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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)**

### **DISCLOSEABLE TRANSACTIONS SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS**

#### **SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS**

On October 15, 2024, the Company subscribed for a BOB Wealth Management Product with an amount of RMB170 million (the Eleventh Subscription).

On October 16, 2024, the Company subscribed for a CITIC Wealth Management Product with an amount of RMB230 million (the Twelfth Subscription, together with the Eleventh Subscription, the Subscriptions).

#### **IMPLICATIONS UNDER THE LISTING RULES**

The transaction contemplated under the Eleventh Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the transaction contemplated under the Eleventh 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 transaction contemplated under the Twelfth Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the transaction contemplated under the Twelfth 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.

## SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS

### *Eleventh Subscription*

- |      |                                      |  |
|------|--------------------------------------|--|
| (1)  | Date of subscription:                | October 15, 2024   |
| (2)  | Name of product:                     | EUR/USD Fixed-day Observation Range Structured Deposit<br>(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:                 | RMB170 million   |
| (8)  | Term of product:                     | 89 days from October 17, 2024 (inclusive) to January 14, 2025 (exclusive, the maturity date)   |
| (9)  | Expected return rate:                | Annualized rate of return of 1.30% or 2.50%  |
|      |                                      | Barrier price range: -0.0520 (inclusive) of the fixed price of the linked indicator on October 17, 2024 to +0.0520 (inclusive) of the fixed price of the linked indicator on October 17, 2024  |
|      |                                      | The expected maximum annualized rate of return is 2.50% if the fixed price of the linked indicator on January 10, 2025 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 January 10, 2025 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 (or early termination date) and the return of the product will be paid within 3 working days after the maturity date (or early termination date).   |

## ***Twelfth Subscription***

- |      |                                      |   |
|------|--------------------------------------|---|
| (1)  | Date of subscription:                | October 16, 2024  |
| (2)  | Name of product:                     | Win-Win Huixin Exchange Rate Linked RMB Structured Deposit Issue 06051 (共贏慧信匯率掛鈎人民幣結構性存款 06051 期)   |
| (3)  | Linked indicator:                    | Spot exchange rate of GBP/USD   |
| (4)  | Type of product:                     | Principal-preservation with floating income   |
| (5)  | Issuer:                              | CITIC   |
| (6)  | Subscriber:                          | The Company   |
| (7)  | Subscription amount:                 | RMB230 million  |
| (8)  | Term of product:                     | 89 days from October 17, 2024 (inclusive) to January 14, 2025 (exclusive, the maturity date)  |
| (9)  | Expected return rate:                | Annualized rate of return of 1.05% or 2.43%   |
|      |                                      | The expected maximum annualized rate of return will be 2.43% if the fixed price of the linked indicator on January 10, 2025 is less than or equal to 102.50% of the fixed price on October 18, 2024; and the expected minimum annualized rate of return will be 1.05% if the fixed price of the linked indicator on January 10, 2025 is higher than 102.50% of the fixed price on October 18, 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 within two working days after any early termination date), which shall be postponed to the next business day if such date falls on a public holiday in China.  |

## **IMPLICATIONS UNDER THE LISTING RULES**

The transaction contemplated under the Eleventh Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the transaction contemplated under the Eleventh 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 transaction contemplated under the Twelfth Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as one or more of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the transaction contemplated under the Twelfth 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.

## **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 Product and the BOB Wealth Management Product. The Subscriptions will not affect the daily fund requirements of the Company.

In addition, the CITIC Wealth Management Product and the BOB Wealth Management Product 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 Product and the BOB Wealth Management Product 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 the CITIC Wealth Management Product and the BOB Wealth Management Product, the Directors (including independent non-executive Directors) are of the view that (i) the CITIC Wealth Management Product and the BOB Wealth Management Product 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 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:

|                                   |  |
|-----------------------------------|--|
| “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”   | structured deposit product subscribed by the Company from BOB under the Eleventh 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” | structured deposit product subscribed by the Company from CITIC under the Twelfth 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   |
| “Eleventh Subscription”           | on October 15, 2024, a BOB Wealth Management Product was subscribed with an amount of RMB170 million   |
| “EUR”                             | Euro, the lawful currency of the member states of the European Union   |
| “GBP”                             | British pound sterling, the lawful currency of the United Kingdom  |
| “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   |

|                        |  |
|------------------------|--|
| “PRC” or “China”       | the People’s Republic of China   |
| “RMB”                  | Renminbi, the lawful currency of the People’s Republic of China  |
| “Shareholder(s)”       | the shareholder(s) of the Company  |
| “Stock Exchange”       | The Stock Exchange of Hong Kong Limited  |
| “Subscriptions”        | collectively the Eleventh Subscription and the Twelfth Subscription                                    |
| “Twelfth Subscription” | on October 16, 2024, a CITIC Wealth Management Product was subscribed with an amount of RMB230 million |
| “USD”                  | United States dollars, the lawful currency of the United States  |
| “%”                    | percent  |

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  
 October 16, 2024

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