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China Tourism Group Duty Free Corporation Limited
中國旅遊集團中免股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1880)

PROFIT DISTRIBUTION PROPOSAL FOR THE FIRST THREE QUARTERS OF 2026

References are made to the notice and the circular of the 2025 annual general meeting (the "**AGM**") dated June 5, 2026, and the announcement dated June 26, 2026 on poll results of the AGM of China Tourism Group Duty Free Corporation Limited (the "**Company**"). At the AGM, a resolution was passed by the general meeting to authorise the board of directors of the Company (the "**Board**") to formulate and implement the interim dividend proposal for 2026, subject to the satisfaction of the conditions for profit distribution. On October 30, 2026, the Board considered and approved the profit distribution proposal of the Company for the first three quarters of 2026 (the "**Profit Distribution Proposal**") pursuant to the authorisation of the AGM.

I. PROFIT DISTRIBUTION PROPOSAL

As of September 30, 2026, the undistributed profit of the Company at the end of the period in the financial statements of the parent company was RMB2,475,649,661.00 (unaudited). In order to achieve a win-win outcome in shareholder value creation, enhance shareholders' sense of gain, while taking into account the Company's current operating conditions and future strategic development needs, the Board resolved to approve the following Profit Distribution Proposal:

Based on the total share capital registered on the record date for the implementation of equity distribution, a cash dividend of RMB0.40 (tax inclusive) per share will be distributed to all shareholders. As of the date of disclosure of this announcement, the total share capital of the Company is 2,077,796,644 shares, based on which the total cash dividend to be distributed is RMB831,118,657.60 (tax inclusive), representing 22.65% of the net profit attributable to shareholders of the listed company for the first three quarters of 2026.

The cash dividend is denominated and announced in RMB, and paid to A Shareholders in RMB and to H Shareholders in Hong Kong dollars. The actual amount of H Share cash dividends paid in Hong Kong dollars shall be calculated based on the average benchmark exchange rate of RMB against Hong Kong dollars announced by the People's Bank of China for the five working days prior to the date on which the Board passed the resolution approving the Profit Distribution Proposal (i.e. October 30, 2026) (i.e. RMB0.856354 to HK$1), being a cash dividend of HK$0.46710 (tax inclusive) per H Share.

In case of changes in the total share capital of the Company as a result of, among others, the conversion of convertible bonds into shares/share repurchases/repurchase and cancellation of shares granted under equity incentive schemes/repurchase and cancellation of shares for major asset reorganizations during the period from the date of this announcement to the record date for the implementation of equity distribution, the Company intends to maintain the total distribution amount unchanged and adjust the distribution proportion per share accordingly. If the total share capital changes subsequently, specific adjustments will be announced separately.

II. CLOSURE OF REGISTER OF MEMBERS

The H Share cash dividends will be paid to the Shareholders whose names appear on the H Share register of members of the Company after the close of business on the record date of Thursday, November 19, 2026 (the "**Record Date**"). In order to determine the list of Shareholders who are entitled to receive the cash dividends, the Company's H Share register of members will be closed from Monday, November 16, 2026 to Thursday, November 19, 2026 (both days inclusive), during which period no transfer of H Shares will be effected. In order to qualify for entitlement to the H Share cash dividends, all duly completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Friday, November 13, 2026. The Company expects that the H Share cash dividends will be paid to the H Shareholders of the Company as at the Record Date on or about Monday, December 21, 2026.

The Company has appointed ICBC (Asia) Trustee Company Limited as the receiving agent for the H Shares in Hong Kong (the "**Receiving Agent**") and will pay to the Receiving Agent the H Share cash dividends declared. The Receiving Agent will hold the H Share cash dividends in trust for the relevant H Shareholders until payment is made. Such H Share cash dividends (net of applicable taxes) will be paid by the Receiving Agent and the relevant cheques will be despatched by Computershare Hong Kong Investor Services Limited on or about Monday, December 21, 2026 to the H Shareholders of the Company as at the Record Date by ordinary post at their own risk.

The Company will separately announce the details of the arrangement for the distribution of the A Share cash dividends for the first three quarters of 2026 to the A Shareholders on the Shanghai Stock Exchange in due course.

III. TAX RELIEF AND EXEMPTION OF DIVIDEND INCOME OF H SHAREHOLDERS

(1) Individual Investors

Pursuant to the Notice of the State Administration of Taxation on Issues Concerning Individual Income Tax Collection and Management after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) (《國家税務總局關於國税發[1993]045號文件廢止後有關個人所得税徵管問題的通知》(國税函[2011]348號)), dividend and bonus income received by overseas resident individual shareholders from the issuance of shares in Hong Kong, China by domestic non-foreign invested enterprises shall be subject to the payment of individual income tax according to the item of "interest, dividend and bonus income", which shall be withheld by the withholding agents according to the law. The overseas resident individual shareholders who hold the shares issued by domestic non-foreign invested enterprises in Hong Kong, China are entitled to the relevant preferential tax treatment pursuant to the provisions in the tax treaties signed between the countries where they reside and the PRC and the tax arrangements between the Mainland China and Hong Kong, China (Macau, China). The relevant dividend tax rate under the relevant tax treaties and tax arrangements is generally 10%. For the purpose of simplifying tax administration, domestic non-foreign invested enterprises issuing shares in Hong Kong, China may, when distributing dividends and bonuses, generally withhold individual income tax at the rate of 10%, and are not obligated to file an application. If the tax rate for dividends is not equal to 10%, the following provisions shall apply: (1) for residents from countries under treaties to be entitled to tax rates lower than 10%, in accordance with the Administrative Measures for Non-resident Taxpayers to Enjoy Treatments under Tax Treaties (Announcement of the State Administration of Taxation [2019] No. 35) (《非居民納税人享受協定待遇管理辦法》(國家税務總局公告2019年第35號)), if the individual H shareholders are residents from countries which have entered into a tax treaty with the PRC stipulating a dividend tax rate lower than 10%, such individual H shareholders shall voluntarily submit statements to the Company in order to enjoy the agreed treatment, and keep relevant materials for inspection. If the information provided is complete, the Company shall withhold the tax in accordance with the provisions of the PRC tax laws and treaties; (2) for residents of countries which have entered into tax treaties with the PRC stipulating a tax rate of more than 10% but less than 20%, the withholding agents shall withhold the individual income tax at the agreed effective tax rate when distributing dividends and bonuses, and are not obligated to file an application for approval; (3) for residents of countries without tax treaties and under other circumstances, the withholding agents shall withhold the individual income tax at a rate of 20% when distributing dividends and bonuses.

Pursuant to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (Guo Shui Han [2006] No. 884) (《內地和香港特別行政區關於對所得避免雙重徵税和防止偷漏税的安排》(國税函[2006]884號)) signed on August 21, 2006, the PRC government may impose tax on dividends payable by a PRC company to a Hong Kong, China resident, but such tax shall not exceed 10% of the gross amount of dividends payable, and in the case where a Hong Kong, China resident holds at least 25% of the equity interests in the PRC company, such tax shall not exceed 5% of the gross amount of dividends payable by the PRC company.

Pursuant to the Notice of the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission on the Tax Policies Related to the Pilot Programme of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《財政部國家税務總局證監會關於滬港股票市場交易互聯互通機制試點有關税收政策的通知》(財税[2014]81號)) and the Notice on the Tax Policies Related to the Pilot Programme of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關税收政策的通知》(財税[2016]127號)), for dividends and bonuses received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, the H-share companies shall withhold individual income tax at the rate of 20%.

(2) Enterprises

Pursuant to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得税法》) and the Implementation Rules of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得税法實施條例》), which came into effect on January 1, 2008, a non-resident enterprise is subject to a 10% enterprise income tax on PRC-sourced income, if it does not have an establishment or place of business in the PRC, or has an establishment or place of business but the dividends and bonuses received have no actual connection with such establishment or place of business. Such withholding tax may be reduced or exempted pursuant to an applicable double taxation avoidance treaty. Any H Shares registered in the name of non-individual shareholders, including HKSCC Nominees Limited, other nominees or trustees, other organizations and groups, shall be deemed as Shares held by non-resident enterprise Shareholders. The Company will distribute the dividends for the first three quarters of 2026 to such non-individual Shareholders after withholding enterprise income tax at the rate of 10%.

Pursuant to the Notice of the State Administration of Taxation on the Issues Concerning Withholding and Paying the Enterprise Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Shareholders Which Are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得税有關問題的通知》(國税函[2008]897號)), a PRC resident enterprise, when distributing dividends for 2008 and for the years thereafter to H shareholders who are overseas non-resident enterprises, shall withhold and pay enterprise income tax at a uniform rate of 10%.

For dividends and bonuses received by domestic securities investment funds from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, individual income tax shall be levied in accordance with the Notice of the Ministry of Finance, the State Administration of Taxation and the China Securities Regulatory Commission on the Tax Policies Related to the Pilot Programme of the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) and the Notice on the Tax Policies Related to the Pilot Programme of the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127). For dividend and bonus income received by domestic enterprise investors from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, the H-share companies shall not withhold income tax on dividends and bonuses, and the enterprises shall report and pay the income tax themselves.

For the non-resident enterprise Shareholders of the Company, pursuant to the provisions of the Enterprise Income Tax Law of the People's Republic of China amended in 2018 and the Implementation Rules of the Enterprise Income Tax Law of the People's Republic of China amended in 2024 (hereinafter collectively referred to as the "**Enterprise Income Tax Law**" (《企業所得税法》) and other relevant laws and regulations, from January 1, 2008, where a PRC domestic enterprise distributes dividends to non-resident enterprise shareholders (i.e. legal person shareholders) for accounting periods beginning on January 1, 2008, the enterprise income tax shall be withheld and paid by the payer as the withholding agent. Therefore, the Company is required to withhold and pay 10% enterprise income tax when it distributes the dividends for the first three quarters of 2026 to non-resident enterprise holders of H Shares whose names appear on the register of members of the Company on the Record Date. In respect of all H Shareholders whose names appear on the H Share register of members as at the Record Date who are not registered as individuals (including HKSCC Nominees Limited, other corporate nominees or trustees, or other groups and organisations, which are all considered as non-resident enterprise shareholders), the Company shall distribute the dividends for the first three quarters of 2026 after deducting 10% income tax.

H Shareholders shall pay relevant taxes and/or enjoy tax relief in accordance with the above provisions.

The Company will withhold and pay the relevant income tax in strict compliance with the relevant laws and regulations and the requirements of the regulatory authorities and strictly based on the H Share register of members of the Company on the Record Date. The Company assumes no liability whatsoever in respect of any claims arising from any delay in, or inaccurate determination of, the status of the Shareholders or any disputes over the mechanism of withholding. Shareholders are recommended to consult their tax advisors regarding the tax implications in the PRC, Hong Kong, China and other countries (regions) for holding and selling the Shares.

By order of the Board
China Tourism Group Duty Free Corporation Limited
Mr. FAN Yunjun
Chairman of the Board

Beijing, the PRC
October 30, 2026

As at the date of this announcement, the members of the Board comprise Mr. FAN Yunjun as the non-executive Director, Mr. CHANG Zhujun, Mr. WANG Yuehao and Mr. WANG Xuan as the executive Directors and Mr. WANG Qiang, Mr. HUANG Jianhua and Ms. HAN Yingjiao as the independent non-executive Directors.