the Company. On this basis, the Directors are of the view that an exercise of the Share Repurchase General Mandate in full will not give rise to an obligation on Mr. Wang to make a mandatory offer under Rule 26 of the Takeovers Code. Accordingly, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of H Shares.

In addition, the Directors will not repurchase Shares on the Stock Exchange if the repurchase would result in a breach of Rule 8.08 of the Listing Rules.

**INTENTIONS TO SELL H SHARES TO THE COMPANY**

None of the Directors nor, to the best of their knowledge, having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) presently intends to sell H Shares to the Company under the Share Repurchase General Mandate in the event that the Share Repurchase General Mandate is approved by the Shareholders and the conditions (if any) to which the Share Repurchase General Mandate are fulfilled.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any H Shares to the Company, or that they have undertaken not to sell any H Shares held by them to the Company in the event that the Share Repurchase General Mandate is approved by its Shareholders and the conditions (if any) to which the Share Repurchase General Mandate are fulfilled.



## DEKON FOOD AND AGRICULTURE GROUP

### 四川德康農牧食品集團股份有限公司

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

**(Stock Code: 2419)**

#### NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of Dekon Food and Agriculture Group (the “Company”) will be held at 10:00 a.m. on Friday, 10 May 2024 at Conference Room 10, 11/F, Building 2, Chengdu East Aviation Centre, 32 Lingang Road, Shuangliu District, Chengdu, Sichuan Province, the PRC for the purposes of considering and, if thought fit, passing the following resolutions. Unless otherwise is indicated, capitalised terms used herein shall have the same meaning as defined in the circular dated 19 April 2024 issued by the Company (the “Circular”).

#### AS ORDINARY RESOLUTIONS

1. To consider and approve the work report of the Board of Directors for the year ended 31 December 2023;
2. To consider and approve the work report of the Board of Supervisors for the year ended 31 December 2023;
3. To consider and approve the report for final financial accounts of the Group for the year 2023;
4. To consider and approve the annual financial budget of the Group for the year 2024;
5. To consider and approve the 2023 annual report of the Company;
6. To consider and approve the remuneration of Directors and Supervisors of 2024;
7. To consider and approve the re-appointment of KPMG as auditors for the year 2024;
8. To consider and approve the Company’s application for credit lines for the Company and its subsidiaries;
9. To consider and approve the provision of guarantee in favour of subsidiaries of the Company and guarantees provided between subsidiaries;

---

## NOTICE OF THE ANNUAL GENERAL MEETING

---

### AS SPECIAL RESOLUTIONS

10. To consider and approve the proposed amendments to the articles of association of the Company as set out in the circular of the Company dated 19 April 2024 (the “Circular”);
11. To grant the Board a general mandate to allot, issue or otherwise deal with new H Shares not exceeding 20% of the total number of Shares in issue as at the date of passing the special resolution as set out in the Circular;
12. To grant the Board a general mandate to repurchase H Shares not exceeding 10% of the total number of H Shares in issue as at the date of passing the special resolution as set out in the Circular, respectively; and

### OTHER BUSINESS

13. To listen to the 2023 work report of independent non-executive Directors of the Company.

Details of the above resolutions are set out in the Circular. Unless otherwise stated, terms used in this notice shall have the same meanings as defined in the Circular.

By order of the Board

**Dekon Food and Agriculture Group**

**四川德康農牧食品集團股份有限公司**

**Wang Dehui**

*Chairman of the Board and Executive Director*

People’s Republic of China, 19 April 2024

*As at the date of this announcement, the executive directors of the Company are Mr. Wang Dehui, Mr. Wang Degen, Mr. Yao Hailong, Mr. Hu Wei and Mr. Zeng Min; the non-executive director of the Company is Ms. Liu Shan; and the independent non-executive directors of the Company are Mr. Pan Ying, Mr. Zhu Qing and Mr. Fung Che Wai, Anthony.*

*Notes:*

1. All resolutions at the meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands pursuant to the Listing Rules. The chairman of the meeting will therefore demand a poll for every resolution put to vote at the AGM in accordance with the Articles of Association. An announcement on the poll vote results will be made by the Company after the AGM in the manner prescribed under Listing Rule 13.39(5). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.

---

## NOTICE OF THE ANNUAL GENERAL MEETING

---

2. For determining the entitlement to attend and vote at the above meeting, the register of members of the Company will be closed from Tuesday, 7 May 2024 to Friday, 10 May 2024, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, holders of the H Shares whose transfers have not been registered shall deposit all transfer documents accompanied by the relevant share certificates at the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Monday, 6 May 2024.
3. A Shareholder entitled to attend and vote at the AGM may appoint one or more proxies to attend and vote on his behalf. A proxy need not be a Shareholder of the Company. Where a Shareholder appoints more than one proxy, his/her proxies can only vote on a poll.
4. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his attorney duly authorised. If the Shareholder is a corporation, that instrument must be either under its common seal or under the hand of its director(s) or duly authorised attorney(s). If that instrument is signed by an attorney of a Shareholder, the power of attorney authorising that attorney to sign or other authorisation document must be notarised.
5. In order to be valid, the form of proxy together with the power of attorney or other authorisation document (if any) must be deposited at the Secretariat of the Board at the Company's principal place of business in the PRC for holders of the Domestic Shares, and at the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited, for holders of the H Shares not less than 24 hours before the time appointed for the AGM (i.e. not later than 10:00 a.m. on Thursday, 9 May 2024) or any adjournment thereof (as the case may be).
6. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or loss of capacity of the appointer, or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no notice in writing of these matters shall have been received by the Company prior to the commencement of the AGM.
7. The address and contact details of the Company's H Share Registrar in Hong Kong, Tricor Investor Services Limited, are as follows:

17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong  
Telephone No.: (+852) 2980 1333  
Facsimile No.: (+852) 2810 8185
8. The address and contact details of the Company's principal place of business in the PRC are as follows:

Unit 901–909, 9th Floor, Building 2  
Chengdu East Aviation Centre  
32 Lingang Road  
Shuangliu District  
Chengdu, Sichuan Province  
PRC  
Telephone No.: (+86) 028 6258 8239  
Facsimile No.: (+86) 028 6258 8308
9. In accordance with the Company's Articles of Association, where two or more persons are registered as the joint holders of any share, only the person whose name appears first in the register of members shall be entitled to receive this notice, to attend and exercise all the voting powers attached to such share at the AGM, and this notice shall be deemed to be given to all joint holders of such share.

---

## NOTICE OF THE ANNUAL GENERAL MEETING

---

10. The AGM is expected to be concluded within half a day. Shareholders (in person or by proxy) attending the AGM are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the AGM shall produce identity documents.
11. References to time and dates in this notice are to Hong Kong time and dates.