
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 **Shenzhen Pagoda Industrial (Group) Corporation Limited**, you should at once hand this circular and the accompanying 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.

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Shenzhen Pagoda Industrial (Group) Corporation Limited **深圳百果园实业(集团)股份有限公司**

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

(Stock code: 2411)

- (1) WORK REPORT OF THE BOARD OF DIRECTORS FOR 2023;**
 - (2) WORK REPORT OF THE BOARD OF SUPERVISORS FOR 2023;**
 - (3) FINAL FINANCIAL ACCOUNTS FOR 2023;**
 - (4) 2023 ANNUAL REPORT;**
 - (5) 2023 PROFIT DISTRIBUTION PLAN;**
 - (6) REMUNERATION OF DIRECTORS FOR 2023;**
 - (7) REMUNERATION OF SUPERVISORS FOR 2023;**
 - (8) 2024 FINANCIAL BUDGETS;**
 - (9) RE-APPOINTMENT OF AUDITORS;**
 - (10) REMUNERATION PLAN FOR MEMBERS OF THE BOARD OF DIRECTORS FOR 2024;**
 - (11) REMUNERATION PLAN FOR MEMBERS OF THE BOARD OF SUPERVISORS FOR 2024;**
 - (12) PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR;**
 - (13) PROPOSED GRANTING OF A GENERAL MANDATE TO THE BOARD TO REPURCHASE H SHARES;**
 - (14) PROPOSED AMENDMENT TO THE ARTICLES OF ASSOCIATION;**
- AND**
- NOTICE OF 2023 ANNUAL GENERAL MEETING**

The AGM will be held at 10:00 a.m. on Thursday, June 6, 2024 at Conference Room, 12th Floor, Tower B, Jiansheng Building, No. 1 Pingji Road, Xialilang Community, Nanwan Street, Longgang District, Shenzhen, Guangdong Province, China. The notice of the AGM is set out on pages AGM-1 to AGM-3 of this circular. A form of proxy for use at the AGM is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.pagoda.com.cn).

Any shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy needs not be a shareholder of the Company. If you intend to appoint a proxy to attend the AGM and attend and vote on your behalf, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, No. 183 Queen's Road East, Wan Chai, Hong Kong (for H Shareholders), or to the Company's office at 12-20, 12th Floor, Tower B, Jiansheng Building, No. 1 Pingji Road, Xialilang Community, Nanwan Street, Longgang District, Shenzhen, Guangdong Province, China (for Unlisted Shareholders) as soon as possible and in any event not later than 24 hours before the time scheduled for the holding of the AGM (i.e. not later than 10:00 a.m. on Wednesday, June 5, 2024) or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

April 29, 2024

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DEFINITIONS

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

“AGM”	the 2023 annual general meeting of the Company to be held at 10:00 a.m. on Thursday, June 6, 2024 at Conference Room, 12th Floor, Tower B, Jiansheng Building, No. 1 Pingji Road, Xialilang Community, Nanwan Street, Longgang District, Shenzhen, Guangdong Province, China
“Annual Report” or “2023 Annual Report”	the annual report of the Company for the year ended December 31, 2023 published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.pagoda.com.cn)
“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
“China” or “PRC”	the People’s Republic of China excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Company”	Shenzhen Pagoda Industrial (Group) Corporation Limited, a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (stock code: 2411)
“Company Law”	the Company Law of the PRC
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries

DEFINITIONS

“H Share(s)”	overseas listed foreign share(s) issued by the Company and listed in Hong Kong, ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each issued in Hong Kong and listed on the Main Board of the Stock Exchange
“H Shareholder(s)”	the holder(s) of H Shares
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	April 24, 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“ordinary resolution(s)”	resolution(s) shall be approved by more than half of the voting rights held by the Shareholders (including their proxies) attending the AGM
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company with a nominal value of RMB1.00 each, including Unlisted Shares and H Shares
“Shareholder(s)”	holder(s) of Shares
“special resolution(s)”	resolution(s) shall be approved by more than two-thirds of the voting rights held by the Shareholders (including their proxies) attending the AGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company

DEFINITIONS

“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs, as amended, supplemented or otherwise modified from time to time
“Unlisted Share(s)”	issued ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each but not listed on any overseas or domestic stock exchange
“Unlisted Shareholder(s)”	holder(s) of Unlisted Shares
“%”	per cent

Certain amounts and percentage figures in this circular have been subject to rounding adjustments. Accordingly, figures shown as currency conversion or percentage equivalents may not be an arithmetic sum of such figures.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. YU Huiyong (*Chairman*)
Ms. XU Yanlin
Mr. TIAN Xiqiu
Mr. JIAO Yue
Mr. ZHU Qidong

Independent non-executive Directors:

Dr. JIANG Yanbo
Mr. MA Ruiguang
Dr. WU Zhanchi
Mr. CHEUNG Yee Tak Jonathan
Ms. ZHU Fang

Registered Office in the PRC:

6A-2, 6/F, Block A
Yantian Modern Industry
Service Center (Phase I)
No. 3018 Shayan Road,
Tianxin Community
Shatoujiao Street, Yantian District
Shenzhen
Guangdong Province
China

***Principal Place of Business
in Hong Kong:***

40th Floor, Dah Sing
Financial Centre
No. 248 Queen's Road East
Wanchai
Hong Kong

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) FINAL FINANCIAL ACCOUNTS FOR 2023;
- (4) 2023 ANNUAL REPORT;
- (5) 2023 PROFIT DISTRIBUTION PLAN;
- (6) REMUNERATION OF DIRECTORS FOR 2023;
- (7) REMUNERATION OF SUPERVISORS FOR 2023;
- (8) 2024 FINANCIAL BUDGETS;
- (9) RE-APPOINTMENT OF AUDITORS;
- (10) REMUNERATION PLAN FOR MEMBERS OF
THE BOARD OF DIRECTORS FOR 2024;
- (11) REMUNERATION PLAN FOR MEMBERS OF
THE BOARD OF SUPERVISORS FOR 2024;
- (12) PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR;
- (13) PROPOSED GRANTING OF A GENERAL MANDATE TO
THE BOARD TO REPURCHASE H SHARES;
- (14) PROPOSED AMENDMENT TO THE ARTICLES OF ASSOCIATION;
AND
NOTICE OF 2023 ANNUAL GENERAL MEETING

LETTER FROM THE BOARD

I. INTRODUCTION

This circular is intended to provide you with the notice of the AGM and all information reasonably necessary to enable you to make an informed decision on the resolutions to be presented at the AGM.

II. MATTERS TO BE DECIDED AT THE AGM

At the AGM, (1) work report of the Board of Directors for 2023; (2) work report of the Board of Supervisors for 2023; (3) final financial accounts for 2023; (4) 2023 Annual Report; (5) 2023 profit distribution plan; (6) remuneration of Directors for 2023; (7) remuneration of Supervisors for 2023; (8) 2024 financial budgets; (9) re-appointment of auditors; (10) remuneration plan for members of the Board of Directors for 2024; (11) remuneration plan for members of the Board of Supervisors for 2024; and (12) proposed appointment of non-executive director, will be presented for approval by separate ordinary resolutions; and (13) proposed granting of a general mandate to the Board to repurchase H shares and (14) proposed amendment to the Articles of Association, will be presented for approval by separate special resolutions.

ORDINARY RESOLUTIONS

1. Consideration and approval of the Work Report of Board of Directors for 2023

An ordinary resolution will be presented at the AGM to consider and approve the Work Report of the Board of Directors of the Company for 2023. The report was approved by the Board on March 27, 2024. Details are set out in the “Report of the Board of Directors” section of the Annual Report.

2. Consideration and approval of the Work Report of Board of Supervisors for 2023

An ordinary resolution will be presented at the AGM to consider and approve the Work Report of the Board of Supervisors of the Company for 2023. The report was approved by the Board of Supervisors on March 27, 2024. Details are set out in the “Report of the Board of Supervisors” section of the Annual Report.

3. Consideration and approval of the final financial accounts for 2023

An ordinary resolution will be presented at the AGM to consider and approve the final financial accounts for 2023. The accounts was approved by the Board on March 27, 2024. Details are set out in the consolidated financial statements contained in the Annual Report.

LETTER FROM THE BOARD

4. Consideration and approval of the 2023 Annual Report

An ordinary resolution will be presented at the AGM to consider and approve the Annual Report. The Annual Report was approved by the Board on March 27, 2024.

5. Consideration and approval of the 2023 profit distribution plan

An ordinary resolution will be presented at the AGM to consider and approve the 2023 profit distribution plan. The plan was approved by the Board on March 27, 2024. Details are set out below:

For 2023, according to the Group's consolidated financial statements for 2023 audited by PricewaterhouseCoopers, the Group's net attributable profit to the shareholders of the Company was approximately RMB361.717 million. Taking account into the business conditions of the Company in 2023, the Company intended to propose a final dividend based on the Company's reserves available for distribution to Shareholders as of December 31, 2023 ("**Distributable Profit**") which amounted to approximately RMB300.031 million.

The Board of Directors, on the basis of the Company's issued Shares of 1,588,544,000 shares as at March 27, 2024, proposed a payment of a final dividend in cash of RMB0.043 (including tax) per Share (the "**Final Dividend**"), amounting to approximately RMB68,307,000 (including tax), representing approximately 22.77% of the Distributable Profit. The distribution of the aforesaid Final Dividend shall be subject to approval by Shareholders at the AGM.

After the above 2023 profit distribution plan being approved at the AGM, the Final Dividend will be paid to Shareholders whose names appear on the register of members of the Company on Tuesday, June 18, 2024 on or about Friday, July 19, 2024. The Company will pay the Final Dividend to H Shareholders in Hong Kong dollars. The amount of Hong Kong dollars payable will be calculated at the average exchange rate of RMB against Hong Kong dollar issued by the People's Bank of China five business days preceding the AGM; the Company will pay the Final Dividend to Unlisted Shareholders in RMB.

LETTER FROM THE BOARD

6. Confirmation of remuneration of Directors for 2023

An ordinary resolution will be presented at the AGM to consider and confirm the remuneration of Directors for 2023. It was approved by the Board on March 27, 2024. Details are set out below:

In accordance with the Company Law, the Articles of Association and the Company's remuneration policy and other documents, and taking into account the evaluation results of the Directors, the Company paid remuneration to Directors for 2023 as follows:

The remuneration for executive Directors in 2023 is detailed below:

Unit: RMB'000

Name	Position	Annual remuneration payable	Employer's contribution to social insurances, enterprise annuity, supplemental medical insurance and housing provident fund	Other monetary income	Total
Mr. YU Huiyong	Executive Director and chairman of the Board	996	101	–	1,097
Ms. XU Yanlin	Executive Director, general manager	990	100	–	1,090
Mr. TIAN Xiqu	Executive Director and vice-chairman of the Board	996	101	–	1,097
Mr. JIAO Yue	Executive Director, executive deputy general manager	900	100	–	1,000
Mr. ZHU Qidong	Executive Director, deputy general manager	830	98	–	928

The above executive Directors did not receive any remuneration from Shareholders or other related parties.

Mr. PAN Pan and Mr. HU Qihao (resigned on February 2, 2024 and April 12, 2024, respectively), the non-executive Directors, received nil remuneration for 2023. Each of Dr. JIANG Yanbo, Mr. MA Ruiguang, Dr. WU Zhanchi, Mr. CHEUNG Yee Tak Jonathan and Ms. ZHU Fang, the independent non-executive Directors, received remuneration of RMB80,000 (pre-tax) for 2023.

LETTER FROM THE BOARD

7. Confirmation of remuneration of Supervisors for 2023

An ordinary resolution will be presented at the AGM to consider and confirm the remuneration of Supervisors for 2023. Details are set out below:

Unit: RMB'000

Name	Position	Annual remuneration payable	Employer's contribution to social insurances, enterprise annuity, supplemental medical insurance and housing provident fund	Other monetary income	Total
Mr. YANG Xiaohu	Chairman of the Board of Supervisors and shareholder representative Supervisor	455	83	–	538
Mr. SU Yan	Employee representative Supervisor	565	86	–	651
Mr. ZOU Feng	Shareholder representative Supervisor	529	83	–	612

The above Supervisors did not receive any remuneration from Shareholders or other related parties.

8. Consideration and approval of 2024 financial budgets

An ordinary resolution will be presented at the AGM to consider and approve the 2024 financial budgets of the Company. The budgets was approved by the Board on March 27, 2024. Details are set out below.

LETTER FROM THE BOARD

According to the relevant provisions of the Company Law and other relevant laws, regulations, other normative documents and the Articles of Association, it is assumed that the conditions listed in the budget period are met, including: there is no significant change in the Company's laws, regulations, policies and economic environment in relation to the Company; no significant change in the prevailing national main tax rate, exchange rate and bank credit interest rate; no significant change in the industry situation and market conditions of the Company; no significant change in the social and economic environment of the place where the Company is mainly engaged in business and the region involved in business; and no significant change in the current production organization structure of the Company; the Company can operate normally and the planned investment projects can be completed and put into operation as scheduled; and there is no significant adverse effect caused by other force majeure and unpredictable factors. By estimating different gross profit margins of the main businesses, matching various changes with the changes in income and expenses, asset impairment losses and investment income according to the actual expenses in 2022 and the changes in business volume in 2023, the Company has formulated the expenses budget target in 2024, controlling the administrative expense, sales expense and research and development expense in 2024 within RMB360 million, RMB520 million and RMB170 million, respectively.

9. Consideration and approval of the re-appointment of auditors

An ordinary resolution will be presented at the AGM to consider and approve the re-appointment of ShineWing Certified Public Accountants LLP Shenzhen Branch and PricewaterhouseCoopers to serve as the domestic auditor and overseas auditor of the Company respectively for 2024 until the end of the next annual general meeting and to authorise the Audit Committee of the Board to determine their remuneration matters.

10. Consideration and approval of the remuneration plan for members of the Board of Directors for 2024

An ordinary resolution will be presented at the AGM to consider and approve the remuneration plan for the members of the Board of Directors for 2024. The plan was approved by the Board on March 27, 2024.

LETTER FROM THE BOARD

In accordance with the Company Law, the Articles of Association and the Company's remuneration policy and other requirements, the remuneration committee of the Board has comprehensively taken into account the Company's actual circumstance and the remuneration level of directors in the same industry and other comparable companies. Details of the proposed remuneration plan for the members of the Board of Directors for 2024 are set out below:

The proposed remuneration for executive Directors is detailed below:

Unit: RMB'000

Name	Position	Proposed annual director remuneration (before tax)	Assessment method
Mr. YU Huiyong	Executive Director and chairman of the Board	1,150	N/A
Ms. XU Yanlin	Executive Director, general manager	1,150	Excess over-achieved budgeted profit can be allocated to the excess
Mr. TIAN Xiqiu	Executive Director and vice-chairman of the Board	1,150	N/A
Mr. JIAO Yue	Executive Director, executive deputy general manager	1,050	Excess over-achieved budgeted profit can be allocated to the excess
Mr. ZHU Qidong	Executive Director, deputy general manager	1,000	Excess over-achieved budgeted profit can be allocated to the excess

Each of Dr. JIANG Yanbo, Mr. MA Ruiguang, Dr. WU Zhanchi, Mr. CHEUNG Yee Tak Jonathan and Ms. ZHU Fang, the independent non-executive Directors, will receive annual remuneration of RMB80,000 (pre-tax).

LETTER FROM THE BOARD

11. Consideration and approval of the remuneration plan for the members of the Board of Supervisors for 2024

An ordinary resolution will be presented at the AGM to consider and approve the remuneration plan for the members of the Board of Supervisors for 2024. The plan was approved by the Board of Directors and the Board of Supervisors on March 27, 2024. Details of the proposed remuneration plan for the members of the Board of Supervisors for 2024 are set out below:

Unit: RMB'000

Name	Position	Proposed annual supervisor remuneration (before tax)	Assessment method
Mr. YANG Xiaohu	Chairman of the Board of Supervisors and shareholder representative Supervisor	600	Excess over-achieved budgeted profit can be allocated to the excess
Mr. ZOU Feng	Shareholder representative Supervisor	650	Excess over-achieved budgeted profit can be allocated to the excess
Mr. SU Yan	Employee representative Supervisor	700	Excess over-achieved budgeted profit can be allocated to the excess

12. Consideration and appointment of non-executive director

Reference is made to the announcement of the Company dated April 12, 2024, regarding, among other things, the Board has nominated Mr. SUN Kai (孫鏞) (“Mr. SUN”) as a candidate for a non-executive director of the second session of the Board. He will be principally responsible for giving strategic advice and making recommendations on the operation and management of the Group. An ordinary resolution will be presented at the AGM to consider and appoint Mr. SUN as a non-executive Director of the second session of the Board.

LETTER FROM THE BOARD

The biographical details of Mr. SUN are set out below:

Mr. SUN Kai, aged 35, joined Shenzhen Tiantu Capital Management Center Limited Partnership* (深圳天圖資本管理中心(有限合夥)) (“**Tiantu Capital**”) in June 2017 as analyst and vice president of investments and was subsequently promoted to be managing director in December 2022. Tiantu Capital is an entity with principal business of private equity fund management. As a managing director of Tiantu Capital, Mr. SUN is principally responsible for early-stage and growth-stage enterprise investments. Before Mr. SUN joined Tiantu Capital and from March 2015 to June 2017, he served as a consultant of Accenture (China) Co., Ltd, a business management and consulting company, where he was principally responsible for corporate strategy and management consulting.

Mr. SUN obtained a bachelor’s degree in management science and accounting from University of Southampton, the United Kingdom, in June 2013 and a master’s degree in international accounting and finance from Bayes Business School (formerly known as Cass Business School), the United Kingdom, in September 2014.

Upon the election at the AGM, Mr. SUN will enter into a letter of appointment of non-executive Director with the Company for a term commencing upon his election at the AGM and shall expire at the end of the second session of the Board. Mr. SUN will not receive any remuneration as a non-executive Director.

Save as disclosed above, as at the Latest Practicable Date, Mr. SUN (i) does not hold any positions in the Company or any members of the Group; (ii) does not have any relationship with any Directors, supervisor, senior management, substantial shareholder or controlling shareholders (having the meaning ascribed to it in the Listing Rules) of the Company; (iii) is not interested in any shares of the Company within the meaning of Part XV of the SFO; and (iv) has not held any other directorships in any other listed companies in the last three years.

As at the Latest Practicable Date, Mr. SUN has not been subject to any public sanction by any statutory or regulatory authority and there is no other information to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules. There are no other matters relating to proposed appointment of Mr. SUN as Director that need to be brought to the attention of the Shareholders and the Stock Exchange.

LETTER FROM THE BOARD

SPECIAL RESOLUTIONS

13. Consideration and approval of the proposed granting of a general mandate to the Board to repurchase H shares

At 2023 second extraordinary general meeting, 2023 first domestic share class meeting and 2023 first H share class meeting of the Company held on December 28, 2023, a general mandate was granted to the Board to repurchase H Shares. Such mandate will expire at the conclusion of the AGM.

In order to preserve the Company's value and shareholders' rights and interests and give the Company the flexibility to repurchase Shares if and when appropriate, a special resolution will be proposed at the AGM to consider and approve the granting of a general mandate to the Board to repurchase H Shares ("**H Share Repurchase Mandate**"), pursuant to which, the Company may repurchase H Shares on the Stock Exchange of not exceeding 10% of the total number of issued H Shares of the Company as at the date of passing at the AGM. Details of the H Share Repurchase Mandate are as follows:

1. To grant a general and unconditional mandate to the Board to determine to repurchase and deal with the H Shares. The authorization granted to the Board includes but is not limited to:
 - (1) formulating and implementing specific repurchase plans, including but not limited to determining the timing of repurchase, repurchase period, repurchase price, repurchase quantity, etc.;
 - (2) notifying the creditors and making an announcement in accordance with the Company Law and other relevant laws, regulations and normative documents and the Articles of Association;
 - (3) fulfilling the relevant approval and filing procedures (if any) in accordance with the requirements of the regulatory authorities and the Stock Exchange;
 - (4) handling the matters related to the cancellation of the repurchased shares reducing the registered capital, making amendments to the Articles of Association in relation to the total share capital, shareholding structure and other relevant contents, and fulfilling the relevant statutory registration and filing procedures within and outside the PRC; and
 - (5) signing and handling other documents and matters related to share repurchase.

Pursuant to the above approval, the total number of H Shares that the Company is authorized to repurchase during the Relevant Period (as defined below) shall not exceed 10% of the number of H Shares of the Company in issue and listed on the Stock Exchange as at the date on which this resolution is considered and approved at the AGM.

LETTER FROM THE BOARD

2. The H Share Repurchase Mandate shall be subject to the fulfillment of all of the following conditions precedent:
 - (1) the obtaining of approvals from all competent regulatory authorities (if applicable) in accordance with the laws and regulations in the PRC; and
 - (2) pursuant to the PRC Company Law and the notice procedures stipulated in the Articles of Association, in the event no creditor requires the Company to repay or provide security for any amount owed by the Company to the creditor, or if any of the Company's creditors requires the Company to repay or provide security, the Company has, at its sole and absolute discretion, made repayments or provided security for such amount. If the Company decides to repay any amount to any of its creditors, the Company will use internal funds to repay such amount.
3. The “**Relevant Period**” in this resolution refers to the period commencing on the date on which this resolution is considered and approved at the AGM, and ending at the earliest of:
 - (1) the conclusion of the first annual general meeting of the Company following the passing of the H Share Repurchase Mandate at the AGM;
 - (2) the expiration of 12-month period from the date on which this resolution is considered and approved at the AGM; or
 - (3) the date on which the mandate granted under this resolution is revoked or varied by the Shareholders at any general meeting by way of special resolution.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the H Share Repurchase Mandate is set out in Appendix I to this circular.

LETTER FROM THE BOARD

14. Consideration and approval of proposed amendment to the Articles of Association

Reference is made to the announcement of the Company dated April 12, 2024, the Board proposed to make the following amendment to the Articles of Association (the “**Proposed Amendment**”) to reflect the actual situation of the Board’s composition:

No.	Existing Article	Proposed Amendment
1	Article 95 The Company has a Board of Directors, which is responsible for the general meeting of shareholders. The Board of Directors consists of 12 directors, amongst, five are executive directors, including one chairman and one vice-chairman, two are non-executive directors; and five are independent non-executive directors.	Article 95 The Company has a Board of Directors, which is responsible for the general meeting of shareholders. The Board of Directors consists of 12 <u>11</u> directors, amongst, five are executive directors, including one chairman and one vice-chairman, two <u>one</u> are non-executive directors; and five are independent non-executive directors.

The amended and restated Articles of Association will become effective from the date of consideration and approval at the AGM. Prior to that, the existing Articles of Association shall remain effective.

A special resolution will be proposed at the AGM to consider and approve the Proposed Amendment.

The Company has obtained (i) a letter from its legal advisers as to Hong Kong laws which confirmed that the amended and restated Articles of Association comply with the applicable requirements of Appendix A1 to the Listing Rules, and (ii) a letter from its legal advisers as to PRC laws which confirmed that the amended and restated Articles of Association do not violate the laws of the PRC. The Company also confirms that there is nothing unusual in the amended and restated Articles of Association from the perspective of a PRC company listed on the Stock Exchange.

III. AGM

The AGM of the Company will be held at 10:00 a.m. on Thursday, June 6, 2024, at Conference Room, 12th Floor, Tower B, Jiansheng Building, No. 1 Pingji Road, Xialilang Community, Nanwan Street, Longgang District, Shenzhen, Guangdong Province, China to consider and approve, as appropriate, the resolutions set out in the notice of the AGM. The notice of the AGM is set out in page AGM-1 to page AGM-3 of this circular and published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.pagoda.com.cn).

LETTER FROM THE BOARD

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 printed thereon, and return the completed form to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, the Company's H share registrar (for the H Shareholders), or the Company's office at 12-20, 12th Floor, Tower B, Jiansheng Building, No. 1 Pingji Road, Xialilang Community, Nanwan Street, Longgang District, Shenzhen, Guangdong Province, China (for the Unlisted Shareholders), as soon as possible and in any event no later than 24 hours before scheduled time of the AGM (that is, no later than 10:00 a.m. on Wednesday, June 5, 2024) or any of its adjourned meetings (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

IV. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at the AGM must be taken by poll, except for the resolutions relating solely to procedural or administrative matters on which the chairman of the AGM decides in good faith to permit voting by a show of hands.

To the best knowledge and belief of the Directors, no Shareholders or their associate (as defined in the Listing Rules) is deemed to have a material interest in any resolution at the AGM, therefore no Shareholder shall abstain from voting on any resolution at the AGM.

The poll results of the AGM will be published at the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.pagoda.com.cn) according to the Listing Rules.

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 from Monday, June 3, 2024 to Thursday, June 6, 2024 (both days inclusive), during which period no transfer of Shares can be registered. Shareholders whose names appear on the register of members of the Company on Thursday, June 6, 2024 will be entitled to attend and vote at the AGM. To be eligible to attend and vote at the AGM, all the transfer documents accompanied with the relevant share certificates and other appropriate documents must be lodged for registration with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders), or the Company's office at 12-20, 12th Floor, Tower B, Jiansheng Building, No. 1 Pingji Road, Xialilang Community, Nanwan Street, Longgang District, Shenzhen, Guangdong Province, China (for Unlisted Shareholders) no later than 4:30 p.m. on Friday, May 31, 2024.

LETTER FROM THE BOARD

To determine the eligibility of Shareholders to receive Final Dividend, the register of members of the Company will be closed from Thursday, June 13, 2024 to Tuesday, June 18, 2024 (both days inclusive), during which period no transfer of Shares can be registered. Shareholders whose names appear on the register of members of the Company on Tuesday, June 18, 2024 will be entitled to receive the Final Dividend for 2023. To be eligible to receive the Final Dividend for 2023, all the transfer documents accompanied with the relevant share certificates and other appropriate documents must be lodged for registration with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders), or the Company's office at 12-20, 12th Floor, Tower B, Jiansheng Building, No. 1 Pingji Road, Xialilang Community, Nanwan Street, Longgang District, Shenzhen, Guangdong Province, China (for Unlisted Shareholders) no later than 4:30 p.m. on Wednesday, June 12, 2024.

VI. RECOMMENDATION

The Board (including the independent non-executive Directors) believes that all resolutions to be proposed at the AGM are in the interests of the Company and the Shareholders as a whole. Therefore, the Board recommends the Shareholders to vote in favour of all resolutions to be proposed at the AGM.

VII. OTHER INFORMATION

Your attention is drawn to the other information set out from Appendix I in this circular.

Yours faithfully,

By Order of the Board

Shenzhen Pagoda Industrial (Group) Corporation Limited

YU Huiyong

Chairman and Executive Director

Shenzhen, the People's Republic of China

April 29, 2024

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the special resolution to be proposed at the AGM in relation to the granting of the H Share Repurchase Mandate.

1. REGISTERED CAPITAL

As at the Latest Practicable Date, the registered capital of the Company comprised 1,588,544,000 ordinary shares, including 405,927,395 Unlisted Shares and 1,182,616,605 H Shares, with a nominal value of RMB1.0 each.

2. EXERCISE OF THE H SHARE REPURCHASE MANDATE

Subject to the passing of the special resolution No. 13 as set out in the notice of the AGM, the Board will be granted the H Share Repurchase Mandate until the earliest of:

- (1) the conclusion of the first annual general meeting of the Company following the passing of the H Share Repurchase Mandate at the AGM;
- (2) the expiration of 12-month period from the date on which this resolution is considered and approved at the AGM; or
- (3) the date on which the mandate granted under this resolution is revoked or varied by the Shareholders at any general meeting by way of special resolution;

(hereinafter referred to as the “**Relevant Period**”).

The exercise of the H Share Repurchase 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.

On the basis that the total number of the issued H Shares of the Company remains unchanged on the date of the AGM, i.e. being 1,182,616,605 H Shares, the Directors would be authorized under the H Share Repurchase Mandate to repurchase, during the period in which the H Share Repurchase Mandate remains in force, a maximum of 118,261,660 H Shares, representing 10% of the total number of H Shares in issue as at the date of the AGM.

3. REASONS FOR H SHARE REPURCHASE

The Directors believe that the granting of the H Share Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole.

H Share repurchase may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and it can also strengthen the investors' confidence in the Company and promote a positive effect on maintaining the Company's reputation in the capital market. Such repurchase will only be made when the Board believes that such a repurchase will benefit the Company and the Shareholders.

4. FUNDING OF SHARE REPURCHASE

The Company intends to apply funds from the Company's internal resources (which may include surplus funds and retained profits) legally available for H Share repurchase in accordance with its Articles of Association, the laws of the PRC and/or any other applicable laws, as the case may be.

The Company is empowered by its Articles of Association to repurchase its H Shares. 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.

5. IMPACT OF SHARE REPURCHASE

There might be an adverse impact on the working capital or gearing levels of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended December 31, 2023) in the event that the H Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the H Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

6. MARKET PRICES OF H SHARES

The following table shows the highest and lowest prices at which the H Shares have been traded on the Stock Exchange during each of the previous 12 months preceding the Latest Practicable Date:

Year & Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023		
April	6.72	5.65
May	6.00	5.55
June	6.00	4.80
July	5.80	5.05
August	5.76	5.05
September	6.10	5.09
October	6.30	5.20
November	6.68	5.78
December	6.30	5.10
2024		
January	6.25	2.94
February	3.09	2.31
March	3.43	2.61
April (as of the Latest Practicable Date)	3.28	2.75

7. GENERAL INFORMATION

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any H Shares to the Company in the event that the granting of the H Share Repurchase Mandate is approved by the Shareholders.

The Directors will exercise the power of the Company to repurchase H Shares pursuant to the H Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the PRC.

Neither this explanatory statement nor the proposed share repurchase has any unusual features.

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 granting of the H Share Repurchase Mandate is approved by the Shareholders.

8. TAKEOVERS CODE

If as a result of a repurchase of H Shares pursuant to the H Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate its or their control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge of the Company, as of the Latest Practicable Date, (i) Mr. YU Huiyong ("Mr. YU") directly held 383,957,019 Unlisted Shares, (ii) Shenzhen Huilin Industrial Development Co., Ltd.* (深圳惠林實業發展有限責任公司) ("Shenzhen Huilin") (a company in which Mr. YU is entitled to exercise 51% voting rights and his spouse, Ms. XU Yanlin, is entitled to exercise 49% voting rights) directly held 58,869,442 H Shares, (iii) Shenzhen Hongyuan Shanguo Investment Development Limited Partnership* (深圳市宏願善果投資發展企業(有限合夥)) ("Hongyuan Shanguo") (a limited partnership controlled by Mr. YU as general partner) directly held 129,749,246 H Shares, (iv) Shenzhen Hengyili Investment Development Center Limited Partnership* (深圳市恒義利投資發展中心(有限合夥)) ("Hengyili") (a limited partnership controlled by Mr. YU as general partner) directly held 120,663,036 H Shares, and (v) Nanjing Huihe Zhixiang Enterprise Management Partnership (Limited Partnership)* (南京慧合智享企業管理合夥企業(有限合夥)) (formerly known as Beijing Huizhi Zhongxiang Enterprise Management Center Limited Partnership* (北京匯智眾享企業管理中心(有限合夥))) ("Huihe Zhixiang") (a limited partnership controlled by Mr. YU as general partner) directly held 43,012,016 H Shares. Therefore, Mr. YU is deemed to be interested in the Shares held by Shenzhen Huilin, Hongyuan Shanguo, Hengyili and Huihe Zhixiang. Mr. YU is therefore entitled to control and exercise control of an aggregate of 46.35% of the shares with voting rights of the Company prior to any exercise of the H Share Repurchase Mandate. In the event that the Directors exercise the proposed H Share Repurchase Mandate in full, the aggregate shareholding and voting rights in the Company held by Mr. YU would increase to 50.08% of the total registered share capital of the Company.

The Directors consider that such increase in shareholding may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors do not propose to exercise the H Share Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and/or result in the aggregate number of H Shares held by the public Shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

Save as disclosed above, the Directors are not aware of any consequences which will arise under the Takeovers Code and/or any similar applicable law.

9. H SHARE REPURCHASE MADE BY THE COMPANY

During the 6 months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF THE 2023 ANNUAL GENERAL MEETING



Shenzhen Pagoda Industrial (Group) Corporation Limited **深圳百果园实业（集团）股份有限公司**

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

(Stock code: 2411)

NOTICE OF THE 2023 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2023 annual general meeting (the “**AGM**”) of Shenzhen Pagoda Industrial (Group) Corporation Limited (the “**Company**”) will be held at 10:00 a.m. on Thursday, June 6, 2024 at Conference Room, 12th Floor, Tower B, Jiansheng Building, No. 1 Pingji Road, Xialilang Community, Nanwan Street, Longgang District, Shenzhen, Guangdong Province, China, for the purpose of considering and, if thought fit, passing the following resolutions:

ORDINARY RESOLUTIONS

1. To consider and approve the work report of board of directors of the Company for 2023;
2. To consider and approve the work report of the board of supervisors of the Company for 2023;
3. To consider and approve the final financial accounts of the Company and its subsidiaries for 2023;
4. To consider and approve the Company’s 2023 annual report;
5. To consider and approve the Company’s 2023 profit distribution plan;
6. To consider and confirm the remuneration of the Company’s directors for 2023;
7. To consider and confirm the remuneration of the Company’s supervisors for 2023;
8. To consider and approve the Company’s 2024 financial budgets;
9. To consider and approve the re-appointment of the Company’s auditors for 2024 and to authorise the audit committee of the board of directors of the Company to determine their remuneration matters;

NOTICE OF THE 2023 ANNUAL GENERAL MEETING

10. To consider and approve the remuneration plan for the members of the board of directors of the Company for 2024;
11. To consider and approve the remuneration plan for the members of the board of supervisors of the Company for 2024;
12. To consider and appoint Mr. SUN Kai as a non-executive director of the second session of the board of directors of the Company;

SPECIAL RESOLUTIONS

13. To consider and approve the proposed granting of a general mandate to the board of directors to repurchase H shares of the Company; and
14. To consider and approve the proposed amendment to the Articles of Association of Shenzhen Pagoda Industrial (Group) Corporation Limited.

By order of the Board
Shenzhen Pagoda Industrial (Group) Corporation Limited
YU Huiyong
Chairman and Executive Director

Shenzhen, the People's Republic of China
April 29, 2024

NOTICE OF THE 2023 ANNUAL GENERAL MEETING

Notes:

1. For more information on the above resolutions, please refer to the circular of the AGM of the Company dated April 29, 2024.
2. All resolutions at the AGM will be taken by poll (except where the chairman of the AGM decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”). The poll results of the AGM will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.pagoda.com.cn) in accordance with the Listing Rules.
3. For determining the entitlement of the shareholders of the Company (the “**Shareholders**”) to attend and vote at the AGM, the register of members of the Company will be closed from Monday, June 3, 2024 to Thursday, June 6, 2024, both days inclusive, during which period no transfer of shares will be registered. Shareholders whose names appear on the register of members of the Company on Thursday, June 6, 2024 shall be entitled to attend and vote at the AGM. In order for the Shareholders to be qualified to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates and other appropriate documents must be lodged for registration with the Company’s H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, No. 183 Queen’s Road East, Wanchai, Hong Kong (for H Shareholders) or the Company’s office at 12-20, 12th Floor, Tower B, Jiansheng Building, No. 1 Pingji Road, Xialilang Community, Nanwan Street, Longgang District, Shenzhen, Guangdong Province, China (for Unlisted Shareholders) no later than 4: 30 p.m., Friday, May 31, 2024.
4. To determine the eligibility of Shareholders to receive final dividend, the register of members of the Company will be closed from Thursday, June 13, 2024 to Tuesday, June 18, 2024 (both days inclusive), during which period no transfer of shares of the Company can be registered. Shareholders whose names appear on the register of members of the Company on Tuesday, June 18, 2024 will be entitled to receive the final dividend for 2023. To be eligible to receive the final dividend for 2023, all the transfer documents accompanied by the relevant share certificates and other appropriate documents must be lodged for registration with the Company’s H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, No. 183 Queen’s Road East, Wanchai, Hong Kong (for the H Shareholders) or the Company’s office at 12-20, 12th Floor, Tower B, Jiansheng Building, No. 1 Pingji Road, Xialilang Community, Nanwan Street, Longgang District, Shenzhen, Guangdong Province, China (for the Unlisted Shareholders) no later than 4: 30 p.m. on Wednesday, June 12, 2024.
5. Any shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote on his/her behalf. A proxy need not be a shareholder of the Company. Shareholders who intend to appoint a proxy to attend the AGM and attend and vote on their behalf are required to complete the proxy form in accordance with the instructions printed thereon, and return the same to the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, No. 183 Queen’s Road East, Wanchai, Hong Kong (for H Shareholders) or the Company’s office at 12-20, 12th Floor, Tower B, Jiansheng Building, No. 1 Pingji Road, Xialilang Community, Nanwan Street, Longgang District, Shenzhen, Guangdong Province, China (for Unlisted Shareholders) as soon as possible but in any event not later than 24 hours before the time appointed for the holding of the AGM (i.e. not later than 10:00 a.m., Wednesday, June 5, 2024), or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the AGM or any adjournment thereof should they so wish.
6. Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the AGM, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall alone be entitled to vote in respect thereof.
7. Shareholders or their proxies shall present their identity documents and/or the proxy form signed by the appointer or the legal representative of the appointer when attending the AGM (or any adjournment thereof). The proxy form shall specify the date of its issuance. The legal representative of corporate Shareholders or any other persons duly authorised by corporate Shareholders shall produce their identity documents and a notarially certified copy of the appointment as a legal representative or valid authorisation documents (as the case may be) when attending the AGM (or any adjournment thereof).
8. The AGM is expected to last for no more than half a business day. Shareholders and proxies attending the meeting shall be responsible for their own travel and accommodation expenses.
9. Shareholders may contact the Company with telephone number +86-0755-84656341 or email address pagodazq@pagoda.com.cn during business hours (9:00 a.m. to 6:00 p.m., Monday to Friday, excluding public holidays in the PRC) for any enquiries in relation to the AGM.

As at the date of this notice, 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, and Dr. JIANG Yanbo, Mr. MA Ruiguang, Dr. WU Zhanchi, Mr. CHEUNG Yee Tak Jonathan and Ms. ZHU Fang as independent non-executive Directors.