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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

POTENTIAL CONTINUING CONNECTED TRANSACTIONS

(1) PROPOSED ENTERING INTO OF FUTURES BROKERAGE SERVICES FRAMEWORK AGREEMENT

(2) PROPOSED ENTERING INTO OF ASSET MANAGEMENT SERVICES FRAMEWORK AGREEMENT

(3) PROPOSED ENTERING INTO OF RISK MANAGEMENT SERVICES FRAMEWORK AGREEMENT

(4) PROPOSED ENTERING INTO OF BULK COMMODITIES SALE AND PURCHASE FRAMEWORK AGREEMENT

PROPOSED ENTERING INTO OF FUTURES BROKERAGE SERVICES FRAMEWORK AGREEMENT WITH SHANDONG ENERGY

Due to the expectation of the Company to provide futures brokerage services to Shandong Energy and/or its associates from time to time in the future, the Board approved the Company to enter into the Futures Brokerage Services Framework Agreement with Shandong Energy on 29 August 2025, and proposed the annual caps for 2026, 2027 and 2028 under the Futures Brokerage Services Framework Agreement.

Pursuant to the agreement, the Company 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 2026 until 31 December 2028. The Company will be subject to the reporting and announcement requirements but exempt from Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of such Continuing Connected Transactions.

PROPOSED ENTERING INTO OF ASSET MANAGEMENT SERVICES FRAMEWORK AGREEMENT WITH SHANDONG ENERGY

Due to the expectation of the Company to provide asset management services to Shandong Energy and/or its associates from time to time in the future, the Board approved the Company to enter into the Asset Management Services Framework Agreement with Shandong Energy on 29 August 2025, and proposed the annual caps for 2026, 2027 and 2028 under the Asset Management Services Framework Agreement.

Pursuant to the agreement, Shandong Energy and/or its associates purchase asset management schemes in which the Company acts as the manager. Being the asset manager, the Company will invest in financial products of various scopes with such asset management schemes, and Shandong Energy and/or its associates would pay relevant asset management fees to the Company. The term of the Asset Management Services Framework Agreement is three years, valid from 1 January 2026 until 31 December 2028. Asset management services are the Company's principal business, and the Company has served as asset manager for other clients. The Company will be subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of such Continuing Connected Transactions.

PROPOSED ENTERING INTO OF RISK MANAGEMENT SERVICES FRAMEWORK AGREEMENT WITH SHANDONG ENERGY

Due to 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 Board approved the Company to enter into the Risk Management Services Framework Agreement with Shandong Energy on 29 August 2025, and proposed the annual caps for 2026, 2027 and 2028 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 2026 until 31 December 2028. Risk management services are the Group’s recurring business, and the Group has provided similar services to other clients. The Company will be subject to the reporting, announcement and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules in respect of such Continuing Connected Transactions.

PROPOSED ENTERING INTO OF BULK COMMODITIES SALE AND PURCHASE FRAMEWORK AGREEMENT WITH SHANDONG ENERGY

Due to 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 Board approved the Company to enter into the Bulk Commodities Sale and Purchase Framework Agreement with Shandong Energy on 29 August 2025, and proposed the annual caps for 2026, 2027 and 2028 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 coal, chemicals, steel and rubber to the Group, and purchase bulk commodities such as coal, chemicals, steel and rubber from the Group. The term of the Bulk Commodities Sale and Purchase Framework Agreement is three years, valid from 1 January 2026 to 31 December 2028. Bulk commodities sale and purchase are the Group's recurring business, and the Group has provided similar services to other clients. The Company will be subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of such Continuing Connected Transactions.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Shandong Energy is the indirect Controlling Shareholder of Zhongtai Securities, indirectly holding approximately 63.10% of the Shares in the Company. Accordingly, Shandong Energy and/or its associates 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 will 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. 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.

The Directors who had a material interest in the above agreements, namely Mr. LYU Xiangyou, Mr. ZHENG Hanyin and Mr. ZHOU Shunyuan, have abstained from voting on the resolutions of the Board to approve the above Continuing Connected Transactions.

I. PROPOSED ENTERING INTO OF FUTURES BROKERAGE SERVICES FRAMEWORK AGREEMENT WITH SHANDONG ENERGY

1. Background

Due to the expectation of the Company to provide futures brokerage services to Shandong Energy and/or its associates from time to time in the future, the Board approved the Company to enter into the Futures Brokerage Services Framework Agreement with Shandong Energy on 29 August 2025, and proposed the annual caps for 2026, 2027 and 2028 under the Futures Brokerage Services Framework Agreement.

Pursuant to the agreement, the Company 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 2026 until 31 December 2028. The Company will be subject to the reporting and announcement requirements but exempt from Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of such Continuing Connected Transactions.

As of the date of this announcement, the Futures Brokerage Services Framework Agreement has not yet been signed. Once a definitive agreement is signed, the Company will make an announcement in accordance with the requirements of the Listing Rules as and when appropriate after entering into the final agreement.

2. Details of the agreement

Parties: Shandong Energy

the Company

Principal terms

In the Company's ordinary and usual course of business, the Company provides futures brokerage services and other related financial services to Shandong Energy and/or its associates, i.e. the Company 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 Company 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 and/or its associates needs hedging its business through futures transactions, and the Company has extensive experiences in the futures industry. Therefore, Shandong Energy and/or its associates entrusts the Company to provide futures brokerage services. In addition, the Company has been providing futures brokerage services to Shandong Energy and/or its associates for consecutive years and developed a better understanding of the trading habits and personalized needs of Shandong Energy and/or its associates, and is able to provide high-quality services.

Pricing terms

The Futures Commissions charged by the Company for providing futures, options and other derivative brokerage services to Shandong Energy and/or its associates 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 marked up based on the futures commission rates 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, and in line with market practices.

Historical amounts

Reference is made to the announcement of the Company dated 30 March 2023 in relation to, inter alia, the Futures Brokerage Services Framework Agreement entered into between the Company and Shandong Energy and its annual caps for 2023, 2024 and 2025. For the futures brokerage services provided by the Company to Shandong Energy and/or its associates, the historical amounts of Futures Commissions for the two years ended 31 December 2023 and 31 December 2024 and the six months ended 30 June 2025 were approximately RMB1,777.5 thousand, RMB2,814.7 thousand, RMB1,664.6 thousand, respectively.

Annual caps

The maximum aggregate annual amounts of Futures Commissions in respect of the futures brokerage services to be provided by the Company to Shandong Energy and/or its associates for the three years ending 31 December 2026, 2027 and 2028 shall not exceed the caps set out below:

**Proposed annual caps for
the year ending 31 December
(RMB'000)**

2026	2027	2028
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The commissions receivable by the Company for providing futures, options and other derivatives brokerage services to Shandong Energy and/or its associates	5,000	7,000	9,000
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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 and/or its associates, the commissions received by the Company for providing futures, options and other derivatives brokerage services to Shandong Energy and/or its associates in 2023, 2024 and January to June 2025 were RMB1,777.5 thousand, RMB2,814.7 thousand and RMB1,664.6 thousand, respectively; and
- (ii) Shandong Energy and/or its associates have a hedging need for 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 and/or its associates, resulting in a continuous increase in the Futures Commission receivable by the Company.

II. PROPOSED ENTERING INTO OF ASSET MANAGEMENT SERVICES FRAMEWORK AGREEMENT WITH SHANDONG ENERGY

1. Background

Due to the expectation of the Company to provide asset management services to Shandong Energy and/or its associates from time to time in the future, the Board approved the Company to enter into the Asset Management Services Framework Agreement with Shandong Energy on 29 August 2025, and proposed the annual caps for 2026, 2027 and 2028 under the Asset Management Services Framework Agreement.

Pursuant to the agreement, Shandong Energy and/or its associates purchase asset management schemes in which the Company acts as the manager. Being the asset manager, the Company will invest in financial products of various scopes with such asset management schemes, and Shandong Energy and/or its associates would pay relevant asset management fees to the Company. The term of the Asset Management Services Framework Agreement is three years, valid from 1 January 2026 until 31 December 2028. Asset management services are the Company's principal business, and the Company has served as asset manager for other clients. The Company will be subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of such Continuing Connected Transactions.

As of the date of this announcement, the Asset Management Services Framework Agreement has not yet been signed. Once a definitive agreement is signed, the Company will make an announcement in accordance with the requirements of the Listing Rules as and when appropriate after entering into the final agreement.

2. Details of the agreement

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 Company acts as the manager. Being the asset manager, the Company 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 Company.

Reasons for and benefits of the transaction

Futures assets exhibit low correlation with assets such as stocks and bonds, making them a crucial component of institutional investors' asset portfolio. The Company focuses on the futures and derivatives markets, leveraging our expertise in OTC derivatives design and trading and bulk commodity research capabilities to develop a diverse range of distinctive futures-based asset management products, which meet institutional investors' needs for risk diversification and diversified sources of returns in their asset allocation strategies. Considering that Shandong Energy and/or its associates have real need for purchasing asset management products, while the Company also has a better understanding of the investment needs of Shandong Energy and/or its associates, the mutual cooperation will increase the return on assets for Shandong Energy and/or its associates and the income from asset management business for the Company.

Pricing terms

- (i) The asset management fees charged by the Company as the manager of the asset management schemes are calculated by multiplying the investment amounts of Shandong Energy and/or its associates in the 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, so far as the Company is concerned, comparable to, or no less favorable than, the asset management fees rate charged by the Company on any other independent third party for other similar asset management schemes.

Historical amounts

References are made to the announcement dated 30 March 2023 and the circular dated 25 May 2023 of the Company in relation to, inter alia, the Asset Management Services Framework Agreement entered into between the Company and Shandong Energy and its annual caps for 2023, 2024 and 2025. All the historical transaction amounts of the asset management services provided by the Company to Shandong Energy and/or its associates for the two years ended 31 December 2023 and 31 December 2024 and the six months ended 30 June 2025 were 0.

Annual caps

The maximum daily amount of collective asset management schemes to be purchased by Shandong Energy and/or its associates from the Company, and the maximum annual asset management fees to be paid by them for the three years ending 31 December 2026, 2027 and 2028 shall not exceed the caps set out below:

	Proposed annual caps for the year ending 31 December (RMB'000)		
	2026	2027	2028
The maximum daily amount invested for purchase of collective asset management schemes by Shandong Energy and/or its associates from the Company	200,000	400,000	600,000
Asset management fees (based on the asset management fees rate of 1.5%) received from Shandong Energy and/or its associates	3,000	6,000	9,000

Basis of annual caps

The above proposed annual caps are determined 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 and/or its associates as a bulk commodity producer, and can better meet the futures-related investment needs of Shandong Energy and/or its associates, and it is expected that the business cooperation between the Company and Shandong Energy and/or its associates will be further strengthened. The calculation formula of asset management fees charged by the Company on Shandong Energy and/or its associates is: the total amount of the collective asset management schemes purchased by Shandong Energy and/or its associates \times the asset management fees rate (based on an average annual fee rate of 1.5%); and
2. the Company's asset management business continuously enriches and improves its strategies, constantly makes acquisitions and expansion and deepens cooperation, and focuses on developing active management products with new asset management plans introduced. In addition, the Company is keen on implementing 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. PROPOSED ENTERING INTO OF RISK MANAGEMENT SERVICES FRAMEWORK AGREEMENT WITH SHANDONG ENERGY

1. Background

Due to 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 Board approved the Company to enter into the Risk Management Services Framework Agreement with Shandong Energy on 29 August 2025, and proposed the annual caps for 2026, 2027 and 2028 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 2026 until 31 December 2028. Risk management services are the Group's recurring business, and the Group has provided similar services to other clients. The Company will be subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of such Continuing Connected Transactions.

As of the date of this announcement, the Risk Management Services Framework Agreement has not yet been signed. Once a definitive agreement is signed, the Company will make an announcement in accordance with the requirements of the Listing Rules as and when appropriate after entering into the final agreement.

2. Details of the agreement

Parties: Shandong Energy

the Company

Principal terms

In the ordinary and usual course of business of the parties, the Group engages in three types of derivative transactions, namely OTC options, swap transactions and forward transactions with Shandong Energy and/or its associates. In particular, trading OTC options between Shandong Energy and/or its associates and the Group 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 and/or its associates have a large production capacity and asset scale, and need to use derivatives to hedge against the risk of price fluctuation of raw materials and equity assets. The Group has a strong expertise in derivatives. As a futures derivatives service provider within Shandong Energy and/or its associates, the Group is in a good place to communicate with Shandong Energy and/or its associates and understand their needs better. The derivative transactions between the Group and Shandong Energy and/or its associates can not only meet the risk management needs of Shandong Energy and/or its associates, but also foster the development of the Group's derivative business and increase the Group's business income.

Pricing terms

The Group enters into derivative transactions with Shandong Energy and/or its associates based on fair market value under the principle of fairness and justice, and tries to ensure the terms and prices of derivative transactions are fair and reasonable, through arm's length negotiation with Shandong Energy and/or its associates and with reference to the similar 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

References are made to the announcement dated 30 March 2023 and the circular dated 25 May 2023 of the Company in relation to, inter alia, the Risk Management Services Framework Agreement entered into between the Company and Shandong Energy and its annual caps for 2023, 2024 and 2025. 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 two years ended 31 December 2023 and 31 December 2024 and the six months ended 30 June 2025 were RMB927,401.2 thousand, RMB1,610,800.6 thousand and RMB53,827.4 thousand, respectively.

Annual caps

The maximum aggregate annual amount of nominal principal to be received or to be paid for derivatives trading between the Group and Shandong Energy and/or its associates for the three years ending 31 December 2026, 2027 and 2028 shall not exceed the caps set out below:

	Proposed annual caps for the year ending 31 December		
	<i>(RMB'000)</i>		
	2026	2027	2028
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

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

- (i) With reference to the historical information of nominal principal of derivatives business between the Group and Shandong Energy and/or its associates, the nominal principal of derivatives business between the Group and Shandong Energy and/or its associates in 2023 and 2024 were RMB927,401.2 thousand and RMB1,610,800.6 thousand, respectively, showing a trend of year-on-year growth. 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 and/or its associates for derivatives trading is anticipated in the future, and the scale of transactions between both parties will increase accordingly; and
- (ii) With the continuous development of the derivatives market and the increasing demand for risk management by enterprises in real economy, the Group's derivatives trading business is expected to maintain a relatively high growth rate. In addition, the Group 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. PROPOSED ENTERING INTO OF BULK COMMODITIES SALE AND PURCHASE FRAMEWORK AGREEMENT WITH SHANDONG ENERGY

1. Background

Due to 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 Board approved the Company to enter into the Bulk Commodities Sale and Purchase Framework Agreement with Shandong Energy on 29 August 2025, and proposed the annual caps for 2026, 2027 and 2028 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 coal, chemicals, steel and rubber to the Group, and purchase bulk commodities such as coal, chemicals, steel and rubber from the Group. The term of the Bulk Commodities Sale and Purchase Framework Agreement is three years, valid from 1 January 2026 to 31 December 2028. Bulk commodities sale and purchase are the Group's recurring business, and the Group has provided similar services to other clients. The Company will be subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules in respect of such Continuing Connected Transactions.

As of the date of this announcement, the Bulk Commodities Sale and Purchase Framework Agreement has not yet been signed. Once a definitive agreement is signed, the Company will make an announcement in accordance with the requirements of the Listing Rules as and when appropriate after entering into the final agreement.

2. Details of the agreement

Parties: Shandong Energy

the Company

Principal terms

In the Group's ordinary and usual course of business, Shandong Energy and/or its associates will sell bulk commodities such as coal, chemicals, steel and rubber to the Group, and receive payment for goods delivered; and will purchase bulk commodities such as coal, chemicals, steel and rubber from the Group, and make payment for goods received.

Reasons for and benefits of the transaction

Coal, chemicals, steel and rubber are the priority bulk commodities in the futures and spot business of the Group. As a large-size state-owned energy enterprise, Shandong Energy and/or its associates are powerful with good credit standing and solid track record of contract performance, which provide the Group with access to constant profits at a lower purchase cost.

Pricing terms

For the sale and purchase of bulk commodities between the Group 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

References are made to the announcement dated 30 March 2023 and the circular dated 25 May 2023 of the Company in relation to, inter alia, the Bulk Commodities Sale and Purchase Framework Agreement entered into between the Company and Shandong Energy and its annual caps for 2023, 2024 and 2025. For the two years ended 31 December 2023 and 31 December 2024 and the six months ended 30 June 2025, the transaction amounts of bulk commodities sold by Shandong Energy and/or its associates to the Group were approximately RMB85,105.6 thousand, RMB24,177.7 thousand and RMB3,469.5 thousand, respectively, the transaction amounts of bulk commodities purchased by Shandong Energy and/or its associates from the Group were approximately RMB27,979.6 thousand, RMB52,521.0 thousand and RMB23,098.4 thousand, respectively.

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 2026, 2027 and 2028 shall not exceed the caps set out below:

	Proposed annual caps for the year ending 31 December		
	<i>(RMB'000)</i>		
	2026	2027	2028
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 above proposed annual caps 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 Group and Shandong Energy and/or its associates, the sale and purchase amounts with Shandong Energy and/or its associates in 2023 and 2024 were RMB113,085.2 thousand and RMB76,698.7 thousand, respectively. Although the figure decreased in 2024 compared to 2023, the sale and purchase business still holds significant growth potential in the future as end-market demand increases; and
2. Supported by policy stimulus and a seasonal rebound in demand, and in line with the development plan of the Group for the sale and purchase of bulk commodities such as coal, chemicals, rubber and steel to and from Shandong Energy and/or its associates, accelerating growth of sale and purchase of bulk commodities with Shandong Energy and/or its associates is anticipated.

V. INTERNAL CONTROL PROCEDURES AND CORPORATE GOVERNANCE MEASURES

The Group 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 with 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 Group 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 Group'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 Group (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 Group. 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 Group. 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;
- 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; and
- 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 of 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 interests 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.

VI. LISTING RULES IMPLICATIONS

As at the date of this announcement, Shandong Energy is the indirect Controlling Shareholder of Zhongtai Securities, indirectly holding approximately 63.10% of the Shares in the Company. Accordingly, Shandong Energy and/or its associates 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 will 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.

VII. THE OPINIONS OF THE BOARD

As Mr. LYU Xiangyou and Mr. ZHENG Hanyin, the Directors of the Company, are holding office at Zhongtai Securities and/or its associates, and Mr. ZHOU Shunyuan, a Director of the Company, was nominated by Zhongtai Securities, they are deemed to be interested in 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 transactions contemplated thereunder, and have abstained from voting on the resolutions of the Board to approve the above Continuing Connected Transactions. Save as disclosed above, no other Director has any material interest in the aforementioned agreements and none of the 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 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. 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.

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 Development and Investment Holding Group Co., Ltd.* (山東發展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.

IX. EGM

The Company intends to propose relevant resolutions at the forthcoming extraordinary general meeting (the “**EGM**”) 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 EGM. Zhongtai Securities is required to abstain from voting in respect of 632,176,078 Shares at the EGM. 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 EGM 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 EGM 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 EGM, will be published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company's website (www.ztqh.com) in accordance with applicable requirements of the Listing Rules, and will be sent to the Company's H Shareholders in the manner selected by them for receiving corporate communications.

As of the date of this announcement, the above agreements have not yet been signed. Once definitive agreements are signed, the Company will make an announcement in accordance with the requirements of the Listing Rules as and when appropriate after entering into the final agreements. As additional time is required to prepare certain information to be included in the circular, the date of the circular is expected to be more than 15 business days after the publication of this announcement, and the Company will prepare and publish the relevant circular in due course.

X. DEFINITION

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

“Asset Management Services Framework Agreement”	the Asset Management Services Framework Agreement proposed to be entered into between the Company and Shandong Energy
“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 proposed to be entered into between the Company and Shandong Energy
“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
“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
“Futures Brokerage Services Framework Agreement”	the Futures Brokerage Services Framework Agreement proposed to be entered into between the Company and Shandong Energy
“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 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
“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
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Risk Management Services Framework Agreement”	the Risk Management Services Framework Agreement proposed to be entered into between the Company and Shandong Energy
“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
“Share(s)”	the ordinary share(s) in the share capital 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
LYU Xiangyou
Chairman

Jinan, the PRC
29 August 2025

As at the date of this announcement, the Board comprises Mr. LYU Xiangyou, Mr. ZHOU Shunyuan and Mr. LIANG Zhongwei as executive Directors; Mr. ZHENG Hanyin, Mr. MING Gang and Ms. WANG Hui as non-executive Directors; and Mr. ZHENG Jianping, Mr. CHEN Hua and Mr. LUO Xinhua as independent non-executive Directors.