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Shenzhen Pagoda Industrial (Group) Corporation Limited
深圳百果園實業(集團)股份有限公司

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

(Stock Code: 2411)

DISCLOSEABLE TRANSACTIONS
SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS

SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS

On May 11, 2024, the Company subscribed for a CITIC Wealth Management Product with an amount of RMB100 million (First Subscription) and another CITIC Wealth Management Product with an amount of RMB100 million (Second Subscription), respectively.

On May 14, 2024, the Company subscribed for a BOB Wealth Management Product with an amount of RMB300 million (Third Subscription).

In addition, on April 24, 2024, the Company subscribed for a CITIC Wealth Management Product with an amount of RMB125 million (Fourth Subscription), and Pagoda Fruit Investment Management (Shenzhen) Service Co., Ltd.* (深圳市百果園供應鏈管理服務有限公司), a wholly-owned subsidiary of the Company, subscribed for another CITIC Wealth Management Product with an amount of RMB25 million (Fifth Subscription). On April 30, 2024, the Company subscribed for a CITIC Wealth Management Product with an amount of RMB50 million (Sixth Subscription).

On March 5, 2024, the Company subscribed for a BOB Wealth Management Product with an amount of RMB100 million (Seventh Subscription).

IMPLICATIONS UNDER THE LISTING RULES

The Third Subscription, on a standalone basis, constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Third Subscription exceed 5% but less than 25%, and hence is subject to the notification and announcement requirements set out under Chapter 14 of the Listing Rules.

The transactions contemplated under the Subscriptions (excluding Third Subscription), on a standalone basis, do not constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules as all of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of transactions contemplated under the Subscriptions (excluding Third Subscription) are below 5%. In addition, as all the applicable percentage ratios in respect of the Fourth Subscription, the Fifth Subscription and the Sixth Subscription in aggregate are below 5%, the transactions contemplated under the Fourth Subscription, the Fifth Subscription and the Sixth Subscription, when aggregated, do not constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules.

However, pursuant to Rule 14.22 of the Listing Rules, the transactions contemplated under First Subscription, Second Subscription, Fourth Subscription, Fifth Subscription and Sixth Subscription shall be aggregated as they were made within 12 months with the same counterparty (i.e. CITIC) for currently existing wealth management products of a similar nature. As one or more of the applicable percentage ratios in respect of the aggregated transactions are more than 5% but all of the applicable percentage ratios are less than 25%, First Subscription, Second Subscription, Fourth Subscription, Fifth Subscription and Sixth Subscription together constitute a discloseable transaction of the Company and hence are subject to the notification and announcement requirements set out under the Listing Rules.

In addition, pursuant to Rule 14.22 of the Listing Rules, the transactions contemplated under Third Subscription and Seventh Subscription shall be aggregated as they were made within 12 months with the same counterparty (i.e. BOB) for currently existing wealth management products of a similar nature. As one or more of the applicable percentage ratios in respect of the aggregated transactions are more than 5% but all of the applicable percentage ratios are less than 25%, Third Subscription and Seventh Subscription together constitute a discloseable transaction of the Company and hence are subject to the notification and announcement requirements set out under the Listing Rules.

SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS

First Subscription

- | | |
|---------------------------|---|
| (1) Date of subscription: | May 11, 2024 |
| (2) Name of product: | Win-Win Huixin Exchange Rate Linked RMB Structured Deposit Issue 03153 (共贏慧信匯率掛鈎人民幣結構性存款03153期) |
| (3) Linked indicator: | Spot exchange rate of AUD/NZD |
| (4) Type of product: | Principal-preservation with floating income |
| (5) Issuer: | CITIC |
| (6) Subscriber: | The Company |
| (7) Subscription amount: | RMB100 million |
| (8) Term of product: | 93 days from May 13, 2024 to August 14, 2024 |

- (9) Expected return rate: Annualized rate of return of 1.05% or 2.59%
- The expected maximum annualized rate of return will be 2.59% if the fixed price of the linked indicator on August 12, 2024 is less than or equal to 101.40% of the fixed price on May 14, 2024; and the expected minimum annualized rate of return will be 1.05% if the fixed price of the linked indicator on August 12, 2024 is higher than 101.40% of the fixed price on May 14, 2024.
- (10) Principle for calculation of return: $\text{Expected return} = \text{principal} \times \text{actual return rate} \times \text{number of days as stated in the term of the product}/365$
- (11) Risk level of product: Low risk (the risk rating is the internal rating result of CITIC and is for reference only)
- (12) Right of early termination: The Company does not have the right to early terminate this product unless otherwise agreed. CITIC has the right to unilaterally early terminate this product.
- (13) Payment of principal and return: All principal and return accrued during the term of the product shall be paid on the maturity date (or any early termination date), which shall be postponed to the next business day if such date falls on a public holiday in China.

Second Subscription

- (1) Date of subscription: May 11, 2024
- (2) Name of product: Win-Win Huixin Exchange Rate Linked RMB Structured Deposit Issue 03154 (共贏慧信匯率掛鈎人民幣結構性存款 03154期)
- (3) Linked indicator: Spot exchange rate of AUD/NZD
- (4) Type of product: Principal-preservation with floating income
- (5) Issuer: CITIC
- (6) Subscriber: The Company
- (7) Subscription amount: RMB100 million
- (8) Term of product: 30 days from May 13, 2024 to June 12, 2024
- (9) Expected return rate: Annualized rate of return of 1.05% or 2.57%

The expected maximum annualized rate of return will be 2.57% if the fixed price of the linked indicator on June 7, 2024 is less than or equal to 100.80% of the fixed price on May 14, 2024; and the expected minimum annualized rate of return will be 1.05% if the fixed price of the linked indicator on June 7, 2024 is higher than 100.80% of the fixed price on May 14, 2024.

- (10) Principle for calculation of return: Expected return = principal × actual return rate × number of days as stated in the term of the product/365
- (11) Risk level of product: Low risk (the risk rating is the internal rating result of CITIC and is for reference only)
- (12) Right of early termination: The Company does not have the right to early terminate this product unless otherwise agreed. CITIC has the right to unilaterally early terminate this product.
- (13) Payment of principal and return: All principal and return accrued during the term of the product shall be paid on the maturity date (or any early termination date), which shall be postponed to the next business day if such date falls on a public holiday in China.

Third Subscription

- (1) Date of subscription: May 14, 2024
- (2) Name of product: EUR/USD Fixed-day Observation Range Structured Deposit
(歐元／美元固定日觀察區間型結構性存款)
- (3) Linked indicator: Spot exchange rate of EUR/USD
- (4) Type of product: Principal-preservation with floating income
- (5) Issuer: BOB
- (6) Subscriber: The Company
- (7) Subscription amount: RMB300 million
- (8) Term of product: 40 days from May 16, 2024 to June 25, 2024
- (9) Expected return rate: Annualized rate of return of 1.30% or 2.65%

Barrier price range: -3.35% (inclusive) of the fixed price of the linked indicator on May 16, 2024 to +3.35% (inclusive) of the fixed price of the linked indicator on May 16, 2024

The expected maximum annualized rate of return is 2.65% if the fixed price of the linked indicator on June 21, 2024 is within the barrier price range (the boundary inclusive) and the expected minimum annualized rate of return is 1.30% if the fixed price of the linked indicator on June 21, 2024 is outside the barrier price range.

- (10) Principle for calculation of return: Expected return = principal × actual return rate × number of days as stated in the term of the product/365
- (11) Risk level of product: Low risk (the risk rating is the internal rating result of BOB and is for reference only)
- (12) Right of early termination: The Company does not have the right to early terminate this product unless otherwise agreed. BOB has the right to unilaterally early terminate this product.
- (13) Payment of principal and return: The principal of the product will be paid on the maturity date and the return of the product will be paid within 3 working days after the maturity date.

Fourth Subscription

- (1) Date of subscription: April 24, 2024
- (2) Name of product: Win-Win Huixin Exchange Rate Linked RMB Structured Deposit Issue 02785 (共贏慧信匯率掛鈎人民幣結構性存款 02785期)
- (3) Linked indicator: Spot exchange rate of EUR/USD
- (4) Type of product: Principal-preservation with floating income
- (5) Issuer: CITIC
- (6) Subscriber: the Company
- (7) Subscription amount: RMB125 million
- (8) Term of product: 34 days from April 25, 2024 to May 29, 2024
- (9) Expected return rate: Annualized rate of return of 1.05% or 2.59%

The expected maximum annualized rate of return will be 2.59% if the fixed price of the linked indicator on May 27, 2024 is less than or equal to 101.20% of the fixed price on April 26, 2024; and the expected minimum annualized rate of return will be 1.05% if the fixed price of the linked indicator on May 27, 2024 is higher than 101.20% of the fixed price on April 26, 2024.

- (10) Principle for calculation of return: $\text{Expected return} = \text{principal} \times \text{actual return rate} \times \text{number of days as stated in the term of the product}/365$
- (11) Risk level of product: Low risk (the risk rating is the internal rating result of CITIC and is for reference only)
- (12) Right of early termination: The Company does not have the right to early terminate this product unless otherwise agreed. CITIC has the right to unilaterally early terminate this product.
- (13) Payment of principal and return: All principal and return accrued during the term of the product shall be paid on the maturity date (or any early termination date), which shall be postponed to the next business day if such date falls on a public holiday in China.

Fifth Subscription

- (1) Date of subscription: April 24, 2024
- (2) Name of product: Win-Win Huixin Exchange Rate Linked RMB Structured Deposit Issue 02783 (共贏慧信匯率掛鈎人民幣結構性存款 02783期)
- (3) Linked indicator: Spot exchange rate of EUR/USD
- (4) Type of product: Principal-preservation with floating income
- (5) Issuer: CITIC
- (6) Subscriber: Pagoda Fruit Investment Management (Shenzhen) Service Co., Ltd.* (深圳市百果園供應鏈管理服務有限公司), a wholly-owned subsidiary of the Company
- (7) Subscription amount: RMB25 million
- (8) Term of product: 91 days from April 25, 2024 to July 25, 2024
- (9) Expected return rate: Annualized rate of return of 1.05% or 2.59%
- The expected maximum annualized rate of return will be 2.59% if the fixed price of the linked indicator on July 23, 2024 is less than or equal to 102.40% of the fixed price on April 26, 2024; and the expected minimum annualized rate of return will be 1.05% if the fixed price of the linked indicator on July 23, 2024 is higher than 102.40% of the fixed price on April 26, 2024.
- (10) Principle for calculation of return: Expected return = principal × actual return rate × number of days as stated in the term of the product/365
- (11) Risk level of product: Low risk (the risk rating is the internal rating result of CITIC and is for reference only)
- (12) Right of early termination: The Company does not have the right to early terminate this product unless otherwise agreed. CITIC has the right to unilaterally early terminate this product.
- (13) Payment of principal and return: All principal and return accrued during the term of the product shall be paid on the maturity date (or any early termination date), which shall be postponed to the next business day if such date falls on a public holiday in China.

Sixth Subscription

- (1) Date of subscription: April 30, 2024
- (2) Name of product: Win-Win Huixin Exchange Rate Linked RMB Structured Deposit Issue 02936 (共贏慧信匯率掛鈎人民幣結構性存款02936期)
- (3) Linked indicator: Spot exchange rate of AUD/NZD
- (4) Type of product: Principal-preservation with floating income
- (5) Issuer: CITIC
- (6) Subscriber: The Company
- (7) Subscription amount: RMB50 million
- (8) Term of product: 62 days from May 1, 2024 to July 2, 2024
- (9) Expected return rate: Annualized rate of return of 1.05% or 2.61%
- The expected maximum annualized rate of return will be 2.61% if the fixed price of the linked indicator on June 28, 2024 is less than or equal to 101.00% of the fixed price on May 6, 2024; and the expected minimum annualized rate of return will be 1.05% if the fixed price of the linked indicator on June 28, 2024 is higher than 101.00% of the fixed price on May 6, 2024.
- (10) Principle for calculation of return: Expected return = principal × actual return rate × number of days as stated in the term of the product/365
- (11) Risk level of product: Low risk (the risk rating is the internal rating result of CITIC and is for reference only)
- (12) Right of early termination: The Company does not have the right to early terminate this product unless otherwise agreed. CITIC has the right to unilaterally early terminate this product.
- (13) Payment of principal and return: All principal and return accrued during the term of the product shall be paid on the maturity date (or any early termination date), which shall be postponed to the next business day if such date falls on a public holiday in China.

Seventh Subscription

- (1) Date of subscription: March 5, 2024
- (2) Name of product: EUR/USD Fixed-day Observation Range Structured Deposit
(歐元／美元固定日觀察區間型結構性存款)
- (3) Linked indicator: Spot exchange rate of EUR/USD
- (4) Type of product: Principal-preservation with floating income
- (5) Issuer: BOB
- (6) Subscriber: The Company
- (7) Subscription amount: RMB100 million
- (8) Term of product: 91 days from March 7, 2024 to June 6, 2024
- (9) Expected return rate: Annualized rate of return of 1.30% or 2.88%

Barrier price range: -4.75% (inclusive) of the fixed price of the linked indicator on March 7, 2024 to +4.75% (inclusive) of the fixed price of the linked indicator on March 7, 2024

The expected maximum annualized rate of return will be 2.88% if the fixed price of the linked indicator on June 4, 2024 is within the barrier price range (the boundary inclusive) and the expected minimum annualized rate of return will be 1.30% if the fixed price of the linked indicator on June 4, 2024 is outside the barrier price range.

- (10) Principle for calculation of return: Expected return = principal × actual return rate × number of days as stated in the term of the product/365
- (11) Risk level of product: Low risk (the risk rating is the internal rating result of BOB and is for reference only)
- (12) Right of early termination: The Company does not have the right to early terminate this product unless otherwise agreed. BOB has the right to unilaterally early terminate this product.
- (13) Payment of principal and return: The principal of the product will be paid on the maturity date and the return of the product will be paid within 3 working days after the maturity date.

IMPLICATIONS UNDER THE LISTING RULES

The Third Subscription, on a standalone basis, constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as one of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Third Subscription exceed 5% but less than 25%, and hence is subject to the notification and announcement requirements set out under Chapter 14 of the Listing Rules.

The transactions contemplated under the Subscriptions (excluding Third Subscription), on a standalone basis, do not constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules as all of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of transactions contemplated under the Subscriptions (excluding Third Subscription) are below 5%. In addition, as all the applicable percentage ratios in respect of the Fourth Subscription, the Fifth Subscription and the Sixth Subscription in aggregate are below 5%, the transactions contemplated under the Fourth Subscription, the Fifth Subscription and the Sixth Subscription, when aggregated, do not constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules.

However, pursuant to Rule 14.22 of the Listing Rules, the transactions contemplated under First Subscription, Second Subscription, Fourth Subscription, Fifth Subscription and Sixth Subscription shall be aggregated as they were made within 12 months with the same counterparty (i.e. CITIC) for currently existing wealth management products of a similar nature. As one or more of the applicable percentage ratios in respect of the aggregated transactions are more than 5% but all of the applicable percentage ratios are less than 25%, First Subscription, Second Subscription, Fourth Subscription, Fifth Subscription and Sixth Subscription together constitute a discloseable transaction of the Company and hence are subject to the notification and announcement requirements set out under the Listing Rules.

In addition, pursuant to Rule 14.22 of the Listing Rules, the transactions contemplated under Third Subscription and Seventh Subscription shall be aggregated as they were made within 12 months with the same counterparty (i.e. BOB) for currently existing wealth management products of a similar nature. As one or more of the applicable percentage ratios in respect of the aggregated transactions are more than 5% but all of the applicable percentage ratios are less than 25%, Third Subscription and Seventh Subscription together constitute a discloseable transaction of the Company and hence are subject to the notification and announcement requirements set out under the Listing Rules.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS

The funds for the Subscriptions are the Group's internal funds (without using proceeds from the H-share global offering of the Company) that are not required immediately for operation or capital expenditure purposes. The Subscriptions are considered to be part of the Group's treasury management to maximize the return on the unutilized funds of the Company after taking into account, among others, the level of risk, return on investment and the term to maturity, and to bring higher return on capital. In addition, the Company has fully considered fund needs and capital expenditure for daily operations when purchasing the CITIC Wealth Management Products and BOB Wealth Management Products. The Subscriptions will not affect the daily fund requirements of the Company.

In addition, the CITIC Wealth Management Products and BOB Wealth Management Products are short-term principal-protected wealth management products that have relatively low associated risks issued by reputable commercial banks. Therefore, the subscriptions of the CITIC Wealth Management Products and BOB Wealth Management Products were considered to have relatively low risk and are also in line with the internal risk management, cash management and investment policies of the Group.

In view of an upside of earning a more attractive return than current saving or fixed deposit rate under the relatively low interest rate, as well as the low risk nature and relatively short term of maturity of CITIC Wealth Management Products and BOB Wealth Management Products, the Directors (including independent non-executive Directors) are of the view that (i) the CITIC Wealth Management Products and BOB Wealth Management Products pose little risk to the Group, and (ii) the respective terms of the Subscriptions are on normal commercial terms which are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

GENERAL INFORMATION OF THE PARTIES

Information on the Company

The Company is a joint stock company incorporated in the People's Republic of China with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange. The Company is the largest fruit retail operator in China. The Group is primarily engaged in the sale of fruits and fruit-based products such as dried fruits and juice through both offline store network and online channels.

Information on Pagoda Fruit Investment Management (Shenzhen) Service Co., Ltd.* (深圳市百果園供應鏈管理服務有限公司)

Pagoda Fruit Investment Management (Shenzhen) Service Co., Ltd.* (深圳市百果園供應鏈管理服務有限公司), a limited liability company incorporated in the People's Republic of China and a wholly-owned subsidiary of the Company, is principally engaged in the provision of supply chain management services.

Information on CITIC

CITIC is a licensed bank incorporated under the laws of the People's Republic of China and engaged in, among other things, corporate finance, retail finance, financial markets and other businesses. CITIC is listed on the Stock Exchange (stock code: 00998) and the Shanghai Stock Exchange (stock code: 601998).

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, CITIC and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Information on BOB

BOB is a licensed bank incorporated under the laws of the People's Republic of China and engaged in, among other things, corporate and personal banking, treasury operations, financial leasing, asset management and other financial services. BOB is listed on the Shanghai Stock Exchange (stock code: 601169).

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, BOB and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meaning:

“AUD”	Australian dollars, the lawful currency of Australia
“Board”	the board of Directors

“BOB”	Bank of Beijing Co., Ltd., a licensed bank incorporated in the People’s Republic of China, the shares of which are listed on the Shanghai Stock Exchange (stock code: 601169)
“BOB Wealth Management Product(s)”	structured deposit product(s) subscribed by the Company from BOB under the Third Subscription and the Seventh Subscription
“CITIC”	China CITIC Bank Corporation Limited, a licensed bank incorporated in the People’s Republic of China, the shares of which are listed on the Stock Exchange (stock code: 00998) and the Shanghai Stock Exchange (stock code: 601998)
“CITIC Wealth Management Product(s)”	structured deposit product(s) subscribed by the Group from CITIC under the First Subscription, the Second Subscription, the Fourth Subscription, the Fifth Subscription and the Sixth Subscription
“Company”	Shenzhen Pagoda Industrial (Group) Corporation Limited, a joint stock company incorporated in the People’s Republic of China with limited liability, the H shares of which are listed on the Main Board of the Stock Exchange (stock code: 2411)
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EUR”	Euro, the lawful currency of the member states of the European Union
“Fifth Subscription”	On April 24, 2024, a CITIC Wealth Management Product was subscribed with an amount of RMB25 million
“First Subscription”	On May 11, 2024, a CITIC Wealth Management Product was subscribed with an amount of RMB100 million
“Fourth Subscription”	On April 24, 2024, a CITIC Wealth Management Product was subscribed with an amount of RMB125 million
“Group”	the Company and its subsidiaries
“independent third party(ies)”	an individual(s) or a company(ies) who or which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, is(are) not a connected person of our Company within the meaning of the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“NZD”	New Zealand dollars, the lawful currency of New Zealand
“PRC” or “China”	the People’s Republic of China

“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Second Subscription”	On May 11, 2024, a CITIC Wealth Management Product was subscribed with an amount of RMB100 million
“Seventh Subscription”	On March 5, 2024, a BOB Wealth Management Product was subscribed with an amount of RMB100 million
“Shareholder(s)”	the shareholder(s) of the Company
“Sixth Subscription”	On April 30, 2024, a CITIC Wealth Management Product was subscribed with an amount of RMB50 million
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriptions”	Collectively First Subscription, the Second Subscription, the Third Subscription, the Fourth Subscription, the Fifth Subscription, the Sixth Subscription and the Seventh Subscription
“Subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Third Subscription”	On May 14, 2024, a BOB Wealth Management Product was subscribed with an amount of RMB300 million
“USD”	United States dollars, the lawful currency of the United States
“%”	percent

* For identification purposes only

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

Shenzhen, the People’s Republic of China,
 May 15, 2024

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