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廣東粵運交通股份有限公司

Guangdong Yueyun Transportation Company Limited*

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

(Stock Code: 03399)

ANNOUNCEMENT ON THE ADJUSTMENT TO THE PROFIT DISTRIBUTION PLAN FOR 2023

Reference is made to the announcement of Guangdong Yueyun Transportation Company Limited (the “**Company**”) dated 15 March 2024 in relation to the announcement of results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2023 (the “**Announcement**”). The Announcement contains, among others, the profit distribution plan for 2023 (the “**Original Profit Distribution Plan**”) proposed by the board of directors (the “**Board**”) of the Company. Unless the context otherwise requires, the capitalised terms used herein shall have the same meaning as those defined in the Announcement.

The Original Profit Distribution Plan

Under the Original Profit Distribution Plan, the Board did not recommend the distribution of any dividends for the year ended 31 December 2023.

The Adjusted Profit Distribution Plan

The Company attaches great importance to the Shareholders’ return and conducted adequate research on the feasibility of adjustment proposal to the Original Profit Distribution Plan after taking into account the financial position of the Company and the future utilization of its capital, as well as the actual circumstances of the Company. To reflect the investment value of the Company, the Board of the Company proposes to adjust the Original Profit Distribution Plan and distribute a final dividend of RMB0.08 per share (tax inclusive) for the year ended 31 December 2023 to Shareholders (the “**Adjusted Profit Distribution Plan**”), so as to give back to the market and enhance the confidence of investors.

As at the date on which the Board considered and approved the annual results for the year ended 31 December 2023 and as at the date of this announcement, the Company’s total number of shares in issue was 799,847,800, based on which, the total cash dividend proposed to be distributed will amount to RMB63,987,824.00 (tax inclusive), accounting for approximately 32% of the consolidated net profit attributable to shareholders of the Company for the year 2023. After such distribution, the balance of the consolidated undistributed profit of the Company will be approximately RMB778,659,514.85. If the total number of shares in issue of the Company changes before the record date in relation to the distribution of final dividend (the “**Record Date**”), the Company intends to keep dividend payout per share unchanged and adjust the total distribution amount based on the total number of shares in issue as at the Record date.

The Adjusted Profit Distribution Plan is subject to the approval of shareholders at the 2023 annual general meeting by way of an ordinary resolution.

The Board expects that if the Adjusted Profit Distribution Plan is approved by the shareholders, the final dividend shall be paid to holders of domestic shares in Renminbi and to holders of H shares in Hong Kong dollars on or before 27 September 2024, and the exchange rate of Hong Kong dollars shall be calculated on the basis of the average closing price of Hong Kong dollars to Renminbi as announced by the People's Bank of China five working days prior to the announcement of payment of dividends.

As the adjustment to the Original Profit Distribution Plan mentioned above was made after the date of the completion of audit of the financial statements of the Group for the year ended 31 December 2023 (i.e. after 15 March 2024), the adjustment made to the Original Profit Distribution Plan was not disclosed in the audited financial statements of the Group for the year ended 31 December 2023 pursuant to the Accounting Standards for Business Enterprises, but it will be reflected in the financial statements of the Group for the six months ending 30 June 2024.

Closure of Register of Members and Withholding of Income Tax

For the purpose of ascertaining the H shareholders' entitlement to the final dividend for the year ended 31 December 2023 under the Adjusted Profit Distribution Plan, the register of members of the Company will be closed from 6 July 2024 to 11 July 2024, both days inclusive, during such period no transfer of shares will be registered. H shareholders of the Company whose transfer documents for H shares have not been registered must deposit the transfer documents accompanied by relevant share certificates to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on 5 July 2024 for registration. The H shareholders whose names appear on the register of members of the Company on 11 July 2024 shall be entitled to receive the final dividend for the year ended 31 December 2023 under the Adjusted Profit Distribution Plan.

According to the provisions of Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and the Regulations on the Implementation of the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法實施條例》) adopted in 2008, the Company shall be obliged to withhold and pay 10% enterprise income tax when it distributes the final dividend for the year ended 31 December 2023 under the Adjusted Profit Distribution Plan to the non-resident enterprise shareholders of overseas H shares (including HKSCC Nominees Limited, other corporate nominees or trustees, or other entities or organisations) whose names appear on the Company's H share register of members on the Record Date (Thursday, 11 July 2024).

According to the Notice of the Ministry of Finance and the State Administration of Taxation on Certain Policy Issues Regarding Individual Income Tax (Cai Shui Zi [1994] No. 020) (《財政部、國家稅務總局關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)), individual shareholders of H shares whose names appear on the Company's H share register of members on Thursday, 11 July 2024 and whose registered addresses are located in Hong Kong or outside the PRC are exempt from individual income tax of the PRC when distribution of the final dividend for the year ended 31 December 2023 is made under the Adjusted Profit Distribution Plan.

According to Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》) and its implementation regulations, the Company shall withhold individual income tax of 20% when it distributes the final dividends for the year ended 31 December 2023 under the Adjusted Profit Distribution Plan to individual shareholders of H shares whose names appear on the Company's H share register of members on Thursday, 11 July 2024 and whose registered addresses are located in the PRC.

Above relevant taxation laws and regulations shall be interpreted by the relevant local taxation authority and shall be amended from time to time. Shareholders are advised to seek advice from their taxation consultants in relation to taxation impacts in the PRC and Hong Kong and other matters arising from the ownership and disposal of the H shares.

By order of the Board of
Guangdong Yueyun Transportation Company Limited
Zhu Fang
Chairman of the Board

Guangzhou, the PRC
14 June 2024

As at the date of this announcement, the Board comprises Mr. Zhu Fang, Mr. Huang Wenban, Mr. Hu Xianhua and Mr. Hu Jian as executive directors of the Company, Mr. Chen Chuxuan as non-executive director of the Company, and Mr. Su Wujun, Ms. Huang Yuan, Mr. Shen Jialong and Mr. Zhang Xiangfa as independent non-executive directors of the Company.

* *For identification purposes only*