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LUZHENG FUTURES Company Limited
魯証期貨股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 01461)

**SUPPLEMENTAL ANNOUNCEMENT
IN RELATION TO ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

Reference is made to the annual report of LUZHENG FUTURES Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2019 (the “**2019 Annual Report**”).

In addition to the information provided in the 2019 Annual Report, the board of directors of the Company (the “**Board**”) would like to provide further information and breakdown in relation to the other operating expenses of the Group for the year ended 31 December 2019 (with comparative figures of 2018) as follows:

<i>RMB'000</i>	For the year ended	
	31 December	
	2019	2018
Insurance expenses	17,511	20,900
Information system maintenance fees	17,424	13,286
Marketing and distribution expenses	15,271	16,836
Office expenses	11,144	16,212
Professional service expenses	7,145	6,723
Rentals	4,672	14,553
Property maintenance fees	4,224	4,508

	For the year ended	
	31 December	
<i>RMB'000</i>	2019	2018
Consulting expenses	3,711	14,886
Futures exchange membership and annual fee	2,850	619
Inventory stock damage	2,401	–
Auditors' remuneration		
– PwC	1,800	1,650
– Other auditors	104	–
Taxes and surcharges	1,369	1,319
Bank charges	559	631
Membership annual fees	428	369
Futures Investors Protection Fund	312	410
Other expenses	5,285	4,063
Total	96,210	116,965

The additional information set out above does not affect other information contained in the 2019 Annual Report.

By order of the Board
LUZHENG FUTURES Company Limited
Zhong Jinlong
Chairman

Jinan, the PRC
12 August 2020

As at the date of this announcement, the Board comprises of Mr. Zhong Jinlong and Mr. Liang Zhongwei as executive directors, Mr. Liu Hongsong, Mr. Hu Kainan, Mr. Ming Gang and Mr. Liu Feng as non-executive directors, and Mr. Gao Zhu, Mr. Wang Chuanshun, Mr. Li Dapeng and Mr. Zheng Jianping as independent non-executive directors.