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**ZHONGTAI FUTURES Company Limited**

**中泰期貨股份有限公司**

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

**(Stock Code: 01461)**

## **ANNOUNCEMENT**

### **CONTINUING CONNECTED TRANSACTIONS**

- (1) FUTURES BROKERAGE SERVICES FRAMEWORK AGREEMENT**
- (2) ASSET MANAGEMENT SERVICES FRAMEWORK AGREEMENT**
- (3) RISK MANAGEMENT SERVICES FRAMEWORK AGREEMENT**
- (4) BULK COMMODITIES SALE AND PURCHASE FRAMEWORK AGREEMENT**

### **BACKGROUND**

References are made to the Inside Information Announcement dated 1 December 2021, the Announcement on Update of Reorganisation of Indirect Shareholders dated 6 July 2022 and the Announcement on the Completion of the Share Transfer in Relation to the Reorganisation of Indirect Shareholders dated 29 July 2022 (the “**Announcements**”) of the Company, in relation to, inter alia, the reorganisation of indirect Controlling Shareholders of the Company. The indirect Controlling Shareholder of the Company has been changed from Laiwu Steel (a subsidiary of Shandong Steel) to Zaozhuang Mining Group Co., Ltd. (a wholly-owned subsidiary of Shandong Energy), with effect from 28 July 2022, and Shandong Steel ceased to be a connected person of the Company under the Listing Rules and Shandong Energy and its associates became Connected Persons of the Company (the “**Reorganisation of Indirect Controlling Shareholders**”).

## **FUTURES BROKERAGE SERVICES FRAMEWORK AGREEMENT WITH SHANDONG ENERGY**

Reference is made to the announcement of the Company dated 27 November 2020 in relation to, inter alia, the Futures Brokerage Services Framework Agreement entered into between the Company and Shandong Steel and its annual caps for 2021, 2022 and 2023. Due to the Reorganisation of Indirect Controlling Shareholders, and the expectation of the Group to provide futures brokerage services to Shandong Energy and/or its associates from time to time in the future, the Company entered into the Futures Brokerage Services Framework Agreement with Shandong Energy on 30 March 2023 (after trading hours), and proposed the annual caps for 2023, 2024 and 2025 under the Futures Brokerage Services Framework Agreement.

Pursuant to the agreement, the Group will provide futures brokerage services to Shandong Energy and/or its associates. The term of the Futures Brokerage Services Framework Agreement is three years, valid from 1 January 2023 until 31 December 2025.

## **ASSET MANAGEMENT SERVICES FRAMEWORK AGREEMENT WITH SHANDONG ENERGY**

References are made to the announcement dated 26 April 2019 and the circular dated 29 May 2019 of the Company in relation to, inter alia, the Asset Management Services Framework Agreement entered into between the Company and Shandong Steel and its annual caps for 2020, 2021 and 2022. Due to the Reorganisation of Indirect Controlling Shareholders, and the expectation of the Group to provide asset management services to Shandong Energy and/or its associates from time to time in the future, the Company entered into the Asset Management Services Framework Agreement with Shandong Energy on 30 March 2023 (after trading hours), and proposed the annual caps for 2023, 2024 and 2025 under the Asset Management Services Framework Agreement.

Pursuant to the agreement, the Group will invest in financial products of various scopes with the collective asset management schemes, and Shandong Energy and/or its associates would pay relevant asset management fees to the Group. The term of the Asset Management Services Framework Agreement is three years, valid from 1 January 2023 until 31 December 2025.

## **RISK MANAGEMENT SERVICES FRAMEWORK AGREEMENT WITH SHANDONG ENERGY**

References are made to the announcement dated 10 May 2021 and the circular dated 28 May 2021 of the Company in relation to, inter alia, the Risk Management Services Framework Agreement entered into between the Company and Shandong Steel and its annual caps for 2021, 2022 and 2023. Due to the Reorganisation of Indirect Controlling Shareholders, and the expectation of the Group to provide risk management services to Shandong Energy and/or its associates from time to time in the future, the Company entered into the Risk Management Services Framework Agreement with Shandong Energy on 30 March 2023 (after trading hours), and proposed the annual caps for 2023, 2024 and 2025 under the Risk Management Services Framework Agreement.

Pursuant to the agreement, the Group will provide derivatives trading services, including but not limited to OTC options, swap transactions, forward transactions, etc. to Shandong Energy and/or its associates. The term of the Risk Management Services Framework Agreement is three years, valid from 1 January 2023 until 31 December 2025.

## **BULK COMMODITIES SALE AND PURCHASE FRAMEWORK AGREEMENT WITH SHANDONG ENERGY**

References are made to the announcement dated 26 April 2019 and circular dated 29 May 2019 of the Company in relation to, inter alia, the Bulk Commodities Sale and Purchase Framework Agreement entered into between the Company and Shandong Steel and its caps for 2020, 2021 and 2022. Due to the Reorganisation of Indirect Controlling Shareholders and the expectation of the Group to conduct bulk commodities sale and purchase with Shandong Energy and/or its associates from time to time in the future, the Company entered into the Bulk Commodities Sale and Purchase Framework Agreement with Shandong Energy on 30 March 2023 (after trading hours), and proposed the annual caps for 2023, 2024 and 2025 under the Bulk Commodities Sale and Purchase Framework Agreement.

Pursuant to the agreement, Shandong Energy and/or its associates will sell bulk commodities such as coke and coal chemical related products, steel products and rubber products to the Group, and purchase bulk commodities such as coke and coal chemical related products, and steel products from the Group. The term of the Bulk Commodities Sale and Purchase Framework Agreement is three years, valid from 1 January 2023 to 31 December 2025.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Zhongtai Huirong Capital is a wholly-owned subsidiary of the Company, NMIT is a wholly-owned subsidiary of Xinwen Mining, which in turn is a wholly-owned subsidiary of Shandong Energy. As disclosed in the Announcements, the Reorganisation of Indirect Controlling Shareholders was completed on 28 July 2022, and Shandong Energy became the Controlling Shareholder of Zhongtai Securities, indirectly holding approximately 63.10% of the Shares in the Company. Accordingly, Shandong Energy and/or its associates (including but not limited to NMIT) constitute Connected Persons of the Company under Chapter 14A of the Listing Rules, and the transactions contemplated under the Futures Brokerage Services Framework Agreement, the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement and the Bulk Commodities Sale and Purchase Framework Agreement constitute Continuing Connected Transactions of the Company under the Listing Rules.

As the highest applicable percentage ratio for the proposed annual caps of the Futures Brokerage Services Framework Agreement between the Company and Shandong Energy is more than 0.1% but less than 5% pursuant to the Listing Rules, the Continuing Connected Transactions under the Futures Brokerage Services Framework Agreement are subject to the reporting and announcement requirements, but exempt from Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio for the proposed annual caps of each of the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement and Bulk Commodities Sale and Purchase Framework Agreement between the Company and Shandong Energy is more than 5% pursuant to the Listing Rules, the Continuing Connected Transactions under the above framework agreements are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Taking into consideration the pricing policies and the basis of determining the proposed annual caps, the reasons for and benefits of the transactions and the Company's internal control procedures, the Directors, including Independent Non-executive Directors, are of the view that the terms of the transactions contemplated under the Futures Brokerage Services Framework Agreement, the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement and the Bulk Commodity Sale and Purchase Framework Agreement and the proposed annual caps (if applicable) thereunder are entered into on normal commercial terms in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and the Shareholders of the Company as a whole. The Directors who had a material interest in the above agreements, namely Mr. ZHONG Jinlong, Mr. HU Kainan and Mr. ZHENG Hanyin, have abstained from voting on the resolutions of the Board to approve the above Connected Transactions.

# I. FUTURES BROKERAGE SERVICES FRAMEWORK AGREEMENT WITH SHANDONG ENERGY

## 1. Background

Reference is made to the announcement of the Company dated 27 November 2020 in relation to, inter alia, the Futures Brokerage Services Framework Agreement entered into between the Company and Shandong Steel and its annual caps for 2021, 2022 and 2023. Due to the Reorganisation of Indirect Controlling Shareholders, and the expectation of the Group to provide futures brokerage services to Shandong Energy and/or its associates from time to time in the future, the Company entered into the Futures Brokerage Services Framework Agreement with Shandong Energy on 30 March 2023(after trading hours), and proposed the annual caps for 2023, 2024 and 2025 under the Futures Brokerage Services Framework Agreement.

Pursuant to the agreement, the Group will provide futures brokerage services to Shandong Energy and/or its associates. The term of the Futures Brokerage Services Framework Agreement is three years, valid from 1 January 2023 until 31 December 2025. The Group will comply with the reporting and announcement requirements, but exempt from Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the Continuing Connected Transactions.

## 2. Details of the agreement

Date: 30 March 2023

Parties: Shandong Energy  
the Company

### *Principal terms*

In the Group's ordinary and usual course of business, the Group provides futures brokerage services and other related financial services to Shandong Energy and/or its associates, i.e. the Group provides channels and related services to Shandong Energy and/or its associates upon their entrustment so that they may engage in trading of futures, options and other derivatives. Shandong Energy and/or its associates will bear the outcome of transactions while the Group will receive commissions for such services (“**Futures Commission**”).

### ***Reasons for and benefits of the transaction***

With the increasing varieties in China's futures market, the accelerating opening up to the outside world, and the growing market scale, the futures market will play a bigger role. Thus, more frequent futures transactions is anticipated. Shandong Energy needs hedging its business through futures transactions, and the Company has extensive experiences in the futures industry. Therefore, Shandong Energy entrusts the Company to provide futures brokerage services. In addition, the Company has been providing futures brokerage services to Shandong Energy for consecutive years and developed a better understanding of the trading habits and personalized needs of Shandong Energy, and is able to provide high-quality services.

### ***Pricing terms***

The Futures Commissions charged by the Group for providing futures, options and other derivative brokerage services to Shandong Energy and/or its associates at a rate shall:

- (i) comply with the fee standards and policies (if applicable) promulgated by China Securities Regulatory Commission, Shenzhen Stock Exchange, Shanghai Stock Exchange, Dalian Commodity Exchange, Zhengzhou Commodity Exchange, Shanghai Futures Exchange, Shanghai International Energy Exchange, China Financial Futures Exchange and Guangzhou Futures Exchange from time to time for similar services; and
- (ii) be determined with reference to the prevailing market futures commission rates and be based on the fee policy established by such exchanges as Shenzhen Stock Exchange, Shanghai Stock Exchange, Dalian Commodity Exchange, Zhengzhou Commodity Exchange, Shanghai Futures Exchange, Shanghai International Energy Exchange, China Financial Futures Exchange and Guangzhou Futures Exchange plus a certain commission, and in line with market practices.

### ***Historical amounts***

For the futures brokerage services provided by the Group to Shandong Energy and/or its associates, the historical amounts of Futures Commissions for the three years ended 31 December 2020, 31 December 2021 and 31 December 2022 were approximately RMB2,215.6 thousand, RMB1,803.5 thousand, RMB2,466.3 thousand, respectively.



## ***Annual caps***

The maximum aggregate annual amounts of Futures Commissions in respect of the futures brokerage services provided by the Group to Shandong Energy and/or its associates for the three years ending 31 December 2023, 2024 and 2025 shall not exceed the caps set out below:

	<b>Proposed annual caps for the year ending 31 December</b> <i>(RMB'000)</i>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
The commissions receivable by the Group for providing futures brokerage services to Shandong Energy and/or its associates	5,000	7,000	9,000

## ***Basis of annual caps***

The above proposed annual caps are determined on the basis that:

- (i) with reference to the historical information of commissions received by the Company for providing futures, options and other derivatives brokerage services to Shandong Energy, the commissions received by the Company for providing futures, options and other derivatives brokerage services to Shandong Energy in 2020, 2021 and 2022 were RMB2,215.6 thousand, RMB1,803.5 thousand and RMB2,466.3 thousand, respectively.

Shandong Energy needs hedging its business through futures trading. With the continuous development of the Company's futures business and the increasing varieties of futures, the Company expects to provide increasing futures brokerage services to Shandong Energy, resulting in a continuous increase in the Futures Commission receivable by the Group. In addition, the Company is keen on acting out "One ZHONGTAI in Union" concept to increase business synergy. Given the need of Zhongtai Securities and/or its associates for purchasing futures in their asset management and proprietary investment business, the Company also expects constant growth of commission revenue in the future.

## II. ASSET MANAGEMENT SERVICES FRAMEWORK AGREEMENT WITH SHANDONG ENERGY

### 1. Background

References are made to the announcement dated 26 April 2019 and the circular date 29 May 2019 of the Company in relation to, inter alia, the Asset Management Services Framework Agreement entered into between the Company and Shandong Steel and its annual caps for 2020, 2021 and 2022. Due to the Reorganisation of Indirect Controlling Shareholders, and the expectation of the Group to provide asset management services to Shandong Energy and/or its associates from time to time in the future, the Company entered into the Asset Management Services Framework Agreement with Shandong Energy on 30 March 2023 (after trading hours), and proposed the annual caps for 2023, 2024 and 2025 under the Asset Management Services Framework Agreement.

Pursuant to the agreement, the Group will invest in financial products of various scopes with the collective asset management schemes, and Shandong Energy and/or its associates would pay asset management fees to the Group. The term of the Asset Management Services Framework Agreement is three years, valid from 1 January 2023 until 31 December 2025. The Company will comply with the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the Continuing Connected Transactions.

### 2. Details of the agreement

Date: 30 March 2023

Parties: Shandong Energy  
the Company

#### *Principal terms*

In the ordinary and usual course of their business, Shandong Energy and/or its associates purchase collective asset management schemes in which the Group acts as the manager. Being the asset manager, the Group will invest in financial products of various scopes with the collective asset management schemes and Shandong Energy and/or its associates would pay asset management fees to the Group.



### ***Reasons for and benefits of the transaction***

China's futures asset management business has developed rapidly, with an average annual growth rate of approximately 13% in the past five years. After a reshuffle in recent years, the Company has an improved internal control system for asset management, a group of high-quality asset management professionals, and a number of investment and research teams. Considering that Shandong Energy has real need for purchasing asset management products, while the Company also has a better understanding of the investment needs of Shandong Energy, the mutual cooperation will increase the return on assets for Shandong Energy and the income from asset management business for the Company.

### ***Pricing terms***

- (i) The asset management fees charged by the Group as the manager of the collective asset management schemes are calculated by multiplying the investment amounts of Shandong Energy and/or its Associates in the collective asset management schemes with the asset management fees rate; and
- (ii) For collective asset management schemes, the asset management fees rate as stipulated in the collective asset management contracts is applicable to other investors participating in such schemes equally and evenly, including Shandong Energy and/or its associates and any other independent third party investor participants. Such asset management fees rate is also comparable to, or no less favorable than, the asset management fees rate charged by the Group on any other independent third party for other similar asset management schemes.

### ***Historical amounts***

All the historical transaction amounts of the asset management services provided by the Group to Shandong Energy and/or its associates for the three years ended 31 December 2020, 31 December 2021 and 31 December 2022 were 0.

## ***Annual caps***

The maximum daily amount of collective asset management schemes purchased by Shandong Energy and/or its associates from the Group, and the maximum annual asset management fees to be paid by them for the three years ending 31 December 2023, 2024 and 2025 shall not exceed the caps set out below:

	<b>Proposed annual caps for the year ending 31 December (RMB'000)</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
The maximum daily amount invested for purchase of asset management schemes by Shandong Energy and/or its associates from the Company	800,000	1,000,000	1,200,000
Asset management fees (based on the asset management fees rate of 1.5%) received from Shandong Energy and/or its associates	12,000	15,000	18,000

## ***Basis of annual caps***

The above proposed annual caps are determined with reference to historical amounts on the basis that:

1. the collective asset management schemes of which the Company acts as the manager mainly invest in bulk commodities and derivatives, which is in line with the nature of Shandong Energy as a bulk commodity producer, and can better meet the futures-related investment needs of Shandong Energy, and it is expected that the business cooperation between the Company and Shandong Energy will be further strengthened. The calculation formula of asset management fees charged by the Company on Shandong Energy is: the total amount of the collective asset management schemes purchased by Shandong Energy  $\times$  the asset management fees rate (based on an average annual fee rate of 1.5%).

2. the Company’s asset management business is in a rapid and healthy development stage, with business strategies being expanded and improved constantly, making acquisitions and expansion and deepening cooperation continuously. According to the initial business planning and considering the potential development business opportunities, the Company’s asset management business will focus on developing active management products with new asset management plans introduced. In addition, the Company is keen on acting out the “One ZHONGTAI in union” concept to increase synergy and business collaboration with other subsidiaries of Zhongtai Securities, and leveraging on advantages of each other to achieve a win-win effect. Thus, the Company anticipates a significant growth of transaction amount of asset management business of the Company as compared with the previous years.

### **III. RISK MANAGEMENT SERVICES FRAMEWORK AGREEMENT WITH SHANDONG ENERGY**

#### **1. Background**

References are made to the announcement dated 10 May 2021 and the circular dated 28 May 2021 of the Company in relation to, inter alia, the Risk Management Services Framework Agreement entered into between the Company and Shandong Steel and its annual caps for 2021, 2022 and 2023. Due to the Reorganisation of Indirect Controlling Shareholders, and the expectation of the Group to provide risk management services to Shandong Energy and/or its associates from time to time in the future, the Company entered into the Risk Management Services Framework Agreement with Shandong Energy on 30 March 2023(after trading hours), and proposed the annual caps for 2023, 2024 and 2025 under the Risk Management Services Framework Agreement.

Pursuant to the agreement, the Group will provide derivatives trading services, including but not limited to over-the-counter options (the “**OTC options**”), swap transactions, forward transactions, etc. to Shandong Energy and/or its associates. The term of the Risk Management Services Framework Agreement is three years, valid from 1 January 2023 until 31 December 2025. The Company will comply with the reporting, announcement and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules in respect of the Continuing Connected Transactions.

## 2. Details of the agreement

Date: 30 March 2023

Parties: Shandong Energy  
the Company

### ***Principal terms***

Providing risk management services by the Group to Shandong Energy and/or its associates refers to those trading activities, the subject of which include OTC options, swaps transactions, forward transactions and their portfolio in the ordinary and usual course of business of both parties. In particular, trading OTC options between Shandong Energy and/or its associates and the Company and/or its associates, refers to the entitlement of a party as an option buyer to buy or sell the underlying asset under an agreement at a specified price at a point of time in the future. Trading in swaps between Shandong Energy and/or its associates and the Group refers to a transaction where a party pays the fixed/floating price (income) of the underlying asset under an agreement to the other party, who in exchange will pay fixed/floating price (income) to the former. Swap transactions by common types are classified into exchange of fixed income for floating income and exchange of floating income for fixed income. Currently, exchange of fixed income for floating income is the prevailing transaction type. Forward trading between Shandong Energy and/or its associates and the Group refers to both parties in a transaction buy and sell the underlying assets at a forward price and quantity on the delivery date according to the agreement, or settle in cash based on the settlement amount of the forward transaction on the settlement date.

### ***Reasons for and benefits of the transaction***

Shandong Energy has a large production capacity and asset scale, and needs to use derivatives to hedge against the risk of price fluctuation of raw materials and equity assets. Zhongtai Huirong Capital has a strong expertise in derivatives. As a futures derivatives service provider within Shandong Energy, the Company is in a good place to communicate with Shandong Energy and understand its needs better. The derivative transactions between the Company and Shandong Energy can not only meet the risk management needs of Shandong Energy, but also foster the development of the Company's derivative business and increase the Company's business income.

### ***Pricing terms***

Shandong Energy and/or its associates enter(s) into derivative transactions with the Group. As a derivative dealer, the Group adheres to the principle of fairness and justice, and tries to ensure the terms and prices of derivative transactions are fair and reasonable, based on fair market value and through arms' length negotiation with Shandong Energy and/or its associates and with reference to the same type of transactions in the derivative market. Among them:

- (i) in OTC option transactions, the premium is determined based on the market conditions and liquidity level, with reference to the prices quoted by our peers and the market volatility parameters provided by third-party information providers;
- (ii) in swap transactions and forward transactions, fixed/floating prices (income) and forward transaction prices are determined based on factors such as fair market value of the underlying asset and market costs, etc.

### ***Historical amounts***

For the derivatives trading business, the nominal principal amount of the derivatives trading between the Group and Shandong Energy and/or its associates during the three years ended 31 December 2020, 31 December 2021 and 31 December 2022 were RMB4,768,726.7 thousand, RMB5,292,233.1 thousand and RMB1,020,530.6 thousand, respectively.

## ***Annual caps***

The maximum aggregate annual amount of nominal principal received or paid for derivatives trading between the Group and Shandong Energy and/or its associates for the three years ending 31 December 2023, 2024 and 2025 shall not exceed the caps set out below:

	<b>Proposed annual caps for the year ending 31 December (RMB'000)</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
Nominal principal of derivatives trading between the Group and Shandong Energy and/or its associates	7,000,000	8,000,000	9,000,000

## ***Basis of annual caps***

- (i) With reference to the historical information of nominal principal of derivatives business between the Company and Shandong Energy, the nominal principal of derivatives business between the Company and Shandong Energy in 2020, 2021 and 2022 were RMB4,768,726.7 thousand, RMB5,292,233.1 thousand and RMB1,020,530.6 thousand, respectively. With the sharp fluctuations in bulk commodity prices, the enterprises in real economy are becoming increasingly aware of risk management by using OTC options, swaps and forward derivatives. Growing demand of Shandong Energy for derivatives trading is anticipated in the future, and the scale of transactions between both parties will increase accordingly.
- (ii) With the gradual recovery of economic activities following the end of the pandemic, the Company's derivatives trading business is expected to maintain a relatively high growth rate. In addition, the Company is keen on acting out the "One ZHONGTAI in Union" concept to increase synergy with Zhongtai Securities. Further growth of the scale of derivatives trading such as OTC options, swaps and forwards with Zhongtai Securities in the future is anticipated.

## **IV. BULK COMMODITIES SALE AND PURCHASE FRAMEWORK AGREEMENT WITH SHANDONG ENERGY**

### **1. Background**

References are made to the announcement dated 26 April 2019 and the circular dated 29 May 2019 of the Company in relation to, inter alia, the Bulk Commodities Sale and Purchase Framework Agreement between the Company and Shandong Steel and its caps for 2020, 2021 and 2022. Due to the Reorganisation of Indirect Controlling Shareholders and the expectation of the Group to conduct bulk commodities sale and purchase with Shandong Energy and/or its Associates from time to time in the future, the Company entered into the Bulk Commodities Sale and Purchase Framework Agreement with Shandong Energy on 30 March 2023 (after trading hours), and proposed the annual caps for 2023, 2024 and 2025 under the Bulk Commodities Sale and Purchase Framework Agreement.

Pursuant to the agreement, Shandong Energy and/or its associates will sell bulk commodities such as coke and coal chemical related products, steel products and rubber products to the Group, and purchase bulk commodities such as coke and coal chemical related products, and steel products from the Group. The term of the Bulk Commodities Sale and Purchase Framework Agreement is three years, valid from 1 January 2023 until 31 December 2025. The Company will comply with the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of the Continuing Connected Transactions.

### **2. Details of the agreement**

Date: 30 March 2023

Parties: the Company  
Shandong Energy

#### ***Principal terms***

In the Group's ordinary and usual course of business, Shandong Energy and/or its associates will sell bulk commodities such as coke and coal chemical related products, steel products, rubber products to the Group and receive a consideration; will purchase bulk commodities such as coke and coal chemical related products and steel products from the Group and pay a consideration.



### ***Reasons for and benefits of the transaction***

Coal, steel and rubber are the priority bulk commodities in the futures and spot business of Zhongtai Huirong Capital. In addition, it is planning sale and purchase of bulk commodities related to coal chemical industry in the future. As a large-size state-owned energy enterprise, Shandong Energy is powerful with good credit standing and solid track record of contract performance, which provide the Company with access to constant profits at a lower purchase cost.

### ***Pricing terms***

For the sale and purchase of bulk commodities between the Company and Shandong Energy and/or its Associates, the prices are arrived at based on the fair value in the market after arm's length negotiation and with reference to comparable prices of similar products sold by independent third parties in the local market in order to ensure that the prices and terms are fair and reasonable.

### ***Historical amounts***

For the three years ended 31 December 2020, 31 December 2021 and 31 December 2022, the transaction amounts of bulk commodities such as coke and coal chemical related products, steel products and rubber products sold by Shandong Energy and/or its associates to the Group were approximately RMB0 thousand, RMB0 thousand and RMB22,997.8 thousand, respectively, the transaction amounts of bulk commodities such as coke and coal chemicals related products and steel products purchased by Shandong Energy and/or its Associates from the Group were approximately RMB0 thousand, RMB13,868.9 thousand and RMB102,014.6 thousand, respectively.

As disclosed in these Announcements, the Reorganisation of Indirect Controlling Shareholders of the Company was completed with effect from 28 July 2022, and Shandong Energy and its associates has become Connected Persons of the Company under the Hong Kong Listing Rules, and the coal sale and purchase transactions between the Group and Shandong Energy and/or its associates constitute Connected Transactions of the Company under the Listing Rules.

During the period from 28 July 2022 to 31 December 2022, Zhongtai Huirong Capital sold a total of 67,748.3 tonnes of coal to NMIT at a cash consideration of RMB29,339,630.05, with an expected revenue of approximately RMB341,739.22 (calculated based on sales revenue less purchase costs).

During the period from 1 January 2023 to the date of this announcement, Zhongtai Huirong Capital sold a total of 38,349.32 tonnes of coal to NMIT at a cash consideration of RMB14,975,364.70, with an expected revenue of approximately RMB193,443.48 (calculated based on sales revenue less purchase costs).

In the course of reviewing the Company's historical transaction information, the Company noted that during the year ended 31 December 2022 and the period from 1 January 2023 to the date of this announcement, the maximum applicable percentage ratio of the annual coal sale and purchase transactions between Zhongtai Huirong Capital and NMIT on an aggregate basis is more than 0.1% but less than 5%, therefore such transactions are subject to the reporting and announcement requirements, but exempt from Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Board of the Company has ratified and confirmed the transactions on 30 March 2023.

The proceeds from the above coal sale and purchase are intended as general working capital of Zhongtai Huirong Capital.

### ***Annual caps***

The maximum aggregate annual amount of sale and purchase of bulk commodities between the Group and Shandong Energy and/or its associates for the three years ending 31 December 2023, 2024 and 2025 shall not exceed the caps set out below:

	<b>Proposed annual caps for the year ending 31 December (RMB'000)</b>		
	<b>2023</b>	<b>2024</b>	<b>2025</b>
Transaction amount of sales of bulk commodities by Shandong Energy and/or its associates to the Group	160,000	240,000	320,000
Transaction amount of purchases of bulk commodities by Shandong Energy and/or its associates from the Group	250,000	375,000	500,000

### ***Basis of caps***

The proposed annual caps under the above Bulk Commodities Sale and Purchase Framework Agreement are determined with reference to historical amounts on the basis as follows:

1. Refer to the historical information of the sale and purchase of bulk commodities between the Company and Shandong Energy. The sale and purchase amounts with Shandong Energy in 2021 and 2022 were RMB13,868.9 thousand and RMB125,012.4 thousand, respectively, indicating rapid growth of the sale and purchase amounts.
2. With the gradual pick up of economic activities following the end of the pandemic, and in line with the development plan of the Company for the sale and purchase of bulk commodities such as coke and coal chemicals, rubber and steel to and from Shandong Energy, accelerating growth of sale and purchase of bulk commodities with Shandong Energy is anticipated.

## **V. INTERNAL CONTROL PROCEDURES AND CORPORATE GOVERNANCE MEASURES**

The Company would strive to exercise stringent monitoring over the transaction amounts and respective annual caps of (1) the Futures Brokerage Services Framework Agreement, (2) the Asset Management Services Framework Agreement, (3) the Risk Management Services Framework Agreement, and (4) the Bulk Commodities Sale and Purchase Framework Agreement between the Group and Shandong Energy to ensure that necessary measures and appropriate actions can be timely taken in order to comply with the requirements of the Listing Rules. The Company has adopted the following internal management procedures to ensure that the Continuing Connected Transactions under the Framework Agreements are fair and reasonable and are entered into on normal commercial terms:

- The Group has formulated a series of measures and policies, among others, contract policies, project management policies and administration rules of Connected Transactions in order to ensure that the Company's Continuing Connected Transactions are conducted under such Framework Agreements and the respective pricing policies. The fairness and reasonableness of the transactions contemplated under the agreements of Continuing Connected Transactions, in particular the pricing terms thereof, would be examined and approved by the audit committee of the Board, the Board and various internal departments of the Company (including but not limited to the finance department and audit department of the Company) to ensure that the terms of Framework Agreements are in compliance with relevant regulations and guidelines (if applicable) and market practices and would not deviate from the terms of the Framework Agreements disclosed in this announcement.
- When determining the actual prices of products supplied by Shandong Energy and/or its associates, the above counter-party will offer a proposed price to the Company for consideration first. As mentioned above, in order to ensure that the pricing terms under the agreements of Continuing Connected Transactions are fair and reasonable, the proposed price will be first evaluated and approved by the finance department, audit department and various relevant business departments of the Company. In addition, the transactions under the Framework Agreements shall be conducted on a non-exclusive basis. Payments shall be made on the aforementioned pricing principles basis. However, the Group usually seeks quotations or makes enquiries on relevant prices from no less than two other independent third party suppliers providing similar products or services, and makes reference to such pricing and terms offered by independent third parties for similar products or services, to make sure that the products and services offered by Shandong Energy and/or its associates to the Group are fair, reasonable and are no less favorable than those offered by independent third parties;

- When determining the actual prices of services or products provided by the Group to Shandong Energy and/or its associates, the Group will provide the counter-party with a proposed price for consideration first. As mentioned above, in order to ensure that the pricing terms under the agreements of Continuing Connected Transactions are fair and reasonable, the proposed price will be first evaluated and approved by the finance department, audit department and other relevant business departments of the Company. In addition, the transactions under the Framework Agreements shall be conducted on a non-exclusive basis. Payments shall be made substantially on the aforementioned pricing principles basis. Nevertheless, the Group usually seeks quotations or makes enquiries on relevant prices from not less than two other independent third party suppliers of similar products or services as references to the market prices, and refers to such prices and certain other terms offered to independent third parties by us for similar products, to make sure whether the prices and terms offered to Shandong Energy and/or its associates by the Group are fair, reasonable and are no less favorable than those offered to independent third parties; and
- The audit committee of the Board, the office of the Board and various internal departments of the Company also regularly monitor the fulfillment of the Framework Agreements and the transaction updates thereunder. In addition, the management of the Company also regularly reviews the pricing policies. The Independent Non-executive Directors of the Company conduct annual review of the implementation and execution of the Continuing Connected Transactions (including related pricing mechanisms); the auditors of the Company would conduct annual assessment and review of the internal control measures of the Company and conduct annual review of the Continuing Connected Transactions under the Framework Agreements pursuant to the requirements of the Listing Rules, in order to confirm that, among others, the transactions are entered into in accordance to the pricing policies of the Company and relevant agreements governing such transactions.
- The office of the Board of the Company is responsible for monitoring daily Connected Transactions. It monitors and analyzes the Connected Transactions on a real time basis each day to ensure that the Company can be updated in a timely manner and discuss with the business department in advance when the amount of Connected Transactions is about to reach the annual caps and report the same to the Company's management to consider the necessity to revise the annual cap.

After taking into consideration of aforementioned pricing policies, the basis of determining proposed annual caps the reasons for and the benefits of the transactions and internal control procedures, the Directors (including Independent Non-executive Directors) are in the opinion that the terms of the transactions contemplated under the Framework Agreements and the proposed annual caps thereunder are entered into based on normal commercial terms in the ordinary and usual course of business of the Company that are fair and reasonable and in the interest of the Company and the Shareholders as a whole. In the meantime, the Company considers that it has adequate mechanisms, internal control procedures and external regulatory measures to ensure that the Continuing Connected Transactions are in strict compliance with relevant regulations and guidelines and the terms of the Futures Brokerage Services Framework Agreement, the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement and the Bulk Commodities Sale and Purchase Framework Agreement.

Following the completion of the Reorganisation of Indirect Controlling Shareholders of the Company, the continuing connected transactions framework agreements previously entered into between the Group and Shandong Steel are no longer applicable. Due to the unintentional negligence of business personnel of subsidiaries the Company, the Company was not aware that the coal sale and purchase transactions entered into during the year ended 31 December 2022 and the period from 1 January 2023 to the date of this announcement constitute discloseable Connected Transactions of the Company under the Listing Rules, and failed to make disclosure of the transactions in a timely manner. The management of the Company did not know that the above matters were not disclosed in a timely manner until reviewing the 2022 annual results and the information of historical transactions of the Company.

Upon becoming aware of the incident and being informed by the management that the above transactions were not disclosed in a timely manner, the Board immediately ordered submission of all the amounts and terms relating to the COAL SPAs by the management. The Board has also passed resolutions to ratify and/or approve the coal sale and purchase transactions and entered into the Bulk Commodities Sale and Purchase Framework Agreement with Shandong Energy with proposed annual caps, and issued appropriate announcements. The Company deeply regrets the failure to comply with the relevant requirements under Chapter 14A of the Listing Rules, and would like to emphasize that the non-compliance is unintentional. In view of the failure to comply with the relevant requirements under Rule 14A.35 of the Listing Rules in a timely manner, and in order to prevent similar incidents from recurring in the future, the Company has taken the following remedial measures to enhance its internal control procedures and ensure that the relevant Listing Rules are fully understood and complied with in due course:

1. the Company will force establishment of a multi-departmental workforce in charge of Connected Transactions among the management, led by a designated department who will be responsible for identification and maintenance of Connected Transactions, and management of Connected Transactions on a daily basis;
2. arranging relevant internal training courses to explain the Listing Rules and the reporting procedures of connected transactions to the Directors and senior management/ relevant personnel of the Company and its subsidiaries, stressing the importance of identifying the nature of transactions before signing an agreement to ensure that the Company will comply with the requirements of the Listing Rules in the future;
3. the management of the Company is designated to monitor the Connected Transactions and prevent failure of disclosure of any Connected Transactions in a timely manner from re-occurring.
4. enhancing the reporting and monitoring procedures for the amounts of Connected Transactions, and improving the procedures and frequency of data collection and cross-checking to ensure that the transaction amounts do not exceed the relevant annual caps or any minimum exemption level;
5. the internal audit department of the Company will monitor the effectiveness and adequacy of internal control measures, and regularly make recommendations and reports to the audit committee of the Company; and
6. consulting legal counsel and the Stock Exchange in a timely manner (if necessary) before entering into such transactions that may constitute new Connected Transactions of the Company.

Save as stated above, the Directors confirmed that there were no other Connected Transactions in respect of which the Company failed to comply with the Listing Rules.



## VI. LISTING RULES IMPLICATIONS

As at the date of this announcement, Zhongtai Huirong Capital is a wholly-owned subsidiary of the Company, NMIT is a wholly-owned subsidiary of Xinwen Mining Group Co., Ltd. (“**Xinwen Mining**”), which in turn is a wholly-owned subsidiary of Shandong Energy. As disclosed in the Announcements, the Reorganisation of Indirect Controlling Shareholders was completed on 28 July 2022, and Shandong Energy became the Controlling Shareholder of Zhongtai Securities, indirectly holding approximately 63.10% of the Shares in the Company. Accordingly, Shandong Energy and/or its associates (including but not limited to NMIT) constitute Connected Persons of the Company under Chapter 14A of the Listing Rules, and the transactions contemplated under the Futures Brokerage Services Framework Agreement, the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement and the Bulk Commodities Sale and Purchase Framework Agreement constitute Continuing Connected Transactions of the Company under the Listing Rules.

As the highest applicable percentage ratio for the proposed annual caps of the Futures Brokerage Services Framework Agreement between the Company and Shandong Energy is more than 0.1% but less than 5% pursuant to the Listing Rules, the Continuing Connected Transactions under the Futures Brokerage Services Framework Agreement are subject to the reporting and announcement requirements, but exempt from Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio for the proposed annual caps of each of the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement and the Bulk Commodities Sale and Purchase Framework Agreement entered into between the Company and Shandong Energy is more than 5% pursuant to the Listing Rules, the Continuing Connected Transactions under the above framework agreements are subject to the reporting, announcement and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

## VII. THE OPINIONS OF THE BOARD

As Mr. ZHONG Jinlong, Mr. HU Kainan and Mr. ZHENG Hanyin are holding office at Zhongtai Securities and/or its associates, and are deemed to be interested in the Futures Brokerage Services Framework Agreement, the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement, the Bulk Commodity Sale and Purchase Framework Agreement and the COAL SPA, and the transactions contemplated thereunder, they have abstained from voting on the resolutions of the Board to approve the Connected Transactions. Save as disclosed above, no other Director has any material interest in the aforementioned framework agreements and none of other Directors is required to abstain from voting on the resolutions of the Board to consider and approve the aforementioned agreements and their proposed annual caps.

Taking into consideration the pricing policies and the basis of determining the proposed annual caps, the reasons for and benefits of the transactions and the Company's internal control procedures, the Directors, including Independent Non-executive Directors, are of the view that the terms of the transactions contemplated under the Futures Brokerage Services Framework Agreement, the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement, the Bulk Commodity Sale and Purchase Framework Agreement and the COAL SPA and the proposed annual caps (if applicable) thereunder are entered into on normal commercial terms in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and the Shareholders of the Company as a whole.

## VIII. INFORMATION ABOUT THE TRANSACTION PARTIES

### (1) Information about the Company

The Company is principally engaged in commodity futures brokerage, financial futures brokerage, futures asset management and futures investment consultancy.

### (2) Information about Shandong Energy

Shandong Energy was incorporated in the PRC in December 2010 and mainly engages in coal, coal-fired electricity generation, coal chemical industry, high-end equipment manufacturing, new energy and new materials, modern logistics trade and other businesses. It is owned by the State-owned Assets Supervision and Administration Commission of the People's Government of Shandong Province (山東省人民政府國有資產監督管理委員會), Shandong Guohui Investment Holding Group Co., Ltd.\* (山東國惠投資控股集團有限公司) and Shandong Caixin Assets Operation Co., Ltd.\* (山東省財欣資產運營有限公司), as to 70%, 20% and 10%, respectively. The ultimate beneficial owner of Shandong Energy is the State-owned Assets Supervision and Administration Commission of the People's Government of Shandong Province.

### (3) Information about Zhongtai Huirong Capital

Zhongtai Huirong Capital was incorporated in the PRC in April 2013, and is a wholly-owned subsidiary of the Company. It mainly engages in commodity trading, import and export, technical consultation, investment consultation etc.

### (4) Information about NMIT

NMIT was incorporated in the PRC in January 2007, and is a wholly-owned subsidiary of Xinwen Mining, which in turn is a wholly-owned subsidiary of Shandong Energy. NMIT mainly engages in sales of coal and related products, sales of metal ores, sales of metal materials and sales of non-metal ores and products.

## IX. AGM

The Company intends to propose relevant resolutions at the forthcoming AGM for Independent Shareholders' approval of the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement, the Bulk Commodities Sale and Purchase Framework Agreement and their respective proposed annual caps. Zhongtai Securities will abstain from voting on the resolutions in relation to the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement, the Bulk Commodities Sale and Purchase Framework Agreement and their respective proposed annual caps at the AGM. Zhongtai Securities is required to abstain from voting in respect of 632,176,078 Shares. The resolutions to be proposed will be passed by way of ordinary resolutions and resolved by voting in accordance with the Listing Rules. Save as disclosed herein, no other Shareholders to the knowledge and belief of the Directors having made all reasonable enquiries, will be required to abstain from voting at the AGM in respect of relevant resolutions as at the date of this announcement.

The Independent Board Committee (comprised of all Independent Non-executive Directors, namely Mr. ZHENG Jianping, Mr. CHEN Hua and Mr. LUO Xinhua) has been established, to provide advices on the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement, the Bulk Commodities Sale and Purchase Framework Agreement and their respective proposed annual caps to the Independent Shareholders.

The Company will appoint the Independent Financial Advisor to advise the Independent Board Committee and Independent Shareholders in respect of the above matter. The Independent Board Committee will provide its recommendation in the AGM circular upon having received the opinions of the Independent Financial Advisor.

A circular containing, inter alia, details of (1) the Asset Management Services Framework Agreement and its proposed annual caps; (2) the Risk Management Services Framework Agreement and its proposed annual caps; (3) the Bulk Commodities Sale and Purchase Framework Agreement and its proposed annual caps; (4) the Independent Board Committee's recommendation to the Independent Shareholders; (5) advice of the Independent Financial Advisor to the Independent Board Committee and Independent Shareholders in respect of the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement, the Bulk Commodities Sale and Purchase Framework Agreement and their respective proposed annual caps; and (6) together with the notice of convening the AGM, will be dispatched to the Shareholders in a due course. For the purpose of this circular, the Company will need time to make various preparations, rendering the expected date of dispatch of this circular to the Shareholders after 15 business days upon the publication of this announcement.

## X. DEFINITION

Unless the context requires otherwise, the following terms of this announcement have the meanings as set out below:

“AGM”	the annual general meeting of the Company for the year 2022 to be convened at 9:30 a.m. on Thursday, 15 June 2023 at Conference Room 1616, 16/F, Securities Tower, No. 86 Jingqi Road, Shizhong District, Jinan, Shandong Province, the PRC
“Asset Management Services Framework Agreement”	the Asset Management Services Framework Agreement entered into between the Company and Shandong Energy on 30 March 2023
“associate(s)”	has the meanings ascribed to it under the Listing Rules
“Board” or “Board of Directors”	the board of directors of the Company
“Bulk Commodities Sale and Purchase Framework Agreement”	the Bulk Commodities Sale and Purchase Framework Agreement entered into between the Company and Shandong Energy on 30 March 2023
“China” or “PRC”	the People’s Republic of China, in this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Company”	ZHONGTAI FUTURES Company Limited (中泰期貨股份有限公司)(previously known as LUZHENG FUTURES Company Limited (魯証期貨股份有限公司)), a company established after being reorganized in the PRC on 10 December 2012 with limited liability (its predecessor was Shandong Quanxin Futures Brokerage Co., Ltd. (山東泉鑫期貨經紀有限公司), renamed as Luzheng Futures Brokerage Co., Ltd. (魯証期貨經紀有限公司), and then renamed as LUZHENG FUTURES CORPORATION LIMITED (魯証期貨有限公司)), and its H Shares are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 01461)

“Connected Person(s)”	has the meanings ascribed to it under the Listing Rules
“Connected Transaction(s)”	has the meanings ascribed to it under the Listing Rules
“Continuing Connected Transaction(s)”	has the meanings ascribed to it under the Listing Rules
“Controlling Shareholder(s)”	has the meanings ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Zhongtai Huirong Capital”	Zhongtai Huirong Capital Investment Co., Ltd. (中泰匯融資本投資有限公司), previously known as Luzheng Capital Management Co., Ltd. (魯証資本管理有限公司), and Luzheng Trading Co., Ltd. (魯証經貿有限公司), a company established in the PRC with limited liability on 24 April 2013, and being a wholly-owned subsidiary of the Company
“ NMIT”	New Minerals International Trading Limited* (新礦國際貿易有限公司), a company established in the PRC on 26 January 2007 with limited liability, and being an indirect wholly-owned subsidiary of Shandong Energy
“Framework Agreements”	collectively, the Futures Brokerage Services Framework Agreement, the Asset Management Services Framework Agreement, the Bulk Commodities Sale and Purchase Framework Agreement and the Risk Management Services Framework Agreement

\* *For identification purpose only*

“Independent Financial Advisor”	a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to engage in category 1 (securities trading) and category 6 (advising on corporate finance) regulated activities, to advise on the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement, the Bulk Commodities Sale and Purchase Framework Agreement and their respective annual caps to the Independent Board Committee and Independent Shareholders
“Futures Brokerage Services Framework Agreement”	the Futures Brokerage Services Framework Agreement entered into between the Company and Shandong Energy on 30 March 2023
“Risk Management Services Framework Agreement”	the Risk Management Services Framework Agreement entered into between the Company and Shandong Energy on 30 March 2023
“Group” or “we” or “us”	the Company and its subsidiaries (or the Company and any of its subsidiaries or various subsidiaries as the context requires)
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board, comprised of all Independent Non-executive Directors, namely Mr. ZHENG Jianping, Mr. CHEN Hua and Mr. LUO Xinhua. The aim of its establishment is to provide advices in respect of the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement, the Bulk Commodities Sale and Purchase Framework Agreement and their respective proposed annual caps to the Independent Shareholders
“Independent Non-executive Director(s)”	independent non-executive Director(s) of the Company



“Independent Shareholder(s)”	Shareholders who are not required to abstain from voting on the Asset Management Services Framework Agreement, the Risk Management Services Framework Agreement and the Bulk Commodities Sale and Purchase Framework Agreement and their respective proposed annual caps
“Laiwu Steel”	Laiwu Steel Group Ltd. (萊蕪鋼鐵集團有限公司), a limited company incorporated in the PRC on 6 May 1999. 100.00% of its equity interest is held by Shandong Steel, and being a former Controlling Shareholder of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“COAL SPA(s)”	the coal sale and purchase agreements dated 1 August 2022, 26 August 2022, 3 September 2022, 22 September 2022, 3 January 2023 and 4 February 2023, respectively, which were entered into between Zhongtai Huirong Capital and NMIT
“RMB”	the lawful currency of the PRC
“Shandong Energy”	Shandong Energy Group Co., Ltd. (山東能源集團有限公司), a company incorporated in the PRC on 16 December 2010 with limited liability, 70% of which is owned by the State-owned Assets Supervision and Administration Commission of the Shandong Provincial Government (山東省人民政府國有資產監督管理委員會) and being one of the Controlling Shareholders of the Company
“Shandong Steel”	Shandong Iron & Steel Group Co., Ltd. (山東鋼鐵集團有限公司), a company established in the PRC on 17 March 2008 with limited liability, 70% of which is owned by the State-owned Assets Supervision and Administration Commission of the Shandong Provincial Government (山東省人民政府國有資產監督管理委員會) and being a former Controlling Shareholder of the Company
“Share(s)”	the ordinary share(s) of the Company with a nominal value of RMB1.00 each, including domestic shares and H shares of the Company
“Shareholder(s)”	the holder(s) of the Share(s)

“Zhongtai Securities”

Zhongtai Securities Co., Ltd. (中泰證券股份有限公司), previously known as Qilu Securities Co., Ltd. (齊魯證券有限公司), a company established in the PRC on 15 May 2001 with limited liability, and listed in Shanghai Stock Exchange on 3 June 2020 (Stock code: 600918), 32.62% of which is owned by Zaozhuang Mining Group Co., Ltd. (棗莊礦業(集團)有限責任公司), and being one of the Controlling Shareholders of the Company

“%”

percentage

By Order of the Board  
**ZHONGTAI FUTURES Company Limited**  
**ZHONG Jinlong**  
*Chairman*

Jinan, the PRC  
30 March 2023

*As at the date of this announcement, the Board comprises Mr. ZHONG Jinlong and Mr. LIANG Zhongwei as executive Directors; Mr. HU Kainan, Mr. ZHENG Hanyin, Mr. MING Gang and Mr. LIU Feng as non-executive Directors; and Mr. ZHENG Jianping, Mr. CHEN Hua and Mr. LUO Xinhua as independent non-executive Directors.*