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Huaqin Co., Ltd.
華勤技術股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3296)

INSIDE INFORMATION
PROPOSED PROFIT DISTRIBUTION AND CAPITALIZATION OF CAPITAL RESERVE FOR THE YEAR 2025

This announcement is made by Huaqin Co., Ltd. (the "**Company**") pursuant to Rule 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The Company held the twenty-sixth meeting of the second session of the board of directors of the Company (the "**Board**") on April 29, 2026, at which the Proposal on the Adjustment of the Preliminary Profit Distribution Plan for 2025 and the Profit Distribution and Capitalization of Capital Reserve Plan for 2025 was reviewed and approved. The plan is in compliance with the profit distribution policy stipulated in the Articles of Association of the Company and the Company's shareholder return plan. The proposal is subject to the approval of the Shareholders at the 2025 Annual General Meeting (the "**AGM**") by way of ordinary resolution.

Details are hereby announced as follows:

I. PROFIT DISTRIBUTION PLAN

(I) The Profit Distribution Plan and Adjustments

1. Pre-adjustment Preliminary Profit Distribution Plan for 2025

The Company proposed to distribute profits for the year 2025 based on the total share capital registered on the record date for the implementation of the equity distribution (net of the number of shares in the Company's repurchase account). The profit distribution plan is as follows:

The Company proposed to distribute a cash dividend of RMB12 per 10 shares (tax inclusive) to all shareholders. As of March 23, 2026, the total share capital of the Company was 1,015,732,344 shares. After deducting 2,527,527 shares in the Company's repurchase account, the total cash dividend proposed to be distributed was calculated at RMB1,215,845,780.40 (tax inclusive), representing 30% of the net profit attributable to shareholders of the listed company in the consolidated financial statements for the year 2025.

2. Adjusted Profit Distribution and Capitalization of Capital Reserve Plan for 2025

The Company proposed to distribute profits for the year 2025 based on the total share capital registered on the record date for the implementation of the equity distribution (net of the number of shares in the Company's repurchase account). The profit distribution plan is as follows:

The Company proposed to distribute a cash dividend of RMB12 per 10 shares (tax inclusive) to all shareholders. As of April 29, 2026, the total A share and H share capital of the Company was 1,074,280,544 shares. After deducting 215,947 shares in the Company's A share repurchase account, the total cash dividend proposed to be distributed was calculated at RMB1,288,877,516.40 (tax inclusive), representing 31.8% of the net profit attributable to shareholders of the listed company in the consolidated financial statements for the year 2025.

The Company proposed to capitalize the capital reserve by allotting 4 shares for every 10 shares to all shareholders. As of April 29, 2025, the total A share and H share capital of the Company was 1,074,280,544 shares. After deducting 215,947 shares in the Company's A share repurchase account, the total share capital of the Company after the capitalization will be 1,503,906,383 shares (the total share capital of the Company shall be subject to the final registration results of China Securities Depository and Clearing Corporation Limited, and any rounding differences are due to rounding).

3. Subsequent Adjustments

If, during the period from the date of this announcement to the record date for the implementation of the equity distribution, the total share capital of the Company (net of the number of shares in the Company's repurchase account) changes due to conversion of convertible bonds/share repurchase/repurchase and cancellation of shares granted under share incentive schemes/repurchase and cancellation of shares in connection with material asset restructuring, the Company intends to maintain the per share distribution/capitalization ratio unchanged and adjust the total distribution/capitalization amount accordingly. If there are subsequent changes to the total share capital (net of the number of shares in the Company's repurchase account), a separate announcement will be made regarding the specific adjustments.

4. Amendment to Relevant Provisions of the Articles of Association

Upon completion of the profit distribution and capitalization of capital reserve, the Company will make corresponding amendments to the registered capital and other information in the Articles of Association based on the actual capitalization results, and complete the relevant industrial and commercial change registration. The Board of Directors of the Company proposes that the shareholders' meeting authorize the Company's management to handle all matters relating to the relevant industrial and commercial change registration, subject to the final approval of the relevant industrial and commercial authorities.

The profit distribution plan is subject to the approval of the shareholders at the shareholders' meeting.

(II) Whether Other Risk Warning Conditions May Be Triggered

Item	**Year of 2025**	**Year of 2024**
Total cash dividend amount (RMB)	1,288,877,516.40	911,630,468.70
Total amount of share repurchase and cancellation (RMB)	/	/
Net profit attributable to shareholders of the listed company (RMB)	4,054,292,460.55	2,926,223,274.50
Cumulative total cash dividend amount for the most recent three accounting years (RMB)		2,200,507,985.10
Cumulative total amount of share repurchase and cancellation for the most recent three accounting years (RMB)		/
Average net profit for the most recent three accounting years (RMB)		3,490,257,867.53

Cumulative total amount of cash dividend and share repurchase and cancellation for the most recent three accounting years (RMB)		2,200,507,985.10
Whether the cumulative total amount of cash dividend and share repurchase and cancellation for the most recent three accounting years is less than RMB50 million		No
Cash dividend ratio (%)	31.8	31
Whether the cash dividend ratio is less than 30%	No	No
Whether the circumstances under which other risk warnings may be imposed as stipulated in item (8) of paragraph 1 under Article 9.8.1 of the Rules Governing the Listing of Securities on the Shanghai Stock Exchange (revised in April 2025) (《上海證券交易所股票上市規則 (2025 年 4 月修訂》) are triggered	No	No

Note: The Company's A shares were listed on August 8, 2023 and has not been listed for three full accounting years. The calculation for the most recent three accounting years only reflects data for the years 2024 and 2025.

II. INTERNAL PROCEDURES OF THE COMPANY

The Company convened its twenty-sixth meeting of the second session of the Board, passing the resolution in relation to the Proposal on the Adjustment of the Preliminary Profit Distribution Plan for 2025 and the Profit Distribution and Capitalization of Capital Reserve Plan for 2025 with nine votes of approval, zero vote of abstention, and zero vote of objection. This proposal is in compliance with the profit distribution policy stipulated in the Articles of Association and the Company's shareholder return plan.

III. RISK WARNINGS

1. Analysis of the Impact of Cash Dividend Distribution on the Company's Earnings Per Share, Cash Flow and Production and Operations

The Board of Directors of the Company has given comprehensive consideration to the Company's profitability, financial condition, cash flow position and distributable profits, and has made corresponding assessments of subsequent funding requirements in light of the Company's actual operating and development conditions. In order to better reward shareholders and enable all shareholders to share in the results of the Company's development and operations, the Board of Directors has proposed this profit distribution and capitalization of capital reserve plan. This plan will not have a material impact on the Company's operating cash flow, nor will it affect the Company's normal operations and long-term development.

The profit distribution plan and the capitalization of capital reserve plan will not have a material impact on the net asset interests and shareholding proportions of the Company's shareholders. Upon implementation of this plan, the total share capital of the Company will increase, and it is expected that earnings per share, net assets per share and other indicators will be correspondingly diluted.

2. Others

An ordinary resolution will be proposed at the AGM to consider and approve the proposed profit distribution and capitalization of capital reserve plan by the Company. Investors are advised to pay attention to the investment risks.

By order of the Board
Huaqin Co., Ltd.
QIU Wensheng
Chairman of the Board and Executive Director

Hong Kong, April 29, 2026

As at the date of this announcement, the board of directors of the Company comprises Mr. Qiu Wensheng, Mr. Cui Guopeng, Mr. Wu Zhenhai, Ms. Chen Xiaorong, Ms. Xi Pinghua and Mr. Deng Zhiguo as executive directors; and Mr. Hu Saixiong, Mr. Huang Zhiguo and Dr. Yu Fang as independent non-executive directors.