

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
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)*

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND THE RELATED RULES OF PROCEDURES

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND THE RELATED RULES OF PROCEDURES

The Board proposed to amend the Articles of Association in light of (i) the requirements of the Rules Governing the Listing of Shares on Shenzhen Stock Exchange (August 2023 Revision) (《深圳證券交易所上市規則(2023年8月修訂)》), the Guidelines on the Articles of Associations for Listed Companies (2023 revision) (《上市公司章程指引(2023年修訂)》), Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》), the Listing Rules, and other laws, regulations and normative documents; and (ii) based on the actual situation needs of the Company.

The Company also proposed to make corresponding amendments to the Related Rules of Procedures.

GENERAL

The EGM will be convened by the Company to consider and, if thought fit, approve, among other things, the Articles Amendments and the amendments to the Related Rules of Procedures. A circular containing, among others, the Articles Amendments and amendments to the Related Rules of Procedures, together with the notice of EGM, will be despatched to the Shareholders in due course.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND THE RELATED RULES OF PROCEDURES

The Board proposed to amend the Articles of Association in light of (i) the requirements of the Rules Governing the Listing of Shares on Shenzhen Stock Exchange (August 2023 Revision) (《深圳證券交易所上市規則(2023年8月修訂)》), the Guidelines on the Articles of Associations for Listed Companies (2023 revision) (《上市公司章程指引(2023年修訂)》), Measures for the Administration of Independent Directors of Listed Companies (《上市公司獨立董事管理辦法》), the Listing Rules, and other laws, regulations and normative documents; and (ii) based on the actual situation needs of the Company.

The Company also proposed to make corresponding amendments to the Related Rules of Procedures. Details of the Articles Amendments and amendments to the Related Rules of Procedures are set out below:

Comparison of Articles Amendments to the existing Articles of Association	
Original provision of the Articles of Association	Provision of the Articles of Association after the Articles Amendments
Article 1 In order to safeguard the legitimate rights and interests of Holly Futures Co., Ltd. (the “Company”) and its shareholders and creditors, and to regulate the organization and activities of the Company, these Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Futures and Derivatives Law of the People’s Republic of China (the “Futures and Derivatives Law”), the Supervision and Administration Measures on Futures Firms, the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (the “Special Regulations”), the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas (the “Mandatory Provisions”), the Letter Regarding Opinion on Supplementary Amendments to Articles of Association of Companies to be Listed in Hong Kong, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”), the Guidelines for the Articles of Association of Listed Companies, the listing rules of domestic stock exchanges and other relevant laws, regulations and regulatory documents.	Article 1 In order to safeguard the legitimate rights and interests of Holly Futures Co., Ltd. (the “Company”) and its shareholders and creditors, and to regulate the organization and activities of the Company, these Articles of Association are formulated in accordance with the Company Law of the People’s Republic of China (the “Company Law”), the Securities Law of the People’s Republic of China (the “Securities Law”), the Futures and Derivatives Law of the People’s Republic of China (the “Futures and Derivatives Law”), the Supervision and Administration Measures on Futures Firms, the Letter Regarding Opinion on Supplementary Amendments to Articles of Association of Companies to be Listed in Hong Kong, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Listing Rules”), the Guidelines for the Articles of Association of Listed Companies, the listing rules of domestic stock exchanges and other relevant laws, regulations and regulatory documents.

Comparison of Articles Amendments to the existing Articles of Association	
Original provision of the Articles of Association	Provision of the Articles of Association after the Articles Amendments
<p>Article 29 The Company shall prepare a balance sheet and an inventory of assets when it reduces its registered capital.</p> <p>The Company shall notify its creditors within 10 days from the date of the resolution on reduction in registered capital and <u>shall publish an announcement in a newspaper at least three times within 30 days from the date of such resolution</u>. A creditor shall have the right, within 30 days upon receipt of the notice from the Company or, in the case of a creditor who does not receive such notice, within 45 days of the date of the first announcement, to require the Company to repay its debt or to provide corresponding guarantee for such debt.</p> <p>The registered capital of the Company following the reduction in capital shall not fall below the minimum statutory requirement.</p>	<p>Article 29 The Company shall prepare a balance sheet and an inventory of assets when it reduces its registered capital.</p> <p>The Company shall notify its creditors within 10 days from the date of the resolution on reduction in registered capital and <u>shall publish an announcement in a newspaper within 30 days from the date of such resolution</u>. A creditor shall have the right, within 30 days upon receipt of the notice from the Company or, in the case of a creditor who does not receive such notice, within 45 days of the date of the first announcement, to require the Company to repay its debt or to provide corresponding guarantee for such debt.</p> <p>The registered capital of the Company following the reduction in capital shall not fall below the minimum statutory requirement.</p>
<p>Article 79 Where the Company convenes an annual general meeting, a written notice shall be given at least 20 working days prior to the date of the meeting to notify all the shareholders; where the Company convenes an extraordinary general meeting, <u>a public announcement shall be published at least 10 working days or 15 days (whichever is longer) prior to the date of the meeting to notify all the shareholders</u>. Any shareholder who intends to attend the meeting shall deliver to the Company a written reply stating his or her intention to attend within the period stipulated in the meeting notice.</p>	<p>Article 79 Where the Company convenes an annual general meeting, a written notice shall be given at least 20 working days prior to the date of the meeting to notify all the shareholders; where the Company convenes an extraordinary general meeting, <u>a public announcement shall be published at least 15 days prior to the date of the meeting to notify all the shareholders</u>. Any shareholder who intends to attend the meeting shall deliver to the Company a written reply stating his or her intention to attend within the period stipulated in the meeting notice.</p>

Comparison of Articles Amendments to the existing Articles of Association	
Original provision of the Articles of Association	Provision of the Articles of Association after the Articles Amendments
<p>Article 137 Apart from the holders of other classes of shares, the holders of domestic shares and overseas listed foreign shares shall be taken to be shareholders of different classes.</p> <p>The special procedures for voting by class shareholders shall not apply to the following circumstances:</p> <p>1) where the Company issues, upon approval by way of a special resolution at a general meeting, either separately or concurrently once every twelve months, domestic shares and overseas listed foreign shares, <u>to the extent that the number of the shares to be issued does not exceed twenty percent of the total number of the issued shares of their respective class;</u></p> <p>2) where the Company’s plan to issue domestic shares and overseas listed foreign shares upon its incorporation is completed within fifteen months from the date of approval by the Securities Committee of the State Council; or</p> <p>3) where the domestic shares of the Company are transferred by the holder to overseas investors and are subsequently listed and traded on overseas stock exchanges with the approval by the securities regulatory agency of the State Council.</p>	<p>Article 137 Apart from the holders of other classes of shares, the holders of domestic shares and overseas listed foreign shares shall be taken to be shareholders of different classes.</p> <p>The special procedures for voting by class shareholders shall not apply to the following circumstances:</p> <p>1) where the Company issues, upon approval by way of a special resolution at a general meeting, either separately or concurrently once every twelve months, domestic shares and overseas listed foreign shares, <u>to the extent that the number of the shares to be issued does not exceed twenty percent of the total number of the issued shares;</u></p> <p>2) where the Company’s plan to issue domestic shares and overseas listed foreign shares upon its incorporation is completed within fifteen months from the date of approval by the Securities Committee of the State Council; or</p> <p>3) where the domestic shares of the Company are transferred by the holder to overseas investors and are subsequently listed and traded on overseas stock exchanges with the approval by the securities regulatory agency of the State Council.</p>

Comparison of Articles Amendments to the existing Articles of Association

Original provision of the Articles of Association	Provision of the Articles of Association after the Articles Amendments
<p>Article 150 (21) 5. Connected transaction: Connected transactions between the Company and its connected persons which satisfied the following standards shall be submitted to the Board for consideration and approval:</p> <p>(1) any contemplated connected transaction between the Company and its connected natural person in an amount more than RMB300,000;</p> <p>(2) any contemplated connected transaction between the Company and its connected legal person in an amount more than RMB3 million and accounting for more than 0.5% of the latest audited absolute value of net assets of the Company.</p> <p>Any contemplated connected transaction between the Company and its connected person in an amount more than RMB30 million and accounting for more than 5% of the latest audited absolute value of net assets of the Company shall be submitted to the general meeting for consideration after such transaction is considered and approved by the Board;</p>	<p>Article 150 (21) 5. Connected transaction: Connected transactions between the Company and its connected persons which satisfied the following standards shall be submitted to the Board for consideration and approval:</p> <p>(1) any contemplated connected transaction between the Company and its connected natural person in an amount exceeding RMB300,000;</p> <p>(2) any contemplated connected transaction between the Company and its connected legal person in an amount exceeding RMB3 million and accounting for over 0.5% of the latest audited absolute value of net assets of the Company.</p> <p>Any contemplated connected transaction between the Company and its connected person in an amount exceeding RMB30 million and accounting for over 5% of the latest audited absolute value of net assets of the Company shall be submitted to the general meeting for consideration after such transaction is considered and approved by the Board;</p>

Comparison of Articles Amendments to the existing Articles of Association

Original provision of the Articles of Association	Provision of the Articles of Association after the Articles Amendments
<p>Article 165 The Company shall set up special committees under the Board including an audit committee, a nomination committee, a remuneration committee, a risk management committee and a strategic committee.</p> <p>Each special committee shall be accountable to the Board, and shall consist of directors as members.</p> <p>The audit committee must comprise a minimum of three members, and most members shall be independent directors. At least one of the members of audit committee is a member with appropriate professional qualifications or accounting or related financial management expertise as required under the Hong Kong Listing Rules. The one who acts as the chairman of audit committee must be an independent director.</p> <p>Most members of remuneration committee shall be independent directors. The one who acts as the chairman of remuneration committee must be an independent director.</p> <p>The one who acts as the chairman of nomination committee must be chairman of the Board or an independent director, and most members of nomination committee shall be independent directors.</p>	<p>Article 165 The Company shall set up special committees under the Board including an audit committee, a nomination committee, a remuneration committee, a risk management committee and a strategic committee.</p> <p>Each special committee shall be accountable to the Board, and shall consist of directors as members.</p> <p>The audit committee must comprise a minimum of three members. <u>The members of the audit committee shall be directors who do not hold senior management positions in the Company</u>, and most members shall be independent directors. At least one of the members of audit committee is a member with appropriate professional qualifications or accounting or related financial management expertise as required under the Hong Kong Listing Rules. The one who acts as the chairman of audit committee must be an independent director. The one who acts as the chairman of audit committee must be an <u>accounting professional</u> among the independent directors.</p> <p>Most members of remuneration committee shall be independent directors. The one who acts as the chairman of remuneration committee must be an independent director.</p> <p>The one who acts as the chairman of nomination committee must be <u>an independent director</u>, and most members of nomination committee shall be independent directors.</p>

Comparison of Articles Amendments to the existing Articles of Association

Original provision of the Articles of Association	Provision of the Articles of Association after the Articles Amendments
<p>Article 168 The following persons shall not act as independent director of the Company:</p> <p>1) persons employed by the Company or its related parties and their immediate family members and major social connections;</p> <p>2) natural person shareholders directly or indirectly holding more than 1% of the Company's issued shares or of top ten shareholders of the Company and their close relatives;</p> <p>3) persons and their immediate family members and major social connections employed by the Shareholder entities which hold or control more than 5% of the Company's equity or which are top five shareholder entities of the Company, or by institutions which have business connection or interests relationship with the Company;</p> <p>4) persons providing financial, legal or consulting services to the Company and its related parties and their immediate family members;</p> <p>5) persons who belong to categories (1) to (4) within the preceding year;</p> <p>6) persons holding positions other than independent director in other futures companies;</p>	<p>Article 168 The following persons shall not act as independent director of the Company:</p> <p>1) persons working in the Company or its affiliated enterprises and their <u>spouses, parents, children</u> and major social connections;</p> <p>2) directly or indirectly holding more than one percent of the issued shares of the Company or being a natural person shareholder among the top ten shareholders of the Company and his <u>spouse, parents or children</u>;</p> <p>3) shareholders who directly or indirectly hold more than 5 percent of the issued shares of the Company or persons who are among the top five shareholders of the company and their <u>spouses, parents and children</u>;</p> <p>4) <u>persons working in the subsidiary enterprises of the controlling shareholder or de facto controller of the Company and their spouses, parents and children</u>;</p> <p>5) <u>persons who have major business dealings with the Company and its controlling shareholder or de facto controller or their respective affiliated enterprises, or persons who hold positions in the enterprises with major business dealings and their controlling shareholder or de facto controller</u>;</p> <p>6) <u>persons providing financial, legal, consultancy, sponsorship and other services to the Company, its controlling shareholder, de facto controller or their respective affiliated companies, including but not limited to all members of the project teams from the intermediaries providing services, reviewing officers at all levels, persons signing the reports, partners, directors, senior management and principal persons</u>;</p>

Comparison of Articles Amendments to the existing Articles of Association	
Original provision of the Articles of Association	Provision of the Articles of Association after the Articles Amendments
7) other persons specified in laws and regulations, or unfit to serve as independent director upon confirmation by CSRC.	7) <u>persons who have met any of the conditions listed in items 1 to 6 within the last twelve months;</u> 8) other persons who are not independent as stipulated by laws, administrative regulations, provisions of the CSRC, business rules of stock exchanges and Articles of Association.
<p>Article 169 Independent directors of the Company shall meet the following conditions:</p> <p>1) have engaged in such financial business as futures or securities or in legal or accounting operations for more than 5 years, or have relevant senior academic title for teaching or researches;</p> <p>2) have educational background of graduate of college or university or above in relevant field and holding a bachelor degree or above;</p> <p>3) are familiar with the laws and administrative regulations of futures and the requirements of the CSRC, and possess professional expertise in futures;</p> <p>4) have time and energy necessary to perform their duties;</p> <p>5) other qualifications required by relevant laws, regulations, normative documents and regulatory provisions at the location where the Company's shares are listed.</p> <p>Independent director of the Company is allowed to assume the positions of independent director in not more than 2 futures companies.</p>	<p>Article 169 Independent directors of the Company shall meet the following conditions:</p> <p><u>1) qualified to serve as an independent director of a listed company in accordance with laws, administrative regulations and other relevant provisions;</u></p> <p><u>2) meet the independence requirements of laws, administrative regulations and other relevant provisions;</u></p> <p>3) have engaged in such financial business as futures or securities or in legal or accounting operations for more than 5 years, or have relevant senior academic titles for teaching or researches;</p> <p>4) have educational background of graduate of college or university or above in relevant field and holding a bachelor degree or above;</p> <p><u>5) are familiar with the basic knowledge of the operation of listed companies,</u> familiar with the laws and administrative regulations of futures and the requirements of the CSRC, and possess professional expertise in futures;</p> <p><u>6) have good personal morality, there is no bad record such as major breach of trust;</u></p> <p>7) have time and energy necessary to perform their duties;</p>

Comparison of Articles Amendments to the existing Articles of Association	
Original provision of the Articles of Association	Provision of the Articles of Association after the Articles Amendments
	<p>8) other qualifications required by relevant laws, regulations, normative documents and regulatory provisions at the location where the Company's shares are listed.</p> <p><u>In principle, the independent director of the Company is allowed to assume the positions of independent director in not more than three domestic listed companies.</u> Independent director of the Company is allowed to assume the positions of independent director in not more than 2 futures companies.</p>
<p>Article 181 The secretary of the Board shall be a natural person with necessary professional knowledge and experience, and shall be appointed by the Board. The main duties of the secretary of the Board are:</p> <p>1) to ensure that the Company has complete organization documents and records;</p> <p>2) to ensure that the Company legally prepares and submits reports and documents as required by the competent authorities;</p> <p>3) to ensure that the shareholders' register of the Company is established appropriately and that the persons who have the right of access to the relevant records and documents of the Company obtain the same in due time.</p>	<p>Article 181 The secretary of the Board shall be a natural person with necessary professional knowledge and experience, and shall be appointed by the Board. The main duties of the secretary of the Board are:</p> <p><u>1) to address and coordinate information disclosure of the Company, organize and formulate information disclosure management system of the Company, and urge the Company and relevant information disclosure obligors to observe the relevant provisions concerning information disclosure;</u></p> <p><u>2) to be responsible for organizing and coordinating the investor relations management of the Company, and coordinating the communication of information between the Company and securities regulatory authorities, shareholders and de facto controllers, intermediaries and the media;</u></p> <p><u>3) to organize and prepare Board meetings and shareholders' general meetings, attend shareholders' meetings, Board meetings, Supervisory Committee meetings and relevant meetings of the senior management personnel, and maintain and sign the minutes of Board meetings;</u></p>

Comparison of Articles Amendments to the existing Articles of Association

Original provision of the Articles of Association	Provision of the Articles of Association after the Articles Amendments
	<p><u>4) to be responsible for the confidentiality of information disclosure of the Company and promptly report to the Shenzhen Stock Exchange and make announcement when significant undisclosed information is divulged;</u></p> <p><u>5) to keep an eye on the rumours about the Company and take the initiative to make verifications, and urge the Board and other relevant entities to timely respond to the enquiries of the Shenzhen Stock Exchange;</u></p> <p><u>6) to organize trainings for Directors, supervisors and senior management personnel as required by relevant laws, regulations and relevant stock listing regulations of the Shenzhen Stock Exchange and its other regulations, and assist them in understanding their respective responsibilities in information disclosure;</u></p> <p><u>7) to urge the Directors, supervisors and senior management personnel to observe the laws and regulations, stock listing regulations of the Shenzhen Stock Exchange and its other regulations and the Articles of Association, and earnestly fulfil their commitments; when becoming aware that the Company, Directors, supervisors and senior management personnel make or may possibly make a decision in violation of the relevant provisions, he/she shall remind the related personnel and immediately report it to the Shenzhen Stock Exchange;</u></p> <p><u>8) to be responsible for the management of changes in the Company's shares and derivatives, etc.;</u></p> <p><u>9) to discharge such other duties as provided by the relevant laws, administrative regulations and requirements of the Shenzhen Stock Exchange.</u></p>

Comparison of Articles Amendments to the existing Articles of Association	
Original provision of the Articles of Association	Provision of the Articles of Association after the Articles Amendments
<p>Article 184 The general manager of the Company shall be accountable to the Board and exercise the following functions and powers:</p> <p>8) base on actual production and operation condition of the Company, the general manager is entitled to approve external investment (including consigned financial management, entrusted loan, trust product, asset management plan, security, bond, fund and other financial asset investment, and equity investment) of not more than RMB30 million, fixed asset investment of not more than RMB10 million, asset disposal (including acquisition, disposal, transfer, retirement and liquidation) of not more than RMB2 million, asset write-off of not more than RMB2 million, and standalone security of asset of not more than 10% of the latest audited net assets of the Company.</p> <p>As for connected transactions between the Company and its connected persons, should the connected transactions not reach the standards for consideration and approval specified in Article 152 in these Articles of Association, the general manager is entitled to make the decision of consideration and approval.</p>	<p>Article 184 The general manager of the Company shall be accountable to the Board and exercise the following functions and powers:</p> <p>8) base on actual production and operation condition of the Company, the general manager is entitled to approve external investment (including consigned financial management, entrusted loan, trust product, asset management plan, security, bond, fund and other financial asset investment, and equity investment) of not more than RMB30 million, fixed asset investment of not more than RMB10 million, asset disposal (including acquisition, disposal, transfer, retirement and liquidation) of not more than RMB2 million, asset write-off of not more than RMB2 million, and standalone security of asset of not more than 10% of the latest audited net assets of the Company.</p> <p>As for connected transactions between the Company and its connected persons, should the connected transactions not reach the standards for consideration and approval specified in Article 150 in these Articles of Association, the general manager is entitled to make the decision of consideration and approval.</p>

Comparison of Articles Amendments to the existing Articles of Association	
Original provision of the Articles of Association	Provision of the Articles of Association after the Articles Amendments
<p>Article 233 The Company shall enter into a contract in writing with each of the directors, supervisors, general manager and other senior management, including the following contents at least:</p> <p>1) the directors, supervisors, general manager and other senior management shall undertake to the Company that they will comply with the Company Law, Special Regulations, the Articles of Association, the Codes on Takeovers and Mergers, Share Buy-backs Code and other provisions of the Hong Kong Stock Exchange, and agree that the Company is entitled to access the remedial measures as stipulated in the Articles of Association. The contract and his position shall not be transferred;</p>	<p>Article 233 The Company shall enter into a contract in writing with each of the directors, supervisors, general manager and other senior management, including the following contents at least:</p> <p>1) the directors, supervisors, general manager and other senior management shall undertake to the Company that they will comply with the Company Law, the Articles of Association, the Codes on Takeovers and Mergers, Share Buy-backs Code and other provisions of the Hong Kong Stock Exchange, and agree that the Company is entitled to access the remedial measures as stipulated in the Articles of Association. The contract and his position shall not be transferred;</p>
<p>Article 291 Any amendment to these Articles of Association involving anything set out in the Mandatory Provisions as approved by the general meeting shall become effective upon approval by the company approval department authorized by the State Council and the Securities Commission of the State Council. If there is any change relating to the registered particulars of the Company, application shall be made for the changes in accordance with the laws.</p>	<p>Article 291 Any amendment to these Articles of Association as approved by the general meeting and relating to the registered particulars of the Company, application shall be made for the changes in accordance with the laws.</p>
<p>Article 296 The figure itself shall be included if these Articles of Association refers to any such words as “above”, “within” or “below”; the figure itself shall not be included if these Articles of Association refers to any such words as “lower than”, “over”, “less than” or “more than”.</p>	<p>Article 296 The figure itself shall be included if these Articles of Association refers to any such words as “above”, “within” or “below”; the figure itself shall not be included if these Articles of Association refers to any such words as “lower than”, “over”, “less than”, “more than” or “<u>exceed</u>”.</p>

Comparison of amendments to the Rules of Procedures of the General Meetings to the existing Rules of Procedures of the General Meetings	
Original provision of the Rules of Procedures of General Meetings	Provision of the Rules of Procedures of General Meetings after the amendments
<p>Rule 20 Where the Company convenes an annual general meeting, a written notice shall be given at least 20 working days prior to the date of the meeting to notify all the shareholders; where the Company convenes an extraordinary general meeting, <u>a public announcement shall be published at least 10 working days or 15 days (whichever is longer) prior to the date of the meeting to notify all the shareholders.</u> Any shareholder who intends to attend the meeting shall deliver to the Company a written reply stating his or her intention to attend within the period stipulated in the meeting notice.</p> <p>When calculating the starting date, the date of the meeting shall be excluded.</p>	<p>Rule 20 Where the Company convenes an annual general meeting, a written notice shall be given at least 20 working days prior to the date of the meeting to notify all the shareholders; where the Company convenes an extraordinary general meeting, <u>a public announcement shall be published at least 15 days prior to the date of the meeting to notify all the shareholders.</u> Any shareholder who intends to attend the meeting shall deliver to the Company a written reply stating his or her intention to attend within the period stipulated in the meeting notice.</p> <p>When calculating the starting date, the date of the meeting shall be excluded.</p>
<p>Rule 94 The Rules shall take effect from the date of initial public offering of shares of the Company domestically and listing on a domestic securities exchange, after being considered and approved by the Shareholders' General Meeting. The existing rules shall become void and null after coming into effect of these Rules.</p>	<p>Rule 94 The Rules shall take effect from the date of consideration and approval at the Shareholders' General Meeting. The existing rules shall become void and null after coming into effect of these Rules.</p>

Comparison of amendments to the Rules of Procedures of the Board of Directors to the existing Rules of Procedures of the Board of Directors

Original provision of the Rules of Procedures of the Board of Directors	Provision of the Rules of Procedures of the Board of Directors after the amendments
<p>Rule 8 The board of directors shall exercise the following functions and powers:</p> <p>(21) 5.Connected transaction: Connected transactions between the Company and its connected persons which satisfied the following standards shall be submitted to the Board for consideration and approval:</p> <p>a) any contemplated connected transaction between the Company and its connected natural person in an amount more than RMB300,000;</p> <p>b) any contemplated connected transaction between the Company and its connected legal person in an amount more than RMB3 million and accounting for more than 0.5% of the latest audited absolute value of net assets of the Company.</p> <p>Any contemplated connected transaction between the Company and its connected person in an amount more than RMB30 million and accounting for more than 5% of the latest audited absolute value of net assets of the Company shall be submitted to the general meeting for consideration after such transaction is considered and approved by the Board;</p>	<p>Rule 8 The board of directors shall exercise the following functions and powers:</p> <p>(21) 5.Connected transaction: Connected transactions between the Company and its connected persons which satisfied the following standards shall be submitted to the Board for consideration and approval:</p> <p>a) any contemplated connected transaction between the Company and its connected natural person in an amount exceeding RMB300,000;</p> <p>b) any contemplated connected transaction between the Company and its connected legal person in an amount more than RMB3 million and accounting for over 0.5% of the latest audited absolute value of net assets of the Company.</p> <p>Any contemplated connected transaction between the Company and its connected person in an amount more than RMB30 million and accounting for over 5% of the latest audited absolute value of net assets of the Company shall be submitted to the general meeting for consideration after such transaction is considered and approved by the Board;</p>
<p>Rule 39 The following persons shall not act as independent director of the Company:</p> <p>1) persons employed by the Company or its related parties and their immediate family members and major social connections;</p>	<p>Rule 39 The following persons shall not act as independent director of the Company:</p> <p>1) persons working in the company or its affiliated enterprises and their spouses, parents, children and major social connections;</p>

Comparison of amendments to the Rules of Procedures of the Board of Directors to the existing Rules of Procedures of the Board of Directors

Original provision of the Rules of Procedures of the Board of Directors	Provision of the Rules of Procedures of the Board of Directors after the amendments
<p>2) natural person shareholders directly or indirectly holding more than 1% of the Company's issued shares or of top ten shareholders of the Company and their close relatives;</p> <p>3) persons and their immediate family members and major social connections employed by the Shareholder entities which hold or control more than 5% of the Company's equity or which are top five shareholder entities of the Company, or by institutions which have business connection or interests relationship with the Company;</p> <p>4) persons providing financial, legal or consulting services to the Company and its related parties and their immediate family members;</p> <p>5) persons who belong to categories (1) to (4) within the preceding year;</p> <p>6) persons holding positions other than independent director in other futures companies;</p> <p>7) other persons specified in laws and regulations, or unfit to serve as independent director upon confirmation by CSRC.</p>	<p>2) directly or indirectly holding more than one percent of the issued shares of the Company or being a natural person shareholder among the top ten shareholders of the company and his <u>spouse, parents or children</u>;</p> <p>3) shareholders who directly or indirectly hold more than 5 percent of the issued shares of the Company or persons who are among the top five shareholders of the company and their <u>spouses, parents and children</u>;</p> <p>4) <u>persons working in the subsidiary enterprises of the controlling shareholder or de facto controller of the Company and their spouses, parents and children</u>;</p> <p>5) <u>persons who have major business dealings with the Company and its controlling shareholder or de facto controller or their respective affiliated enterprises, or persons who hold positions in the enterprises with major business dealings and their controlling shareholders or de facto controllers</u>;</p> <p>6) <u>persons providing financial, legal, consultancy, sponsorship and other services to the company, its controlling shareholder, de facto controller or its respective affiliated companies, including but not limited to all members of the project teams from the intermediaries providing services, reviewing officers at all levels, persons signing the reports, partners, directors, senior management and principal persons</u>;</p>

Comparison of amendments to the Rules of Procedures of the Board of Directors to the existing Rules of Procedures of the Board of Directors	
Original provision of the Rules of Procedures of the Board of Directors	Provision of the Rules of Procedures of the Board of Directors after the amendments
	<p>7) <u>persons who have met any of the conditions listed in items 1 to 6 within the last twelve months;</u></p> <p>8) other persons who are not independent as stipulated by laws, administrative regulations, provisions of CSRC, business rules of stock exchanges and Articles of Association.</p>
<p>Rule 40 Independent directors of the Company shall meet the following conditions:</p> <p>1) have engaged in such financial business as futures or securities or in legal or accounting operations for more than 5 years, or have relevant senior academic title for teaching or researches;</p> <p>2) have educational background of graduate of college or university or above in relevant field and holding a bachelor degree or above;</p> <p>3) are familiar with the laws and administrative regulations of futures and the requirements of the CSRC, and possess professional expertise in futures;</p> <p>4) have time and energy necessary to perform their duties;</p> <p>5) other qualifications required by relevant laws, regulations, normative documents and regulatory provisions at the location where the Company's shares are listed.</p> <p>Independent director of the Company is allowed to assume the positions of independent director in not more than 2 futures companies.</p>	<p>Rule 40 Independent directors of the Company shall meet the following conditions:</p> <p>1) <u>qualified to serve as an independent director of a listed company in accordance with laws, administrative regulations and other relevant provisions;</u></p> <p>2) <u>meet the independence requirements of laws, administrative regulations and other relevant provisions;</u></p> <p>3) have engaged in such financial business as futures or securities or in legal or accounting operations for more than 5 years, or have relevant senior academic titles for teaching or research;</p> <p>4) have educational background of graduate of college or university or above in relevant field and holding a bachelor degree or above;</p> <p>5) <u>are familiar with the basic knowledge of the operation of listed companies,</u> familiar with the laws and administrative regulations of futures and the requirements of the CSRC, and possess professional expertise in futures;</p> <p>6) <u>have good personal morality, there is no bad record such as major breach of trust;</u></p>

Comparison of amendments to the Rules of Procedures of the Board of Directors to the existing Rules of Procedures of the Board of Directors	
Original provision of the Rules of Procedures of the Board of Directors	Provision of the Rules of Procedures of the Board of Directors after the amendments
	<p>7) have time and energy necessary to perform their duties;</p> <p>8) other qualifications required by relevant laws, regulations, normative documents and regulatory provisions at the location where the Company's shares are listed.</p> <p><u>In principle, an independent director of the Company is allowed to assume the positions of independent director in not more than three domestic listed companies.</u> Independent director of the Company is allowed to assume the positions of independent director in not more than 2 futures companies.</p>
<p>Rule 85 The Rules, as an annex to the Articles of Association, shall take effect from the date of initial public offering of the Company domestically and its listing on a domestic stock exchange, after being considered and approved by the Shareholders' General Meeting. The existing rules shall become void and null after coming into effect of the Rules.</p>	<p>Rule 85 The Rules, as an annex to the Articles of Association, shall take effect from the date of consideration and approval at the Shareholders' General Meeting. The existing rules shall become void and null after coming into effect of these Rules.</p>

The English versions of the Articles Amendments and the amendments to the Related Rules of Procedures are unofficial translations of their Chinese versions. In case of any discrepancy between the two versions, the Chinese versions shall prevail.

The Board believes that the Articles Amendments and the amendments to the Related Rules of Procedures are in the interests of the Company and its Shareholders.

GENERAL

The EGM will be convened by the Company to consider and, if thought fit, approve, among other things, the Articles Amendments and the amendments to the Related Rules of Procedures. A circular containing, among others, the Articles Amendments and amendments to the Related Rules of Procedures, together with the notice of EGM, will be despatched to the Shareholders in due course.

DEFINITIONS

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

“A Share(s)”	domestic listed ordinary shares with a nominal value of RMB1.00 each in the share capital of the Company, which are listed and traded on the Main Board of the Shenzhen Stock Exchange on 5 August 2022 (Stock Code: 001236)
“Articles Amendments”	the proposed amendments to the Articles of Association
“Articles of Association”	the articles of association of the Company, currently in force, as amended, supplemented or otherwise modified from time to time
“Board”	the board of Directors
“Company”	Holly Futures Co., Ltd. (弘業期貨股份有限公司), a joint stock limited company established in Jiangsu, the PRC under the laws of the PRC on 29 November 2012 and carrying on business in Hong Kong as “Holly Futures”, the H Shares and A Shares of which are listed and traded on the Main Board of the Hong Kong Stock Exchange and the Main Board of the Shenzhen Stock Exchange, respectively
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“EGM”	the 2024 first extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among others, the Articles Amendments and the amendments to the Related Rules of Procedures
“Group”	the Company and its subsidiaries
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

“H Shares”	overseas listed foreign ordinary shares in the share capital of the Company with a nominal value of RMB1.00 each listed on the Main Board of the Hong Kong Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“PRC” or “China”	the People’s Republic of China which shall, for the purpose of this announcement, excludes Hong Kong of the PRC, the Macau Special Administrative Region of the PRC and Taiwan region
“Related Rules of Procedures”	the Rules of Procedures of the General Meetings and the Rules of Procedures of the Board of Directors
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	A Share(s) and H Share(s)
“Shareholder(s)”	holders of the Share(s)

By order of the Board
Mr. Chu Kairong
Executive Director

Nanjing, the PRC
28 December 2023

As at the date of this announcement, the Board 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.