

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Holly Futures

*(a joint stock company incorporated in the People's Republic of China (the "PRC") with limited liability under the Chinese corporate name 弘業期貨股份有限公司 and carrying on business in Hong Kong as Holly Futures)
(the "Company")
(Stock Code: 3678)*

ANNOUNCEMENT IN RELATION TO THE POTENTIAL JUDICIAL COMPULSORY ENFORCEMENT OF SHARES HELD BY A SHAREHOLDER

Reference is made to the announcements of the Company dated 11 May 2023, 26 June 2023 and 5 July 2023 (the "**Announcements**") in relation to, among others, (1) the judicial freezing again of A shares ("**A Shares**") of the Company held by Jiangsu Holly Su Industrial Co., Ltd. (江蘇弘蘇實業有限公司) ("**Holly Su Industrial**"); (2) the uplift of the freezing of certain A Shares held by it subsequently; and (3) the judicial freezing of certain A Shares held by it again. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements unless otherwise stated herein.

The Company has recently been informed that 30,233,332 A Shares, representing approximately 3% of the total issued share capital of the Company as at the date of this announcement, held by Holly Su Industrial, were subject to the compulsory enforcement (the "**Enforcement**") by the Intermediate People's Court of Nanchang Municipality, Jiangxi Province (江西省南昌市中級人民法院) (the "**Court**"). The Enforcement will be effected by means of (i) centralized bidding transactions (集中競價交易) within three months after 15 trading days from the date of this announcement; and (ii) through block trading transactions (大宗交易) within three months after three trading days from the date of this announcement.

Reasons for the Enforcement

Due to dispute in relation to a financial loan contract (金融借款合同) and transfer of property share of a partnership enterprise (合夥企業財產份額轉讓) between AVIC Trust Co., Ltd (中航信託股份有限公司) ("**AVIC Trust**") and Holly Su Industrial, AVIC Trust has, pursuant to two Civil Mediation Papers (民事調解書) issued by the Court, applied to the Court for the Enforcement of the sale of the 30,233,332 A Shares held by Holly Su Industrial, which may result in a change in Holly Su Industrial's shareholding of the Company (the "**Change in Shareholding**").

Details of the potential Change in Shareholding

1. Source of A Shares: A Shares issued prior to the initial public offering.
2. Quantity of A Shares subject to the Enforcement: 30,233,332 A Shares, representing approximately 3% of the total issued share capital of the Company as at the date of this announcement. Among them, for the Enforcement through centralised bidding transactions, the cumulative changes of A Shares within any consecutive 90 calendar days shall not exceed 1% of the total issued share capital of the Company as at the date of this announcement; for the Enforcement through block trading transactions, the cumulative changes of A Shares within any consecutive 90 calendar days shall not exceed 2% of the total issued share capital of the Company as at the date of this announcement.
3. Periods of the Enforcement: For the Enforcement through centralised bidding transactions, it will take place within three months after 15 trading days from the date of this announcement; for the Enforcement through block trading transactions, it will take place within three months after three trading days from the date of this announcement.
4. Methods of the Enforcement: Through centralised bidding transactions and block trading transactions.
5. Price: To be determined based on market prices.

The Change in Shareholding does not violate the relevant provisions of the “Further Regulation on Share Reduction Behavior” (證監會進一步規範股份減持行為) and the “Notice on Further Regulating Matters Related to Share Reduction Behavior” (關於進一步規範股份減持行為有關事項的通知) by the Shenzhen Stock Exchange.

As at the date of this announcement, a total of 143,548,000 A Shares, representing approximately 14.24% of the total issued share capital of the Company, were held by Holly Su Industrial, all of which were subject to pledge and judicial freezing.

As at the date of this announcement, Holly Su Industrial is a substantial shareholder of the Company, but not a controlling shareholder or the largest shareholder of the Company or its parties acting in concert. The potential Change in Shareholding will not result in a change of control of the Company.

The Board considers that, as at the date of this announcement, the potential Change in Shareholding will not have material adverse impact on the business operation, corporate governance and the daily management of the Group.

As the potential Change in Shareholding is due to the Enforcement, the precise timeline and prices of the Change in Shareholding remain uncertain, and subject to the final enforcement of the Court.

The Company will continue to pay attention to the subsequent progress of the above matter and perform its information disclosure obligations in a timely manner.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Mr. Chu Kairong
Executive Director

Nanjing, the PRC
24 November 2023

As at the date of this announcement, the Board of Directors consists of Mr. Chu Kairong as executive Director; Mr. Xue Binghai, Mr. Jiang Lin and Mr. Shan Bing as non-executive Directors; and Mr. Huang Dechun, Mr. Lo Wah Wai and Mr. Zhang Hongfa as independent non-executive Directors.