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Nanhua Futures Co., Ltd.
南華期貨股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name 南華期貨股份有限公司 and carrying on business in Hong Kong as 橫華國際 through our Hong Kong subsidiaries)
(Stock Code: 2691)

**SHAREHOLDER DIVIDEND RETURN PLAN FOR THE NEXT
THREE YEARS (2026-2028)**

In order to improve and solidify a sustainable, scientific, and transparent profit distribution policy and decision-making mechanism of Nanhua Futures Co., Ltd. (the “**Company**”), maintain the continuity and stability of the profit distribution policy, enhance the transparency and operability of profit distribution decisions, and comprehensively taking into account factors such as industry development trends, the Company’s strategic planning, shareholders’ rights and interests, the costs of social capital, and the external financing environment, the Company has formulated its Shareholder Dividend Return Plan for the Next Three Years (2026-2028) (hereinafter referred to as the “**Plan**”) in accordance with the relevant provisions of the Company Law of the People’s Republic of China (《中華人民共和國公司法》), the Securities Law of the People’s Republic of China (《中華人民共和國證券法》), the No. 3 Guideline for the Supervision of Listed Companies – Cash Dividend Distribution of Listed Companies (《上市公司監管指引第 3 號 – 上市公司現金分紅》), and the Articles of Association of Nanhua Futures Co., Ltd. (hereinafter referred to as the “**Articles of Association**”). The details of the Plan are as follows:

I. FACTORS CONSIDERED IN FORMULATING SHAREHOLDER RETURN PLAN

With a focus on long-term and sustainable development, and on the basis of a comprehensive consideration of factors such as the Company’s actual operating and development conditions, shareholders’ requests and wishes, the costs of social capital, and the external financing environment, and having thoroughly considered the Company’s current and future profit scale, cash flow status, development stage, project investment funding needs, bank credit, and debt financing conditions, the Company has established a sustainable, stable, and scientific return mechanism for investors.

The formulation of shareholder return plan shall comply with the relevant provisions regarding the profit distribution policy in the Articles of Association.

II. PRINCIPLES FOR THE FORMULATION OF SHAREHOLDER RETURN PLAN

In accordance with the Company's strategic objectives and the needs of future sustainable development, and subject to compliance with relevant national laws and regulations and the Articles of Association, the Company will prudently determine its profit distribution plan by comprehensively considering factors such as its actual operating and development conditions, the reasonable demands of shareholders, particularly small and medium shareholders, the costs of social capital, and its cash flow position. The Company will implement an active profit distribution policy, place emphasis on providing reasonable returns on investment to investors, and ensure the continuity and stability of its profit distribution policy. The Company's board of directors (the "**Board**") and the Company's shareholders' meeting (the "**Shareholders' Meeting**") shall give full consideration to the opinions of the Company's independent directors (the "**Independent Directors**") and small and medium shareholders during the decision-making and deliberation process of the profit distribution policy. If significant changes in the external operating environment or the Company's own operating conditions necessitate amendments to the Company's profit distribution policy, the Board shall, within the scope of its authority, formulate the proposed amended profit distribution policy plan and submit it to the Shareholders' Meeting for approval.

III. SPECIFIC SHAREHOLDER RETURN PLAN OF THE COMPANY FOR THE NEXT THREE YEARS (2026-2028)

- (I) The Company shall prioritize providing reasonable returns to its investors and implement a sustainable and stable profit distribution policy. The Company may distribute dividends in the form of cash, shares, or a combination of both. The Company shall prioritize cash dividends, provided that it is profitable, meets regulatory requirements such as net capital, and maintains its normal operations and long-term development.
- (II) If the Company chooses to distribute dividends in the form of cash, shares, or a combination of both, it shall prioritize cash dividends. Furthermore, the amount of profit distributed in cash each year shall not be less than 10% of the distributable profit realized in that year.
- (III) The Board shall, taking into account comprehensively the characteristics of the industry in which it operates, its stage of development, its own mode of operation, profitability, debt repayment ability, whether it has any significant capital expenditure arrangements and investor returns, distinguish between the following circumstances and propose a differentiated cash dividend policy in accordance with the relevant prescribed procedures:
 - 1) Where the Company is in the mature stage of development and has no significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution for the period shall reach at least 80%;
 - 2) Where the Company is in the mature stage of development and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution for the period shall reach at least 40%;
 - 3) Where the Company is developing at a growing stage and has significant capital expenditure arrangement, the proportion of cash dividends in the profit distribution for the period shall reach at least 20%;

Where the Company's development stage is difficult to distinguish but there is a significant capital expenditure arrangement, the aforesaid provisions of item 3) shall be followed. The "proportion of cash dividends in the profit distribution" refers to cash dividends divided by the sum of cash dividends and shares dividends.

- (IV) The Company shall determine the specific proportion of the profit distributed in cash in the current year to the distributable profit realized in the current year and whether to distribute dividend in the form of shares based on the Company's annual profitability and future capital utilization plan. Relevant proposals shall be submitted to the Shareholders' Meeting for approval after being reviewed by the Board. The Board may propose interim cash dividend distributions based on the Company's profitability and capital requirement conditions.
- (V) The Company shall ensure that the distribution of shares dividends is synchronized with capital expansion and performance growth. When facing net capital constraints or insufficient cash flow, the Company may consider adopting shares dividends as a method of profit distribution. Profit distribution through shares dividends shall be based on genuine and reasonable factors such as the Company's growth potential and the dilution of net assets per share.
- (VI) If profit is recorded for the year and the Board does not put forth any cash dividends distribution proposal, reasons therefor and the use of such funds to be retained by the Company which may otherwise be used as dividends shall be explained in details in its announcement of resolutions passed by the Board and its periodic report.

IV. DECISION-MAKING, REVISION AND SUPERVISION MECHANISM OF THE PROFIT DISTRIBUTION PLAN OF THE COMPANY

- (I) The Board shall formulate an annual dividend distribution proposal based on the results of the annual audit conditions and submit it to the Shareholders' Meeting for deliberation and approval. The Company may distribute profits during the interim period of the year. The specific distribution plan shall be formulated by the Board based on the Company's actual operating and financial conditions within its authority and approved by the Shareholders' Meeting, or the Board may formulate a specific interim dividend plan in accordance with the criteria for distribution of profits based on the resolution of the annual shareholders' meeting.
- (II) When formulating profit distribution plans, particularly cash dividend plans, the Board shall thoroughly research and deliberate on matters including the timing, criteria, and minimum ratio of cash dividends of the Company, adjustment criteria, and decision-making procedures. If Independent Directors consider that a specific cash dividend plan may harm the rights and interests of the Company or small and medium shareholders, they shall be entitled to express independent opinions. If the opinions of the Independent Directors are not adopted or not fully adopted by the Board, the opinions of the Independent Directors and the specific reasons for non-adoption shall be recorded in the resolutions of the Board and disclosed.
- (III) Before considering the profit distribution plan, especially the cash dividend plan, submitted by the Board at the Shareholders' Meeting, the Company shall communicate and exchange views with shareholders, especially small and medium shareholders, through public channels, sufficiently listen to the opinions and requests of small and medium shareholders, and promptly answer the questions which small and medium shareholders are concerned about. In addition to setting up on-site voting at the Shareholders' Meeting, the Company shall also support shareholders by providing an online voting system.
- (IV) The Company's profit distribution policy shall not be altered arbitrarily. Should significant changes in the external operating environment or the Company's own operating conditions necessitate revisions to the profit distribution policy of the Company, the Board shall formulate a proposed amendment to the profit distribution policy plan within its authority. The adjustment of the Company's profit distribution policy requires approval by more than two-thirds of the voting rights held by the shareholders present at the Shareholders' Meeting.

- (V) The Audit Committee shall supervise the implementation of cash dividend policy and shareholders' return plan by the Board, and whether to perform the corresponding decision-making procedures and information disclosure. If the Audit Committee of the Company finds that the Board fails to strictly implement the cash dividend policy and shareholders' return plan, fails to strictly perform the corresponding decision-making procedures or fails to truthfully, accurately and completely disclose the corresponding information, it shall issue clear opinions and urge the Board to make corrections in a timely manner.

V. OTHERS

Any matters not covered herein shall be governed and implemented in accordance with the requirements of relevant laws, regulations, normative documents and the Articles of Association. The Plan is formulated by the Board and will come into force from the date of approval of the resolution at the Shareholders' Meeting, and the same will apply to its amendments.

A circular containing, among others, the details of the Plan, together with a notice convening the Company's shareholders' meeting, will be dispatched to the shareholders of the Company in due course.

By order of the Board
Nanhua Futures Co., Ltd.
南華期貨股份有限公司
Dr. Luo Xufeng

Chairperson of the Board and Executive Director

Hangzhou, the PRC, March 27, 2026

As at the date of this announcement, the board of directors of the Company comprises: (i) Dr. Luo Xufeng as executive Director; (ii) Mr. Lyu Yuelong, Dr. Xu Wencai, Mr. Hu Tiangao, Mr. Li Baoping and Ms. Sun Yingting as non-executive Directors; and (iii) Dr. Xu Lin, Dr. Liu Yulong and Ms. Li Jing as independent non-executive Directors.