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Laopu Gold Co., Ltd.
老鋪黃金股份有限公司

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

(Stock Code: 6181)

(1) PROPOSED ADOPTION OF THE RSU SCHEME
(2) PROPOSED AUTHORIZATION TO THE BOARD AND
ITS DELEGATED PERSONS TO DEAL WITH MATTERS RELATED TO
THE RSU SCHEME
AND
(3) NOTICE OF THE EGM

Capitalized terms used in this cover shall have the same meanings as those defined in the section headed "Definitions" in this circular.

A notice convening the EGM to be held by the Company at Conference Room, 6/F, No. 3 West Building, The Towers at Oriental Plaza, No. 1 Dong Chang'an Avenue, Dongcheng District, Beijing, PRC on Wednesday, February 26, 2025 at 10:00 a.m., is set out on pages 32 to 33 of this circular. The proxy form for use at the EGM is published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.lphj.com).

If you intend to attend the EGM by proxy, you are required to duly complete the proxy form according to the instructions stated thereon and return the same not less than 24 hours before the time fixed for the holding of the EGM or any adjournment thereof (as the case may be) (which is 10:00 a.m. on Tuesday, February 25, 2025 (or other date in the event of any adjournment thereof)). Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish.

Reference to times and dates in this circular are to Hong Kong local times and dates.

February 11, 2025

CONTENTS

DEFINITIONS	1
LETTER FROM THE BOARD	6
(1) Introduction	6
(2) The RSU Scheme	7
(3) Authorization to the Board to Handle Matters Relating to the RSU Scheme	14
(4) EGM Arrangement	15
(5) Voting at the EGM	15
(6) Recommendation	16
(7) Responsibility Statement	16
APPENDIX I – SUMMARY OF PRINCIPAL TERMS OF RSU SCHEME ...	17
NOTICE OF THE EGM	32

DEFINITIONS

In this circular, the following words and expressions shall, unless the context otherwise requires, have the following respective meanings:

“Adoption Date”	the date on which the Company adopted the Scheme Rules for the establishment of the RSU Scheme
“Articles of Association”	the articles of association of the Company (as amended from time to time)
“associates”	has the meaning ascribed to it under the Listing Rules
“Awarded Share(s)”	in respect of a Selected Participant, such number of H Shares as awarded to him/her by the Board
“Board”	the board of directors of the Company
“Business Day”	the days, excluding Saturdays, Sundays or public holidays, on which the Hong Kong Stock Exchange is open for trading and banks in Hong Kong are open for business
“Company”	Laopu Gold Co., Ltd. (老鋪黃金股份有限公司), a company limited by shares duly incorporated under the laws of the PRC, whose H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 6181)
“Company Law”	the Company Law of the People’s Republic of China
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held on Wednesday, February 26, 2025
“Eligible Participant(s)”	in respect of the RSU Scheme, any individual being an Employee Participant at any time during the period of scheme
“Employee Participant(s)”	directors (rather than an independent non-executive Director), supervisor and employees (including full-time employees and part-time employees) of the Group (including persons who are granted awards under the RSU Scheme as an inducement to enter into employment contracts with these companies)

DEFINITIONS

“Excluded Participant(s)”	any Eligible Participant who is resident in a place where the grant of an Awarded Share and/or the vesting and transfer of the Awarded Shares pursuant to the terms of the RSU Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Eligible Participant
“Grant”	the grant of Awarded Shares to an Eligible Participant
“Grant Date”	the date (which shall be a Business Day) on which the Grant is made to an Eligible Participant, being the date of the Grant Instrument
“Grant Instrument”	upon the determination of the Board and/or its authorized persons to grant the Awarded Shares to any Selected Participants, the Board shall facilitate the Company and the Eligible Participants to execute a written instrument setting out the details of the Awarded Shares granted and the conditions for the grant of such Awarded Shares
“Group”	the Company and its subsidiaries from time to time
“H Share(s)”	the overseas listed foreign ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	February 3, 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Remuneration Committee”	remuneration and appraisal committee of the Board

DEFINITIONS

“RMB”	Renminbi, the lawful currency of the PRC
“RSU Scheme”	the “2025 Share Award Scheme” to be adopted by the Company as proposed by the resolution of the Board
“Scheme Mandate Limit”	the total number of H Shares which may be issued in respect of all awards and Awarded Shares to be granted under the RSU Scheme and any other share scheme(s) adopted by the Company
“Scheme Rules”	relevant rules of the RSU Scheme
“Securities Law”	the Securities Law of the PRC
“Selected Participant(s)”	Eligible Participant(s) selected by the Board pursuant to the Scheme Rules for participation in the RSU Scheme (or his/her legal personal representative or lawful successor as the case may be)
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, comprising the Unlisted Shares and the H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Supervisor(s)”	supervisor(s) of the Company
“Trust”	the trust constituted by the Trust Deed
“Trust Deed”	the trust deed to be entered into between the Company as trustor and the Trustee as trustee of the Trust (as restated, supplemented and amended from time to time)

DEFINITIONS

“Trust Fund”

the funds and properties held directly or indirectly under the Trust and managed by the Trustee for the benefit of the Selected Participants (other than the Excluded Participants), including without limitation:

- (i) HK\$100 as initial sum;
- (ii) all H Shares acquired by the Trustee for the purpose of the Trust (including but not limited to any Awarded Shares whether or not vested in a Selected Participant) and such other scrip income (including but not limited to bonus H Shares and scrip dividends declared by the Company) derived from the H Shares held upon the Trust. For the avoidance of doubt, no Selected Participants shall be entitled to any scrip income unless and until the Awarded Shares are actually transferred to such Selected Participant upon vesting of the Awarded Shares on the Vesting Date;
- (iii) any cash (including residual cash);
- (iv) any other property hereafter paid, transferred, or delivered to or otherwise placed under the control of and (in any such case) accepted by the Trustee as additions to the Trust Fund;
- (v) all issued shares in the capital of the direct wholly-owned subsidiary of the Trustee and designated in writing by the Trustee pursuant to the Scheme Rules; and
- (vi) all other properties from time to time representing (i) to (v) above

for the avoidance of doubt, such funds and properties remaining in the Trust Fund, including any interests occurred, shall belong to the Company

DEFINITIONS

“Trustee”	in respect of the RSU Scheme, Futu Trustee Limited (富途信託有限公司), an independent third party, the trustee to be appointed under the Trust Deed to act as the initial trustee of the Trust, being the then trustee or trustees of the Trust as stated in the Trust Deed. The trustee to hold the Shares of the Company under the RSU Scheme shall be independent from the Company and its connected persons. As at the Latest Practicable Date, none of Directors of the Company have a direct or indirect interest in the trustee
“Unlisted Share(s)”	the ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and are currently not listed or traded in any stock exchange
“Vesting Date”	in respect of a Selected Participant, the date on which his/her entitlement to the relevant Awarded Share is vested in such Selected Participant in accordance with the Scheme Rules and other terms of the RSU Scheme
“Vesting Instrument”	upon the vesting of the Awarded Shares, the Board shall procure the Company and the Selected Participant to execute a written instrument to confirm the vesting of the Awarded Shares
“%”	per cent

LETTER FROM THE BOARD



Laopu Gold Co., Ltd.
老鋪黃金股份有限公司

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

(Stock Code: 6181)

Executive Directors:

Mr. XU Gaoming

Mr. FENG Jianjun

Mr. XU Rui

Mr. JIANG Xia

Independent non-executive Directors:

Mr. SUN Yijun

Dr. HE Yurun

Mr. SEE Tak Wah

Registered Address and Headquarters:

Rooms 3-6, 6/F

No. 3 West Building

The Towers at Oriental Plaza

No. 1 Dong Chang'an Avenue

Dongcheng District

Beijing

the PRC

Principal place of business in Hong Kong:

19th Floor, Golden Centre

188 Des Voeux Road Central

Hong Kong

February 11, 2025

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED ADOPTION OF THE RSU SCHEME
(2) PROPOSED AUTHORIZATION TO THE BOARD AND
ITS DELEGATED PERSONS TO DEAL WITH MATTERS RELATED TO
THE RSU SCHEME
AND
(3) NOTICE OF THE EGM

1. INTRODUCTION

The purpose of this circular is to provide you with, among other things, the notice of the EGM, and to provide relevant details for you to make informed decisions on certain special resolutions proposed for voting at the EGM.

LETTER FROM THE BOARD

2. THE RSU SCHEME

The Board has resolved to propose the adoption of the RSU Scheme for the approval by the Shareholders. In approving the adoption of the RSU Scheme, the Board has considered the factors including the demands for the Group to attract, motivate and retain talents. The Company will issue new H Shares, instruct the Trustee to purchase H Shares (either on-market or off-market), and/or transfer treasury Shares to the Trustee as underlying shares for the purpose of the RSU Scheme.

As of the Latest Practicable Date, the Company did not operate any share schemes governed under Chapter 17 of the Listing Rules and did not held any treasury Shares. The Company plans to grant no more than 800,000 underlying H Shares within two months, representing approximately 0.48% of the total number of issued Shares (excluding treasury Shares) of the Company and approximately 0.84% of the total number of issued H Shares (excluding treasury Shares) of the Company as at the Latest Practicable Date, and no more than 200,000 additional underlying H Shares for the year ending December 31, 2025, representing approximately 0.12% of the total number of issued Shares (excluding treasury Shares) of the Company and approximately 0.21% of the total number of issued H Shares (excluding treasury Shares) of the Company as at the Latest Practicable Date, upon the adoption of the RSU Scheme at the EGM.

Operation of the RSU Scheme is conditional upon:

- (i) the passing of the special resolution by the Shareholders at the EGM to approve and adopt the RSU Scheme and to authorize the Board to grant Awarded Shares to the Selected Participants and to allot, issue and deal with the Shares which fall to be issued by the Company in respect of the Awarded Shares granted under the RSU Scheme; and
- (ii) the Listing Committee of the Hong Kong Stock Exchange granting approval of the listing of, and permission to deal in, any Shares to be issued in respect of the Awarded Shares granted under the RSU Scheme.

Application will be made to the Hong Kong Stock Exchange for the approval of the listing of, and the permission to deal in, the Shares to be issued with respect to the Awarded Shares granted under the RSU Scheme.

The Selected Participants have not been identified. After the RSU Scheme is approved at the EGM, the Company will convene a Board meeting to determine the list of specified Selected Participants.

LETTER FROM THE BOARD

Summary of the principal terms of the RSU Scheme

Purpose

The purpose of the RSU Scheme is to:

- (i) attract and retain Eligible Participants whose contributions are important to the long-term growth and success of the Group, to recognize and reward Eligible Participants for their past contribution to the Group;
- (ii) encourage Eligible Participants to further contribute to the Company and work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole;
- (iii) enhance the Company's long-term remuneration incentive strategy; and
- (iv) to align the interests of the Eligible Participants with those of the Company and the Shareholders to promote the long-term performance (whether in financial, business and operational aspects) of the Group.

Participants and Basis of Determining the Eligibility

Eligible Participants

Subject to the Scheme Rules, the Board may, from time to time, at its sole and absolute discretion select any Eligible Participant (other than any Excluded Participant) for participation in the RSU Scheme as a Selected Participant, and grant an Awarded Share to any Selected Participant at such consideration and subject to such terms and conditions as the Board may in its sole and absolute discretion determine.

In assessing the eligibility of Employee Participants, the Board will consider, in its sole discretion, on a case-by-case basis, all relevant factors as appropriate, including:

- (i) the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard;
- (ii) the length of service within the Group;
- (iii) the individual contribution or potential contribution to the development and growth of the Group;
- (iv) the amount of support, assistance, guidance, advice or efforts that has been given or will be given towards the Group's success;
- (v) for existing employee having a management role, the contribution of the department in which the employee works to the long-term operation and development of the Group;

LETTER FROM THE BOARD

- (vi) the Employee Participant's performance appraisal score in the preceding financial year shall be "excellent"; and
- (vii) for new joining employee, his/her position shall be key position such as senior management, middle-level management, core business and/or technical backbones of the Group, and the potential important influence and positive contributions are expected to be brought by the relevant individual to the Group's long-term development.

Disqualified Participants

No person shall be considered as an Eligible Participant if he/she, at the Grant Date:

- (i) has been publicly reprimanded or deemed as an inappropriate candidate for similar award schemes or share incentive plans of a listed company by any authorized securities regulatory bodies in the last 12 months;
- (ii) has been imposed with penalties or punishment by any authorized securities regulatory bodies for major violations of laws and regulations within the last 12 months;
- (iii) is prohibited from serving as a director or senior manager of the Company as stipulated by the Company Law or the Listing Rules;
- (iv) is prohibited by laws and regulations to participate the RSU Scheme;
- (v) any other circumstances that seriously violate the relevant regulations of the Group or cause major damage to the interests of the Group as determined by the Board; or
- (vi) any other circumstances required by the Board to protect the interests of the Group and ensure compliance with applicable laws and regulations relating to the operation of the RSU Scheme.

Disqualification of Selected Participants

In the event that prior to or on the Vesting Date, if a Selected Participant is found to be an Excluded Participant or is deemed to cease to be an Eligible Participant pursuant to the Scheme Rules, the relevant Awarded Share made to such Selected Participant shall automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date but shall remain part of the Trust Fund.

LETTER FROM THE BOARD

Such Excluded Participant or such Selected Participant who is deemed to cease to be an Eligible Participant shall have no right or claim against the Company, any other member of the Group, the Board, the Trust or the Trustee or with respect to those or any other Shares or any right thereto or interest therein in any way. In respect of the lapsed Awarded Shares, such relevant Awarded Shares shall be lapsed and remain part of the Trust Fund.

Unless the Board determines otherwise, the circumstances under which a person shall be treated as having ceased to be an Eligible Participant shall include the following:

- (i) dismissal by the Company due to serious damage to the Company's interests, disclosure of the Company's commercial secrets, breach of the Company's confidentiality agreement and breach of the labour contract or the Company's rules and regulations, or serious violation of laws and discipline;
- (ii) refusing to return or destroy the materials and resources of the Company when leaving the Company;
- (iii) engaging in or soliciting others to engage in business activities that are the same as, similar to or competitive with the Company's business, or holding a position in such entities;
- (iv) colluding with the Company's competitors, seizing the Company's business opportunities and causing material adverse effect on the interests of the Company;
- (v) where such person has convicted of any criminal offense; or
- (vi) where such person is convicted of or held liable for any offence under the SFO or other Hong Kong securities laws or regulations or any other applicable laws or regulations in force from time to time or breaches the relevant ordinance, laws and regulations.

If a Selected Participant's employment or services are terminated for any reason other than those stated above (the "***bona fide* Former Employee**"), any unvested Awarded Shares granted to the *bona fide* Former Employee will be lapsed since the date of termination of service with the Group. In the event of the (i) retirement according to applicable laws and regulations and the Company's policies, or (ii) death, physical or mental disability or incapacity caused by force majeure factors of the *bona fide* Former Employee, the Board has absolute discretion to determine whether the unvested Awarded Shares will continue to vest according to the original vesting schedule. The Board considers that such arrangements ensure that the Eligible Participant would be devoted to his/her commitment to the Group during the term of employment as his/her Awarded Shares may continue to vest according to the original vesting schedule, fostering a sense of ownership and long-term engagement, which align with the purpose of the RSU Scheme, where the Awarded Shares are intended to be granted to the Eligible Participant to reward his/her past contributions to the Group.

LETTER FROM THE BOARD

The Board considers that the Eligible Participants, including full-time employees and part-time employees, will share the same interests and objectives with the Group upon the grant of Awarded Shares, which is in turn beneficial to the long-term development of the Group. In addition, the Board considers that it is in line with modern commercial practice that both full-time employees and part-time employees be given incentives to work towards the goal of enhancing the enterprise value and attaining the long-term objectives of the Company for the benefit of the Group as a whole. Based on the above, the Board (including the independent non-executive Directors) is of the view that the inclusion of the Employee Participants in the RSU Scheme, and the basis of determining their respective eligibility, are in line with the purpose of the RSU Scheme, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Scheme Mandate Limit

Subject to the Scheme Rules and any waiver or ruling granted by the Hong Kong Stock Exchange, the total number of H Shares which may be issued under the RSU Scheme and any other share scheme(s) adopted by the Company must not exceed 10% of the total number of issued H Shares (excluding treasury Shares) as at the Adoption Date. As of the Latest Practicable Date, the Company did not have any other existing share scheme which the Scheme Mandate Limit will cover.

For the avoidance of doubt, under the RSU Scheme, the Scheme Mandate Limit are applicable to the grant of Awarded Shares to be satisfied by the issue of new H Shares and/or existing H Shares under the RSU Scheme. As of the Latest Practicable Date, the total number of H Shares issued by the Company was 94,774,860 H Shares. The maximum total number of H Shares which may be issued in respect of all the Awarded Shares to be granted under the Scheme Mandate Limit is 9,477,486 H Shares, representing approximately 5.63% of the total number of issued Shares (excluding treasury Shares) of the Company as at the Adoption Date and approximately 10% of the total number of issued H Shares (excluding treasury Shares) of the Company.

Vesting period

The vesting period for the Awarded Shares shall not be less than 12 months. The Directors are of the view that a vesting period of no less than 12 months would allow the Group to promote long-term commitment and stability among Eligible Participants, which aligns with the purpose of the RSU Scheme.

Notwithstanding any other provisions of the RSU Scheme, subject to applicable laws and regulations, the Board and/or its authorized persons may in its sole and absolute discretion to determine that the Awarded Shares granted to an Employee Participant may be subject to a vesting period of less than 12 months in the following circumstances:

- (i) Awarded Shares are grant of “make-whole” share awards to an Employee Participant who is a new joiner of the Group to replace the share awards he has been forfeited when leaving the previous employer;
- (ii) Awarded Shares are granted to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event, in which circumstances the vesting of shares awards may accelerate;
- (iii) Awarded Shares are subject to performance-based vesting conditions provided in the Grant Instrument and the Scheme Rules, in lieu of time-based vesting criteria;

LETTER FROM THE BOARD

- (iv) Awarded Shares are granted in batches during a year for administrative and compliance reasons, in which case, the vesting period may be shorter to reflect the time from which the Awarded Shares would have been granted;
- (v) Awarded Shares are granted with a mixed or accelerated vesting schedule (such as where the Awarded Shares may vest evenly over a period of twelve (12) months); and
- (vi) Awarded Shares with a total vesting and holding period of more than twelve (12) months.

Performance targets

Subject to the provisions of the Scheme Rules, the Board and/or its authorized persons, may, from time to time, at their sole and absolute discretion select any Eligible Participant (other than any Excluded Participant) for participation in the RSU Scheme as a Selected Participant, and grant Awarded Shares to any Selected Participant at such consideration and subject to such terms and conditions as the Board and/or its authorized persons may in their sole and absolute discretion determine. The Board and/or its authorized persons are entitled to impose any conditions, as it deems appropriate in their sole and absolute discretion with respect to the vesting of the Awarded Shares to the Selected Participant, including but not limited to the vesting based on the performance assessment of the company where the Selected Participant is employed and the individual performance evaluation results of the Selected Participant. For the avoidance of doubt, the RSU Scheme does not specify any performance targets which will be set forth in the applicable Grant Instrument. For example, the performance targets may be linked to the individual Employee Participant and/or the Group as a whole or to a subsidiary (if established), department, division, region, function or business unit, line of business, project or individual key performance indicators, which may include corporate sustainability parameter (e.g. timeliness and accuracy in handling customer feedback, team work capabilities, adherence to corporate culture) and discipline and responsibility (e.g. punctuality, integrity, honesty or compliance with internal business procedures). In particular, the Employee Participants' performance appraisal score in the preceding financial year before the vesting of Awarded Shares shall be "excellent". In addition, the performance targets of certain individual Employee Participants may be linked to sales performance (e.g. revenue) and financial performance (e.g. profits, cash flow). The Remuneration Committee can propose other performance targets to be stated in the Grant Instruments to the Board from time to time. The Remuneration Committee will conduct assessment from time to time by comparing the performance with the pre-set targets, past or current performance or comparison to internal targets or industry performance, to determine whether such targets and the extents to which have been met. The Directors are of the view that it is not practicable to expressly set out a generic set of performance targets in the Scheme Rules, as each Selected Participant will play different roles and contribute in different ways to the Group. The Board shall have regard to the purpose of the RSU Scheme in making such determinations and ensure that appropriate specific performance targets will be set under particular circumstances of the relevant Selected Participant(s).

LETTER FROM THE BOARD

Clawback Mechanism

In any of the following circumstances, the Board would, at its sole and absolute discretion, require the Selected Participant to return the gains from the vested Awarded Shares:

- (i) when the Selected Participant is an Eligible Participant, the Selected Participant has committed any act of fraud or dishonesty or serious misconduct in connection with his/her employment or engagement by any member of the Group;
- (ii) when the Selected Participant is an Eligible Participant, the Selected Participant has engaged in any act or omission to perform any of his/her duties that has had or will have a material adverse effect on the reputation or interests of any member of the Group;
- (iii) when the Selected Participant has engaged in any act that has had or will have a material adverse effect on the reputation or interests of any member of the Group after the Selected Participant ceases to be an Eligible Participant; or
- (iv) there has been a material misstatement to the Company's financial statement.

In conclusion, the Directors are of the view that the terms of RSU Scheme align with the purpose of the RSU Scheme.

Document on Display

A copy of the scheme document of the RSU Scheme will be published on the websites of Hong Kong Stock Exchange and the Company for display for a period of not less than 14 days before the date of the EGM and the scheme document of the RSU Scheme will be made available for inspection at the EGM.

Listing Rules Implications

Pursuant to Chapter 17 of the Listing Rules, the RSU Scheme will constitute a share scheme of the Company involving the issue of new Shares and therefore the adoption of the RSU Scheme is subject to the approval of the Shareholders. The terms of the RSU Scheme are in accordance with the relevant requirements under Chapter 17 of the Listing Rules.

The above resolution has been approved by the Board and is hereby proposed at the EGM for Shareholders' consideration and approval.

LETTER FROM THE BOARD

3. AUTHORIZATION TO THE BOARD TO HANDLE MATTERS RELATING TO THE RSU SCHEME

In order to implement the RSU Scheme, pursuant to the provisions of the relevant laws, regulations and regulatory documents such as the Listing Rules and the Articles of Association of the Company, it is hereby submitted to the EGM to authorize the Board or the chairman of the Board and its authorized person to take all relevant measures and deal with all relevant matters to approve and execute on behalf of the Company such documents as are necessary, appropriate or expedient for the purpose of giving effect and implementation of the RSU Scheme and to handle matters relating to the RSU Scheme, including but not limited to the following:

- (i) to manage and operate the RSU Scheme, and to grant Awarded Shares to Eligible Participants under the RSU Scheme;
- (ii) subject to compliance with Chapter 17 of the Listing Rules (including but not limited to Rule 17.03(18)), to modify and/or amend the RSU Scheme from time to time, provided that such modification and/or amendment shall be made in accordance with the provisions of the RSU Scheme relating to modification and/or amendment and shall comply with Chapter 17 of the Listing Rules;
- (iii) to grant Awarded Shares under the RSU Scheme, and to allot and issue from time to time such number of H Shares as required to be allotted and issued pursuant to the Awarded Shares granted under the terms and conditions of the RSU Scheme and the Listing Rules;
- (iv) to make application at appropriate time or period to the Hong Kong Stock Exchange for listing and permission to trade of any H Shares which may be allotted and issued in connection with the Awarded Shares granted under the terms and conditions of the RSU Scheme;
- (v) subject to compliance with Chapter 17 of the Listing Rules (including but not limited to Rule 17.03(18)), to consent to such conditions, modifications and/or changes as may be required or imposed in relation to the RSU Scheme as deemed appropriate and expedient;
- (vi) to increase the registered capital of the Company and to make appropriate and necessary amendments to the Articles of Association of the Company after completion of the allotment and issuance of new H Shares under the RSU Scheme according to the method, type and number of new H Shares allotted and issued by the Company, as well as the shareholding structure of the Company at the time of completion of the allotment and issuance;
- (vii) to obtain all necessary consents, approvals and authorizations from any governmental and regulatory bodies in respect of the approval, filing and amendments of the RSU Scheme; and

LETTER FROM THE BOARD

(viii) to make all necessary registration, amendments and filing with applicable company registration authorities.

The above resolution has been approved by the Board and is hereby proposed at the EGM for Shareholders' consideration and approval.

4. EGM ARRANGEMENT

The Company will convene the EGM at Conference Room, 6/F, No. 3 West Building, The Towers at Oriental Plaza, No. 1 Dong Chang'an Avenue, Dongcheng District, Beijing, PRC at 10:00 a.m. on Wednesday, February 26, 2025 for the Shareholders to consider and, if thought fit, to approve above relevant resolutions. Details of the EGM and resolutions to be considered at the meeting are set out in the notice of EGM dated February 11, 2025.

Holders of H Shares and Unlisted Shares whose names appear on the register of members of the Company on Wednesday, February 26, 2025 will be entitled to attend the EGM upon completion of the necessary registration procedures. The H Share register of members will be closed from Friday, February 21, 2025 to Wednesday, February 26, 2025, both days inclusive, during which period no transfer of H Shares will be effected.

Where applicable, holders of the H Shares intending to attend the EGM are therefore required to lodge their respective instrument(s) of transfer and the relevant Share certificate(s) to 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, Wanchai, Hong Kong, by 4:30 p.m. on Thursday, February 20, 2025.

A form of proxy for use at the EGM is enclosed with this circular, which has also been published on the website of each of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.lphj.com).

5. VOTING AT THE EGM

Pursuant to Rule 13.39 of the Listing Rules, any vote of the Shareholders at the EGM must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll after the EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

As at the Latest Practicable Date, to the best of the Director's knowledge, information and belief, having made all reasonable enquiries, no Shareholder was required to abstain from voting on the resolutions to be proposed at the EGM.

LETTER FROM THE BOARD

6. RECOMMENDATION

Save as described under the section headed “Purposes and Objectives” set out in Appendix I, the Company proposes to adopt the RSU Scheme based on the following reasons and benefits:

- (i) by providing employees with the opportunity to enjoy equity incentives in the Company, the Company aims to enhance its modern corporate governance framework by establishing and improving a “risk-sharing and benefit-sharing” mechanism among core employees, the Company, and Shareholders. This will help attract, motivate, and retain outstanding talent, while promoting the sustainable development of both the Company and its employees.
- (ii) to enhance the Company’s remuneration strategy by establishing a remuneration incentive system that takes performance achievement as the fundamental requirement, long-term development as the core objective, and equity payment for part of the remuneration as the primary method.
- (iii) to recognize and reward the core teams for their services and contributions to the Company and to encourage further contributions, providing them with the opportunity to acquire equity in the Company.

The Directors are of the view that the terms of the RSU Scheme are on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The Board believes that the abovementioned resolutions are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favor of the relevant resolutions to be proposed at the EGM.

7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

By Order of the Board
Laopu Gold Co., Ltd.
老鋪黃金股份有限公司
XU Gaoming
Chairman and Executive Director

APPENDIX I SUMMARY OF PRINCIPAL TERMS OF RSU SCHEME

The following is a summary of the principal terms of the RSU Scheme to be adopted at the EGM. It does not form part of, nor is it intended to be part of the terms of the RSU Scheme. The Directors reserve the right at any time prior to the EGM to make such amendments to the RSU Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects with the summary in this Appendix.

PURPOSES AND OBJECTIVES

The purpose of the RSU Scheme is to:

- (i) attract and retain Eligible Participants whose contributions are important to the long-term growth and success of the Group, to recognize and reward Eligible Participants for their past contribution to the Group;
- (ii) encourage Eligible Participants to further contribute to the Company and work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole;
- (iii) enhance the Company's long-term remuneration incentive strategy; and
- (iv) to align the interests of the Eligible Participants with those of the Company and the Shareholders to promote the long-term performance (whether in financial, business and operational aspects) of the Group.

ADMINISTRATION

The RSU Scheme shall be subject to the administration of the Board and/or its designated persons (including the Trustee) in accordance with the Scheme Rules and the Trust Deed.

The RSU Scheme is administered by the following administrative bodies of the Company:

- (i) **general meeting of the Shareholders (the "General Meeting")**: the General Meeting is reasonable for considering and approving the adoption and termination of the RSU Scheme. The General Meeting may authorize the Board and/or its designated persons to administer the matters relating to the RSU Scheme within the scope of authorization;
- (ii) **the Board**: the Board is the authorized administration body of the RSU Scheme and is responsible for the daily implementation and administration. The Board is responsible for the matters relating to the RSU Scheme within the scope of the General Meeting's authorization. The Board may appoint an independent third party, i.e. the Trustee, at the direction of the Board from time to time, to administer the RSU Scheme and grant and vesting of Awarded Shares pursuant to the Scheme Rules. The Remuneration Committee is responsible for reviewing matters related to the RSU Scheme (including, but not limited to, performance evaluation criteria and procedures) and making recommendations to the Board for its consideration. The decision of the Board with respect to any matters arising under the RSU Scheme (including the interpretation of any provision) shall be final and binding. The Board may delegate its powers to one or more authorized persons by passing board resolutions; and

- (iii) **the Trustee:** the Company (through the Board and/or its authorized persons) may appoint one or more qualified trustees to administer the RSU Scheme and the grant and vesting of Awarded Shares pursuant to the Scheme Rules. The Board and/or its authorized persons, subject to the provision of sufficient Contributed Amount, will instruct the Trustee to purchase existing H Shares as Awarded Shares (either on-market or off-market) under the RSU Scheme, to subscribe for new issued H Shares, and/or to acquire treasury Shares transferred by the Company. None of the Director will be the Trustee or have a direct or indirect interest in the Trustee. The Trustee under the RSU Scheme is Futu Trustee Limited (富途信託有限公司), an independent professional licensed trust or company service provider in Hong Kong who will administer the Trust and the RSU Scheme in accordance with the Trust Deed.

PARTICIPANTS AND BASIS OF DETERMINING THE ELIGIBILITY

Subject to the Scheme Rules, the Board may, from time to time, at its sole and absolute discretion select any Eligible Participant (other than any Excluded Participant) for participation in the RSU Scheme as a Selected Participant, and grant an Awarded Share to any Selected Participant at such consideration and subject to such terms and conditions as the Board may in its sole and absolute discretion determine.

In assessing the eligibility of Employee Participants, the Board will consider, in its sole discretion, on a case-by-case basis, all relevant factors as appropriate, including:

- (i) the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard;
- (ii) the length of service within the Group;
- (iii) the individual contribution or potential contribution to the development and growth of the Group;
- (iv) the amount of support, assistance, guidance, advice or efforts that has been given or will be given towards the Group's success;
- (v) for existing employee having a management role, the contribution of the department in which the employee works to the long-term operation and development of the Group;
- (vi) the Employee Participant's performance appraisal score in the preceding financial year shall be "excellent"; and
- (vii) for new joining employee, his/her position shall be key position such as senior management, middle-level management, core business and/or technical backbones of the Group, and the potential important influence and positive contributions are expected to be brought by the relevant individual to the Group's long-term development.

No person shall be considered as an Eligible Participant if he/she, at the Grant Date:

- (i) has been publicly reprimanded or deemed as an inappropriate candidate for similar award schemes or share incentive plans of a listed company by any authorized securities regulatory bodies in the last 12 months;
- (ii) has been imposed with penalties or punishment by any authorized securities regulatory bodies for major violations of laws and regulations within the last 12 months;
- (iii) is prohibited from serving as a director or senior manager of the Company as stipulated by the Company Law or the Listing Rules;
- (iv) is prohibited by laws and regulations to participate the RSU Scheme;
- (v) any other circumstances that seriously violate the relevant regulations of the Group or cause major damage to the interests of the Group as determined by the Board; or
- (vi) any other circumstances required by the Board to protect the interests of the Group and ensure compliance with applicable laws and regulations relating to the operation of the RSU Scheme.

Disqualification of Selected Participants

In the event that prior to or on the Vesting Date, if a Selected Participant is found to be an Excluded Participant or is deemed to cease to be an Eligible Participant pursuant to the Scheme Rules, the relevant Awarded Shares made to such Selected Participant shall automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date but shall remain part of the Trust Fund.

Such Eligible Participant shall have no right or claim against the Company, any other member of the Group, the Board, the Trust or the Trustee or with respect to those or any other Shares or any right thereto or interest therein in any way. In respect of the lapsed Awarded Shares, such relevant Awarded Shares shall be lapsed and remain part of the Trust Fund.

Unless the Board determines otherwise, the circumstances under which a person shall be treated as having ceased to be an Eligible Participant shall include the following:

- (i) dismissal by the Company due to serious damage to the Company's interests, disclosure of the Company's commercial secrets, breach of the Company's confidentiality agreement and breach of the labour contract or the Company's rules and regulations, or serious violation of laws and discipline;
- (ii) refusing to return or destroy the materials and resources of the Company when leaving the Company;
- (iii) engaging in or soliciting others to engage in business activities that are the same as, similar to or competitive with the Company's business, or holding a position in such entities;

- (iv) colluding with the Company's competitors, seizing the Company's business opportunities and causing material adverse effect on the interests of the Company;
- (v) where such person has convicted of any criminal offense; or
- (vi) where such person is convicted of or held liable for any offence under the SFO or other Hong Kong securities laws or regulations or any other applicable laws or regulations in force from time to time or breaches the relevant ordinance, laws and regulations.

If a Selected Participant's employment or services are terminated for any reason other than those stated above (the "***bona fide Former Employee***"), any unvested Awarded Shares granted to the *bona fide* Former Employee will be lapsed since the date of termination of service with the Group. In the event of the (i) retirement according to applicable laws and regulations and the Company's policies, or (ii) death, physical or mental disability or incapacity caused by force majeure factors of the *bona fide* Former Employee, the Board has absolute discretion to determine whether the unvested Awarded Shares will continue to vest according to the original vesting schedule.

VALIDITY PERIOD

Except for early termination as determined by the Board pursuant to the Scheme Rules, the RSU Scheme is valid for a period of 10 years starting from the Adoption Date and no further Awarded Shares will be granted under the RSU Scheme thereafter.

SOURCE OF AWARDED SHARES

The grant of Awarded Shares shall be satisfied by new H Shares to be allotted and issued to the Trustee, treasury Shares to be transferred by the Company to the Trustee, by the Company under the mandate to be granted by the Shareholders at the general meeting and/or H Shares acquired by making purchases of existing Shares (either on-market or off-market) by the Trustee.

GRANTING OF AWARDED SHARES

Subject to the Listing Rules and pursuant to the RSU Scheme, the Board may, from time to time, at its sole and absolute discretion select any Eligible Participant (other than any Excluded Participant) for participation in the RSU Scheme as a Selected Participant, and grant an Awarded Share to any Selected Participant at such consideration and subject to such terms and conditions as the Board may in its sole and absolute discretion determine.

For the avoidance of doubt, no grant of any Awarded Shares by the Company shall be made if a prospectus is required to be issued under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or any applicable laws or if such grant will result in the breach by the Company or the Directors of any applicable securities laws and regulations in any jurisdiction.

APPENDIX I SUMMARY OF PRINCIPAL TERMS OF RSU SCHEME

No Awarded Shares shall be made by the Board pursuant to the Scheme Rules and no instructions to acquire any H Shares shall be given to the Trustee under the RSU Scheme where dealings in the H Shares are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time. Without limiting the generality of the foregoing, no such instruction is to be given and no such grant is to be made:

- (i) after information that are required to be disclosed under Rule 13.09 of the Listing Rules or inside information that are required to be disclosed under Part XIVA of the SFO has come to the knowledge of the Company until (and including) the trading day after such information has been publicly announced in accordance with the Listing Rules, the SFO and/or the application laws;
- (ii) during the period commencing 30 days immediately before the earlier of (i) the date of the Board meeting (as such date is first notified to the Hong Kong Stock Exchange in accordance with the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of the results announcements. Such period will cover any period of delay in the publication of a results announcement;
- (iii) (in the event that the Selected Participant is a Director (other than an independent non-executive Director), Supervisor or the chief executive of the Company) during the period of 60 days immediately preceding the publication date of the annual results for any financial period of the Company, during the period of 30 days immediately preceding the publication date of the interim results for any financial period of the Company, or, if shorter, the period from the end of the relevant financial period up to the publication date of the results;
- (iv) in any circumstance where dealing in Shares by a Selected Participant (including directors of the Company) are prohibited under the Listing Rules, the SFO or any other applicable law or regulation;
- (v) in any circumstance where any requisite approval from any governmental or regulatory authority has not been granted; and
- (vi) in any circumstance where the granting the Awarded Shares is prohibited by or would result in a breach of the Listing Rules, the SFO or any other applicable law or regulation.

There is no need for a Selected Participant to pay any consideration for acceptance and purchasing of the Awarded Shares under the RSU Scheme.

SCHEME MANDATE LIMIT AND INDIVIDUAL LIMIT

Subject to the Scheme Rules and any waiver or ruling granted by the Hong Kong Stock Exchange, the total number of H Shares which may be issued under the RSU Scheme and any other share scheme(s) adopted by the Company must not exceed 10% of the total number of issued H Shares (excluding treasury Shares) as at the Adoption Date. As of the Latest Practicable Date, the Company did not have any other existing share scheme which the Scheme Mandate Limit will cover.

For the avoidance of doubt, under the RSU Scheme, the Scheme Mandate Limit are applicable to the grant of Awarded Shares to be satisfied by the issue of new H Shares and/or existing H Shares under the RSU Scheme. As of the Latest Practicable Date, the total number of H Shares issued by the Company was 94,774,860 H Shares. The maximum total number of H Shares which may be issued in respect of all the Awarded Shares to be granted under the Scheme Mandate Limit is 9,477,486 H Shares, representing approximately 5.63% of the total number of issued Shares (excluding treasury Shares) of the Company as at the Adoption Date and approximately 10% of the total number of issued H Shares (excluding treasury Shares) of the Company.

Subject to any waiver or ruling granted by the Stock Exchange, where an Awarded Share is to be granted to any Director, Supervisor, the chief executive or any substantial shareholder of the Company (or any of their respective associates), the grant shall not be valid unless it has been approved by the independent non-executive Directors, excluding any independent non-executive Director who is the proposed Selected Participant of the Awarded Share.

Subject to any waiver or ruling granted by the Hong Kong Stock Exchange, where an Awarded Share is to be granted to a Director (other than an independent non-executive Director), Supervisor or the chief executive of the Company (or any of their respective associates), and the grant of Awarded Share will result in the number of the Shares issued and to be issued in respect of all awards granted to such proposed Selected Participant (excluding any awards lapsed in accordance with the terms of the RSU Scheme and any other share schemes involving issuance of new H Shares or transfer of treasury Shares adopted and to be adopted by the Company from time to time (together with the Scheme, the “**Relevant Scheme(s)**”) in the twelve (12) months period up to and including the Grant Date of the relevant Awarded Share would exceed 0.1% of the total number of H Shares (excluding treasury Shares) in issue as at the Grant Date, such grant of Awarded Share shall not be valid unless:

- (i) the Grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules, by the Shareholders in general meeting, at which the proposed Selected Participant, his associates and all core connected persons of the Company abstained from voting in favour of the relevant resolution granting the approval;
- (ii) a circular containing the details of the grant of the Awarded Share has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules (including but not limited to, the views of the independent non-executive Directors as to whether the terms of the grant of the Awarded Share are fair and reasonable and whether such grant of Awarded Share is in the interests of the Company and Shareholders as a whole, and their recommendation to the independent Shareholders as to voting); and

- (iii) the number and terms of such Awarded Share are fixed before the general meeting of the Company at which the same are approved.

Subject to any waiver or ruling granted by the Hong Kong Stock Exchange, where an Awarded Share or options under any applicable share schemes is to be granted to a substantial Shareholder (or any of their respective associates), and the grant of Awarded Share or options will result in the number of H Shares issued and to be issued in respect of all awards and options granted to such proposed Selected Participant (excluding any awards or options lapsed in accordance with the terms of the Relevant Schemes) in the twelve (12) months period up to and including the Grant Date, would exceed 0.1% of the total number of H Shares (excluding treasury Shares) in issue as at the Grant Date, such grant of Awarded Share shall not be valid unless:

- (i) the Grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules, by the Shareholders in general meeting, at which the proposed Selected Participant, his associates and all core connected persons of the Company abstained from voting in favour of the relevant resolution granting the approval;
- (ii) a circular containing the details of the grant of the Awarded Share has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules (including but not limited to, the views of the independent non-executive Directors as to whether the terms of the grant of the Awarded Share are fair and reasonable and whether such grant of the Awarded Share is in the interests of the Company and Shareholders as a whole, and their recommendation to the independent Shareholders as to voting); and
- (iii) the number and terms of such Awarded Share are fixed before the general meeting of the Company at which the same are approved.

Subject to the Scheme Rules and any waiver or ruling granted by the Hong Kong Stock Exchange, no Awarded Share shall be granted to any Eligible Participant (the “**Relevant Eligible Participant**”) if, at the time of the Grant, the number of H Shares issued and to be issued in respect of all awards and options granted to the Relevant Eligible Participant (excluding any awards or options lapsed in accordance with the terms of the Relevant Schemes) in the twelve (12) months period up to and including the Grant Date would exceed 1% of the total number of H Shares (excluding treasury Shares) in issue as at the Grant Date.

Refreshment of Scheme Mandate Limit

The Scheme Mandate Limit may be refreshed by the Shareholders in general meeting after three years from the later date of (i) the date of Shareholders’ approval for the last refreshment and (ii) the date of adoption of the RSU Scheme, provided that:

- (i) the total number of H Shares which may be issued in respect of all awards and options to be granted under all Relevant Scheme(s) under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of H Shares (excluding treasury Shares) in issue as at the date of approval of the refreshing of the Scheme Mandate Limit by the Shareholders; and

- (ii) a circular regarding the proposed refreshing of the Scheme Mandate Limit has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules, including but not limited to the number of Awarded Shares or options that were already granted under the existing Scheme Mandate Limit and the reason for the refreshment.

The Company may seek separate approval from the Shareholders in general meeting for granting Awarded Shares beyond the Scheme Mandate Limit, provided that:

- (i) the Awarded Shares will only be granted to Eligible Participants specifically identified by the Company before the relevant Shareholders' approval is sought;
- (ii) a circular containing the details of the Grant has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules, including but not limited to the name of each Eligible Participant who may be granted such Awarded Shares, the number and terms of the Awarded Shares to be granted to each Eligible Participant, and the purpose of granting Awarded Shares to the Eligible Participants with an explanation as to how the terms of the Awarded Shares serve such purpose; and
- (iii) the number and terms of the Awarded Shares to be granted to such Eligible Participants are fixed before the general meeting of the Company at which the same are approved.

Awarded Shares or options that have already lapsed in accordance with the terms of the Relevant Scheme(s) shall not be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

GRANT DATE

The Grant Date shall be determined by the Board upon the approval of the RSU Scheme by the EGM and the fulfillment of conditions for grant. The determination of the Grant Date shall be made in accordance with the requirements of the Listing Rules and other relevant regulations and does not impose any material risks to the Company (including but not limited to compliance risk).

GRANT INSTRUMENT

Each Grant shall be evidenced by a Grant Instrument, which shall specify the name of the Selected Participant, any vesting conditions (if any), the number of Awarded Shares granted, and such other terms and conditions as the Board and/or its authorized persons, in their sole discretion, shall determine.

RESTRICTIONS

Awarded Shares shall be personal to the Selected Participant, no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest in favor of or enter into any agreement with any other person over or in relation to any Awarded Share or any property held by the Trustee on trust for the Selected Participant.

VESTING OF AWARDED SHARES**Vesting Conditions**

Vesting of Awarded Shares is subject to the following conditions:

- (i) unless otherwise required by the Scheme Rules, the RSU Scheme is still valid and has not been terminated;
- (ii) the vesting schedule set out in the Grant Instrument has been achieved;
- (iii) the Selected Participant remains as an Eligible Participant;
- (iv) there are no circumstances in which the Selected Participant is not allowed to be vested the underlying H Shares pursuant to the RSU Scheme;
- (v) the performance targets, assessment conditions and other conditions (if any) set out in the Grant Instrument have been achieved;
- (vi) the Selected Participant is not prohibited by any applicable laws and regulations to participate in the RSU Scheme.

Details of the performance targets shall be determined by the Board and set out in the Grant Instrument. Subject to the terms and condition of the RSU Scheme and the fulfillment of all vesting conditions applicable to the vesting of the Awarded Shares on such Selected Participant, the respective Awarded Shares held by the Trustee on behalf of the Selected Participant pursuant to the provision thereof shall vest in such Selected Participant in accordance with the applicable vesting schedule, and the Trustee shall cause the Awarded Shares to be transferred to such Selected Participant and/or a vehicle controlled by him/her (such as a trust or a private company) for the benefit of the Selected Participant and any family members of such Selected Participant in accordance with the Scheme Rules. If the Selected Participant fails to meet the vesting conditions applicable to the relevant Awarded Shares, all relevant Awarded Shares that may vest during each vesting period shall not vest and shall lapse immediately unless the Board and/or its authorized persons decide the otherwise. In such event, the Board and/or its authorized persons may, at their sole discretion, determine the vesting of the relevant Awarded Shares in accordance with the deferred schedule and adjust the vesting percentage and shall notify the Trustee of the same in writing as soon as reasonably practicable.

Vesting Period

The vesting period for the Awarded Shares shall not be less than twelve (12) months. Notwithstanding any other provisions of the RSU Scheme, subject to applicable laws and regulations, the Board and/or its authorized persons may in its sole and absolute discretion to determine that the Awarded Shares granted to an Employee Participant may be subject to a vesting period of less than 12 months in the following circumstances:

- (i) Awarded Shares are grant of “make-whole” share awards to an Employee Participant who is a new joiner of the Group to replace the share awards he has been forfeited when leaving the previous employer;

- (ii) Awarded Shares are granted to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event, in which circumstances the vesting of shares awards may accelerate;
- (iii) Awarded Shares are subject to performance-based vesting conditions provided in the Grant Instrument and the Scheme Rules, in lieu of time-based vesting criteria;
- (iv) Awarded Shares are granted in batches during a year for administrative and compliance reasons, in which case, the vesting period may be shorter to reflect the time from which the Awarded Shares would have been granted;
- (v) Awarded Shares are granted with a mixed or accelerated vesting schedule (such as where the Awarded Shares may vest evenly over a period of twelve (12) months); and
- (vi) Awarded Shares with a total vesting and holding period of more than twelve (12) months.

Vesting Schedule

The Board and/or its authorized persons may determine the vesting schedule of the Awarded Shares, including the vesting timetable and the vesting percentage, details of which shall be set out in the Grant Instrument.

Within a reasonable time after the fulfillment of vesting conditions and vesting schedule, the Board shall procure the Company and the Selected Participant to execute the Vesting Instrument. The Vesting Instrument shall specify the extent to which the vesting conditions and timetable would be met, fulfilled, satisfied or waived and the number of Awarded Shares to vest during the relevant vesting period.

Upon receiving the requisite documents in accordance with the Scheme Rules, the Trustee shall transfer the relevant Awarded Shares to the relevant Selected Participant and/or a vehicle controlled by him/her (such as a trust or a private company) as instructed by the Board as soon as practicable on or after the Vesting Date and in any event not later than ten (10) Business Days after the Vesting Date.

Any Awarded Shares to be transferred to a Selected Participant upon vesting of Awarded Shares granted pursuant to the RSU Scheme shall rank *pari passu* in all respects with the fully-paid H Shares in issue then exist on the date of transfer, and accordingly shall entitle the holder of such H Shares to participate in all dividends or other distributions paid or made on or after the date of transfer and to exercise all voting rights in respect of such H Shares.

LAPSE OF AWARDED SHARES

If the Selected Participant fails to meet the vesting conditions applicable to the relevant Awarded Shares, unless the Board and/or its authorized persons determines otherwise, all Awarded Shares which may vest during each vesting period shall not vest and shall expire immediately and such Awarded Shares shall be lapsed and remain as part of the Trust Fund.

CANCELLATION OF AWARDED SHARES

Upon occurrence of any events triggering the clawback mechanism (and whether an event is to be regarded as triggering the clawback mechanism is subject to the sole determination of the Board) in relation to a Selected Participant, the Board will claw back such number of Awarded Shares granted (to the extent not already vested). The Board may (but is not obliged to) by notice in writing to the relevant Selected Participant in respect of the cancellation. The Awarded Shares that are clawed back shall be regarded as cancelled and the Awarded Shares so cancelled shall be regarded as utilized for the purpose of calculating the Scheme Mandate Limit. For details of the clawback mechanism of the RSU Scheme, please refer to the paragraph headed “Clawback Mechanism” in this appendix.

Notwithstanding any other provisions of the RSU Scheme or any terms and conditions set forth in the Grant Instrument in respect of the Board’s discretion to cancel any Awarded Shares that have not been vested, any Awarded Shares granted but not vested may be cancelled if the Selected Participant so agrees.

For avoid of doubt, the Awarded Shares cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

VOTING AND DIVIDENDS

The Selected Participants and Trustee shall abstain from exercising the voting rights in respect of any H Shares held directly or indirectly by it under the Trust (if any) (including but not limited to the Awarded Shares, any bonus Shares and scrip Shares derived therefrom).

The Trustee holding an unvested H Share under the RSU Scheme should abstain from voting on matters subject to shareholder approval in accordance with the Listing Rules unless otherwise required by law to act in accordance with the directions given by the beneficial owner and to give such directions.

A Selected Participant shall not have any interest or rights (including the right to receive dividends) in the Awarded Shares by virtue of the grant of an Awarded Share pursuant to the RSU Scheme, unless and until the Awarded Shares are actually transferred to the Selected Participant and/or a vehicle controlled by him/her (such as a trust or a private company) upon vesting of the Awarded Shares on the Vesting Date.

TAKEOVER, RIGHT ISSUE, OPEN OFFER, SCRIP DIVIDEND SCHEME

If there occurs an event of change in control of the Company (e.g. by way of offer, merger, scheme of arrangement or otherwise), the Board shall determine at its sole and absolute discretion whether any Awarded Shares shall vest in the Selected Participant and the time at which such Awarded Shares shall vest. If the Board determines that any Awarded Shares shall be vested to any Selected Participant, the Trustee shall distribute the Awarded Shares to such Selected Participant and/or a vehicle controlled by him/her (such as a trust or a private company) for the benefit of the Selected Participant and any family members of such participant in accordance with provisions of the RSU Scheme. The Board shall not reduce the vesting period for Awarded Shares to less than 12 months as a result of any event of change in control unless any of the circumstances listed under the paragraph headed “Vesting period” is applicable.

If there occurs an event of alteration in the capital structure of the Company (including but not limited to capitalization issue, rights issue, consolidation, subdivision or reduction of the share capital of the Company) whilst any Awarded Share remains outstanding, the Board may make equitable adjustments that it considers appropriate, at its sole and absolute discretion, including:

- (i) the maximum number of H Shares subject to the RSU Scheme; and/or
- (ii) the number of H Shares that may be offered by the Company to the Selected Participant pursuant to the Awarded Share that have already granted but not vested,

provided that:

- (i) no such adjustments shall be made in respect of an issue of securities by the Company as consideration in a transaction;
- (ii) any such adjustments made must give each Selected Participant the same proportion of the share capital of the Company, rounded to the nearest whole H Share, as that to which he was previously entitled;
- (iii) no adjustment shall be made to the advantage of the Selected Participant without specific prior approval from the shareholders of the Company;
- (iv) any adjustment made should have a neutral impact or worse from the perspective of the Selected Participant;
- (v) any such adjustments, other than those made on a capitalization issue, shall be confirmed by an independent financial adviser or the auditors in writing to the Directors as satisfying the requirements the Scheme Rules, the requirements of the relevant provisions of the Listing Rules and the supplementary guidance on Rule 17.03(13) of the Listing Rules as provided by the Hong Kong Stock Exchange from time to time (the “**Supplementary Guidance**”) and any further guidance/interpretation of the Listing Rules issued by the Hong Kong Stock Exchange from time to time, and that in the opinion of the auditors or an independent financial adviser that the adjustments made by the Board under the Scheme Rules are fair and reasonable. The independent financial adviser or the auditors (as the case may be) shall act as experts and

not as arbitrators and their certification shall be final and binding on the Company and the Selected Participant. The costs of the independent financial adviser or the auditors (as the case may be) shall be borne by the Company; and

- (vi) any adjustments to be made will comply with the Listing Rules, the Supplementary Guidance and any further guidance/interpretation of the Listing Rules issued by the Hong Kong Stock Exchange from time to time.

If there has been any alteration in the capital structure of the Company as above-mentioned, the Company shall notify each such Selected Participant (with a copy of the notification to the Trustee) of the adjustment to be made after such alteration in the capital structure of the Company.

Unless otherwise determined by the Board:

- (a) in the event the Company undertakes an open offer of new securities in respect of any Shares which are held directly or indirectly by the Trustee under the RSU Scheme, the Trustee shall not subscribe for, or procure for the subscription of, any new Shares. In the event of a rights issue, the Trustee shall sell or cause to be sold such amount of the nil-paid rights allotted to it (or a designee) on the market as is appropriate and the net proceeds of sale of such rights shall be held as part of the Trust Fund;
- (b) in the event the Company issues bonus warrants in respect of any Shares which are held directly or indirectly by the Trustee, the Trustee shall not subscribe for, and, where applicable, procure the subscription of, any new Shares by exercising any of the subscription rights attached to the bonus warrants and shall sell or cause to be sold the bonus warrants created and granted to it on the market, the net proceeds of sale of such bonus warrants shall be held as part of the Trust Fund;
- (c) in the event that the Company undertakes an issue of bonus Shares, the bonus Shares allotted with respect to any Shares which are held directly or indirectly by the Trustee shall be held as part of the Trust Fund;
- (d) in the event the Company undertakes a scrip dividend scheme, the Trustee shall elect or, where applicable, procure the Holdco to elect to receive scrip Shares and scrip Shares allotted with respect to any Shares which are held directly or indirectly by the Trustee shall be held as part of the Trust Fund;
- (e) in the event of other non-cash and non-scrip distribution made by the Company in respect of Shares held upon the Trust, the Trustee shall dispose of or, where applicable, procure the disposal of such distribution and the net sale proceeds thereof shall be deemed as cash income of a Share held as part of the Trust Fund.

If notice is duly given by the Company to its shareholders to convene a shareholders' meeting for the purpose of considering a resolution for the voluntary winding-up of the Company (other than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company) or an order of winding up of the Company is made, the Board shall determine at its sole and absolute discretion whether any Awarded Shares shall vest in the Selected Participant and the time at which such Awarded Shares shall vest. If the Board

determines that any Awarded Shares shall vest, it shall promptly notify such Selected Participant (with a copy of the notification to the Trustee) and shall use its reasonable endeavours to procure the Trustee to take such action as may be necessary to transfer the legal and beneficial ownership of the Awarded Shares to such Selected Participant and/or a vehicle controlled by him/her (such as a trust or a private company) for the benefit of the participant and any family members of such participant. For the avoidance of doubt, if the Board determines that such unvested Award Interests shall not vest, such award shall lapse with immediate effect and in any event. The Board shall not reduce the vesting period for Awarded Shares to less than 12 months as a result of such determination unless any of the circumstances listed under the paragraph headed “Vesting period” is applicable.

DISPUTES

Any dispute in connection with the RSU Scheme shall be decided by the Board, which shall be final and binding.

CLAWBACK MECHANISM

In any of the following circumstances, the Board would, at its sole and absolute discretion, require the Selected Participant to return the gains from the vested Awarded Shares:

- (i) when the Selected Participant is an Eligible Participant, the Selected Participant has committed any act of fraud or dishonesty or serious misconduct in connection with his/her employment or engagement by any member of the Group;
- (ii) when the Selected Participant is an Eligible Participant, the Selected Participant has engaged in any act or omission to perform any of his/her duties that has had or will have a material adverse effect on the reputation or interests of any member of the Group;
- (iii) when the Selected Participant has engaged in any act that has had or will have a material adverse effect on the reputation or interests of any member of the Group after the Selected Participant ceases to be an Eligible Participant; or
- (iv) there has been a material misstatement to the Company’s financial statement.

The Board will also claw back and cancel any unvested Awarded Shares as detailed in the paragraph headed “Cancellation of Awarded Shares”.

ALTERATION AND TERMINATION

Alteration

The RSU Scheme, once adopted at the EGM, may be amended at the discretion of the Board in accordance with applicable laws and regulations. In the event of any inconsistency between the Scheme Rules and the relevant laws, regulations, agreements or Listing rules, the provisions of the relevant laws, regulations, agreements and Listing Rules shall prevail.

Subject to the requirements of relevant laws, regulations, agreements and Listing rules, the Board shall obtain the approval of the Shareholders or the Hong Kong Stock Exchange to amend the Scheme Rules.

The RSU Scheme may be amended in any respect by a resolution of the Board provided that, (i) unless with the prior written consent of the Trustee, any such amendment or modification shall not impose any additional or more onerous duties, responsibilities or liabilities on the Trustee; and (ii) any alteration to the terms and conditions of the RSU Scheme that are of a material nature or any alteration to the authority of the Board to alter the terms of the RSU Scheme or any alteration to the specific terms of the RSU Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Selected Participant or proposed Selected Participant must be approved by the Shareholders in general meeting (with the Selected Participant or proposed Selected Participant and their associates abstaining from voting). The Board's determination as to whether any proposed alteration to the terms and conditions of the RSU Scheme is material shall be conclusive.

Any change to the terms of Awarded Shares granted to a Selected Participant must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of such Awarded Shares under the Scheme was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) except where the alterations take effect automatically under the existing terms of the RSU Scheme.

The provisions in the RSU Scheme may be amended by the Board to reflect any amendments on the relevant Listing Rules made by the Stock Exchange after the date of adoption of the RSU Scheme to comply with the relevant provisions of the Listing Rules which the RSU Scheme has been drafted to reflect the position as at the date of adoption of the RSU Scheme.

Termination

The RSU Scheme shall be terminated on the earlier of:

- (i) the date of the tenth anniversary of the Adoption Date; and
- (ii) such date of early termination as determined by the General Meeting.

Upon termination of the RSU Scheme,

- (i) no further grant of Awarded Shares may be made under the RSU Scheme;
- (ii) all the Awarded Shares of the Selected Participants granted under the RSU Scheme shall continue to be held by the Trustee and become vested in the Selected Participants according to the conditions of the Awarded Share, subject to the receipt by the Trustee of the required documents prescribed by the Trustee;
- (iii) unless otherwise determined by the Board, all H Shares (except for any Awarded Shares subject to vesting on the Selected Participants) remaining in the Trust Fund shall be sold by the Trustee within twenty-eight (28) Business Days (on which the trading of the Shares has not been suspended) (or such longer period as the Trustee and the Board may otherwise determine); and
- (iv) all net proceeds of sale and such other funds and properties remaining in the Trust Fund managed by the Trustee (after making appropriate deductions in respect of all disposal costs, liabilities and expenses) shall be remitted to the Company forthwith. For the avoidance of doubt, the Trustee may not transfer any H Shares to the Company nor may the Company otherwise hold any H Shares whatsoever (other than its interest in the proceeds of sale of such Shares).

NOTICE OF THE EGM

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.



Laopu Gold Co., Ltd. **老鋪黃金股份有限公司**

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

(Stock Code: 6181)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the extraordinary general meeting (the “**EGM**”) of Laopu Gold Co., Ltd. (the “**Company**”) will be held at Conference Room, 6/F, No. 3 West Building, The Towers at Oriental Plaza, No. 1 Dong Chang’an Avenue, Dongcheng District, Beijing PRC at 10:00 a.m. on Wednesday, February 26, 2025 for considering and, if thought fit, passing, the following resolutions:

BY WAY OF SPECIAL RESOLUTIONS:

1. In relation to the RSU Scheme:
 - 1.1 To consider and approve the RSU Scheme; and
 - 1.2 To consider and approve the Scheme Mandate Limit; and
2. To consider and approve the Authorization to the Board to Handle Matters relating to the RSU Scheme.

By Order of the Board
Laopu Gold Co., Ltd.
老鋪黃金股份有限公司
XU Gaoming
Chairman and Executive Director

February 11, 2025

NOTICE OF THE EGM

Notes:

- (1) Pursuant to Rule 13.39(4) of the Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, votes of the shareholder(s) at the EGM shall be taken by poll.
- (2) Any shareholder of the Company (the “Shareholder(s)”) entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote on his/her/its behalf at the EGM. A proxy need not be a Shareholder. Shareholders shall have one vote for each share that they hold.
- (3) In order to determine the holders of H shares of the Company (the “H Share(s)”) who are entitled to attend the EGM, the H Share register of members of the Company shall be closed from Friday, February 21, 2025 to Wednesday, February 26, 2025 (both days inclusive), during which no transfer of H Shares will be registered. Holders of H Shares and Unlisted Shares whose names appear on the register of members on Wednesday, February 26, 2025 are entitled to attend the EGM.

In order to be entitled to attend and vote at the EGM, holders of H Shares whose transfers have not been registered shall lodge the transfer documents together with the relevant share certificates at the H Share Registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Thursday, February 20, 2025.

- (4) The instruments appointing a proxy must be in writing under the hand of the Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a corporation, that instrument must be either under the company seal or under the hand of its director or duly authorized attorney. If that instrument is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization documents must be notarized.
- (5) The proxy form together with the power of attorney or other authorization document (if any) must be deposited at the H Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for holders of the H Shares, not less than 24 hours before the time fixed for holding the EGM or any adjournment thereof (as the case may be).

Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the meeting or any adjourned meeting should such Shareholders so wish.

- (6) The meeting is expected to be concluded within a day. Shareholders (in person or by proxy) attending the meeting are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the meeting shall produce the identity documents.
- (7) All times refer to Hong Kong local time, except as otherwise stated.

As at the date of this notice, the Board comprises (i) Mr. Xu Gaoming, Mr. Feng Jianjun, Mr. Xu Rui and Mr. Jiang Xia as executive directors; and (ii) Mr. Sun Yijun, Dr. He Yurun and Mr. See Tak Wah as independent non-executive directors.