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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)

**ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED
DECEMBER 31, 2024**

ANNUAL RESULTS HIGHLIGHTS:

	For the year ended December 31,		Year-on-year Changes %
	2024 RMB'000	2023 RMB'000	
Sales ¹	9,795,210	3,677,382	166.4
Revenue	8,505,560	3,179,564	167.5
Gross profit	3,501,220	1,331,957	162.9
Profit before tax	1,946,547	553,469	251.7
Profit for the year	1,473,106	416,302	253.9
Share-based payment	28,626	8,633	231.6
Non-IFRS adjusted net profit²	1,501,732	424,935	253.4

The Board is pleased to announce the consolidated results of the Company and its subsidiaries for the year ended December 31, 2024, together with the comparative figures of the consolidated results for the year ended December 31, 2023. The contents of this annual results announcement have been prepared in accordance with applicable disclosure requirements under the Listing Rules in relation to preliminary announcements of annual results and IFRS Accounting Standards issued by the International Accounting Standards Board. The Board and the Audit Committee have also reviewed and confirmed the annual results. Unless otherwise specified, the Company's financial data is presented in Renminbi.

¹ Sales refer to tax-inclusive revenue.

² For more information about non-IFRS measure, please refer to the section headed "Non-IFRS Financial Measure Adjusted Net Profit" of this annual results announcement.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended December 31, 2024

	Notes	2024 RMB'000	2023 RMB'000
REVENUE	4	8,505,560	3,179,564
Cost of sales		<u>(5,004,340)</u>	<u>(1,847,607)</u>
Gross profit		3,501,220	1,331,957
Other income and gains	4	20,831	2,650
Selling and distribution expenses		(1,236,743)	(579,347)
Administrative expenses		(272,235)	(167,571)
Research and development expenses		(19,163)	(10,720)
Other expenses, net		(16,929)	(5,318)
Finance costs	5	<u>(30,434)</u>	<u>(18,182)</u>
PROFIT BEFORE TAX	6	1,946,547	553,469
Income tax expense	7	<u>(473,441)</u>	<u>(137,167)</u>
PROFIT FOR THE YEAR		<u>1,473,106</u>	<u>416,302</u>
Attributable to:			
Owners of the Company		<u>1,473,106</u>	<u>416,302</u>
PROFIT FOR THE YEAR		<u>1,473,106</u>	<u>416,302</u>
OTHER COMPREHENSIVE INCOME/(LOSS)			
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		<u>6,633</u>	<u>(839)</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX		<u>6,633</u>	<u>(839)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,479,739</u>	<u>415,463</u>
Attributable to:			
Owners of the Company		<u>1,479,739</u>	<u>415,463</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted (RMB)	9	<u>9.47</u>	<u>3.03</u>

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31, 2024

	<i>Notes</i>	December 31, 2024 RMB'000	December 31, 2023 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		112,656	57,549
Right-of-use assets		302,219	252,219
Other intangible assets		3,123	2,877
Deferred tax assets		21,432	12,538
Prepayments, deposits and other assets		64,046	57,528
		<hr/>	<hr/>
Total non-current assets		503,476	382,711
CURRENT ASSETS			
Inventories	<i>10</i>	4,087,849	1,267,932
Trade receivables	<i>11</i>	801,216	376,325
Prepayments, deposits and other assets		211,567	61,741
Cash and cash equivalents		732,650	69,838
		<hr/>	<hr/>
Total current assets		5,833,282	1,775,836
CURRENT LIABILITIES			
Trade payables	<i>12</i>	228,197	57,662
Other payables and accruals		369,935	140,090
Interest-bearing bank and other borrowings	<i>13</i>	1,373,461	127,754
Contract liabilities		9,894	27,766
Lease liabilities		152,786	101,394
Tax payable		114,293	19,478
		<hr/>	<hr/>
Total current liabilities		2,248,566	474,144
NET CURRENT ASSETS		3,584,716	1,301,692
TOTAL ASSETS LESS CURRENT LIABILITIES		4,088,192	1,684,403
NON-CURRENT LIABILITIES			
Deferred income		920	1,150
Other payables and accruals		3,123	2,418
Lease liabilities		163,826	165,419
		<hr/>	<hr/>
Total non-current liabilities		167,869	168,987
Net assets		3,920,323	1,515,416
EQUITY			
Equity attributable to owners of the Company			
Share capital	<i>14</i>	168,367	142,643
Reserves		3,751,956	1,372,773
		<hr/>	<hr/>
Total equity		3,920,323	1,515,416

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2024

1 CORPORATE AND GROUP INFORMATION

Laopu Gold Co., Ltd. (the “**Company**”) is a company established in the People’s Republic of China (“**PRC**”) with limited liability. The registered office of the Company is located at Rooms 3-6, 6/F, No. 3 West Building, The Towers at Oriental Plaza, No. 1 Dong Chang’an Avenue, Dongcheng District, Beijing, PRC.

During the year, the principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) were manufacture and sale of jewelry and provision of maintenance and repair services.

2.1 BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting Standards (“**IASs**”) and Interpretations) as issued by the International Accounting Standards Board (the “**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention. These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised IFRS Accounting Standards for the first time for the current year’s consolidated financial statements.

Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to IAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>

The adoption of the above revised IFRS Accounting Standards has no significant financial effect on these consolidated financial statements.

3 OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their service and products and only has one reportable operating segment.

The information reported to the directors, who are the chief operating decision makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

Major operating entities are domiciled in the Mainland China. Most of the revenues of the Group from external customers are generated in the Mainland China. Besides, most of the assets of the Group are located in the Mainland China. Thus, no geographic information is presented.

Information about major customers

No revenue from sales to a single customer or a group of customers under common control accounted for 10% or more of the Group’s revenue for the years ended December 31, 2024 and 2023, respectively.

4 REVENUE, OTHER INCOME AND GAINS

An analysis of the Group's revenue is as follows:

Revenue from contracts with customers

(a) Disaggregated revenue information

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Types of goods or services		
Sales of goods	8,504,554	3,179,188
Maintenance and repair services	1,006	376
Total	<u>8,505,560</u>	<u>3,179,564</u>
Geographical markets		
Mainland China	7,650,528	3,024,502
Hong Kong and Macau	855,032	155,062
Total	<u>8,505,560</u>	<u>3,179,564</u>
Timing of revenue recognition		
Goods transferred at a point in time	8,504,554	3,179,188
Service transferred at a point in time	1,006	376
Total	<u>8,505,560</u>	<u>3,179,564</u>
Types of products or services		
Gold jewelry	8,498,524	3,174,940
Others	7,036	4,624
Total	<u>8,505,560</u>	<u>3,179,564</u>

The following table shows the amount of revenue recognised in the reporting period that was included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Sales of goods	<u>27,766</u>	<u>8,819</u>

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sales of goods

The performance obligation is satisfied upon delivery of the goods and payments are mainly on cash and credit card settlement under self-operated model. Retail payments collected by shopping malls from customers are generally settled with the Group within 30 or 60 days.

Maintenance and repair services

The performance obligation is satisfied as services are rendered and payments are received upon the completion of services.

As the original expected duration of the contracts with customers of the Group is within one year or less, the Group applied the practical expedient of not disclosing the transaction prices allocated to the remaining performance obligation.

Other income and gains

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Other income		
Interest income	2,675	350
Government grants*	760	1,016
Others	359	254
	3,794	1,620
Gains		
Foreign exchange differences	16,551	560
Gain on disposal of items of property, plant and equipment and other assets	–	126
Others	486	344
	17,037	1,030
Total	20,831	2,650

* Government grants have been received from local government authorities as subsidies to the Group, which mainly represent the subsidies related to the operating activities. Except for the lease term, there were no unfulfilled conditions or contingencies relating to these grants.

5 FINANCE COSTS

An analysis of finance costs is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Interest on bank and other borrowings	15,585	7,661
Interest on lease liabilities	14,542	10,415
Others	307	106
Total	<u>30,434</u>	<u>18,182</u>

6 PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	<i>Note</i>	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Cost of inventories sold*		5,004,340	1,847,607
Depreciation of property, plant and equipment**		41,488	25,600
Depreciation of right-of-use assets**		136,671	91,407
Amortisation of intangible assets and other assets		3,184	2,760
Lease payments not included in the measurement of lease liabilities		552,558	196,427
Gain on disposal of property, plant and equipment and other assets***	4	–	(126)
Loss on disposal of property, plant and equipment and other assets***		3,849	447
Expenses related to previous A-share listing attempt****		–	10,953
Listing expense****		17,705	13,758
Equity settled share based payments		28,626	8,633
Auditor's remuneration		3,113	–
Employee benefit expenses (excluding directors' and supervisors' remunerations):			
Wages and salaries		470,026	276,029
Pension scheme contributions (defined contribution schemes)		28,209	19,268
Impairment of trade receivables***		6,028	3,536
Impairment of prepayments, deposits and other assets***		425	1,238

* The cost of inventories sold included write-down of inventories to net realisable value.

** The depreciation of property, plant and equipment and right-of-use assets was included in "Cost of sales", "Selling and distribution expenses" and "Administrative expenses" in profit or loss.

*** The amounts were included in "Other income and gains" and "Other expense, net" in profit or loss.

**** The amounts were included in "Administrative expenses" in profit or loss.

7 INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

PRC Corporate Income Tax

Pursuant to the Corporate Income Tax Law of the PRC and the respective regulations (the "CIT Law"), the Company and subsidiaries which operate in Mainland China were subject to CIT at a rate of 25% on the taxable income during the year.

Hong Kong Profits Tax

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the year, while the subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of this subsidiary were taxed at 8.25% and the remaining assessable profits are taxed at 16.5% during the year.

Macau Complementary Tax

Macau complementary tax was calculated at the excess progressive rate of 3% to 12% on the estimated assessable profit during the year.

Singapore Income Tax

Singapore income tax was calculated at 17% of the estimated assessable profits during the year.

The income tax expenses for the year are as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current	482,330	140,471
Deferred	(8,889)	(3,304)
Total	<u>473,441</u>	<u>137,167</u>

8 DIVIDENDS

No dividends have been declared or paid by the Company during the year.

Subsequent to the end of the reporting period, a final dividend of RMB6.35 per share based on the number of issued shares as at the date of the announcement (2023: nil), totalling approximately RMB1,070 million (2023: nil) in respect of the year ended December 31, 2024 have been proposed by the directors of the Company and are subject to approval by the shareholders in the forthcoming annual general meeting.

9 EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares of 155,538,217 (2023: 137,425,582) outstanding during the year.

No adjustment has been made to the basic earnings per share amount presented for the years ended 31 December 2024 and 2023 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during the years.

The calculation of basic and diluted earnings per share is based on:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Earnings:		
Profit attributable to ordinary equity holders of the Company	<u>1,473,106</u>	<u>416,302</u>
	Number of shares	
	2024	2023
Shares:		
Weighted average number of ordinary shares outstanding during the year	<u>155,538,217</u>	<u>137,425,582</u>

10 INVENTORIES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Finished goods	2,547,046	791,294
Raw materials	837,219	292,001
Work in progress	700,580	182,236
Goods in transit	3,004	2,401
Total	<u>4,087,849</u>	<u>1,267,932</u>

At December 31, 2024, the Group did not have pledged inventory (2023: RMB30,000,000), as further detailed in note 13 to the financial statements.

Write-downs of inventories to net realisable value amounted to RMB530,000 for year ended December 31, 2024 (2023: RMB1,745,000) included in “Profit before tax” during the reporting period.

11 TRADE RECEIVABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade receivables	812,001	381,082
Impairment, net	<u>(10,785)</u>	<u>(4,757)</u>
Total	<u>801,216</u>	<u>376,325</u>

The Group’s trade receivables usually generate from sales through boutiques and online platforms which help collect sales proceeds. The Group usually grants a credit period of within 30 or 60 days to the relevant shopping malls and online platforms. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

The fair values of trade receivables at the end of reporting year approximated to their corresponding carrying amounts due to their relatively short maturity terms.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the date of revenue recognition and net of loss allowance for impairment, is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 1 month	643,547	329,797
1 to 2 months	73,703	22,821
2 to 3 months	49,881	23,702
Over 3 months	<u>34,085</u>	<u>5</u>
Total	<u>801,216</u>	<u>376,325</u>

The movements in the loss allowance for impairment of trade receivables are as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
At beginning of the year	4,757	1,221
Impairment loss, net (<i>note 6</i>)	6,028	3,536
Exchange realignment	—*	—*
	<hr/>	<hr/>
At end of the year	10,785	4,757
	<hr/>	<hr/>

* The amount of exchange realignment is less than 1 thousand.

12 TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 1 month	204,607	29,829
1 to 2 months	17,862	27,621
2 to 3 months	3,701	119
Over 3 months	2,027	93
	<hr/>	<hr/>
Total	228,197	57,662
	<hr/>	<hr/>

Trade payables to third parties of the Company are non-interest-bearing. The trade payables to third parties are normally settled on credit terms of one to three months after the invoice date.

The fair values of trade payables as at the end of the reporting period approximated to their corresponding carrying amounts due to their relatively short maturity terms.

13 INTEREST-BEARING BANK LOANS AND OTHER BORROWINGS

	2024			2023		
	Effective Interest rate (%)	Maturity	<i>RMB'000</i>	Effective Interest rate (%)	Maturity	<i>RMB'000</i>
Current						
Bank loans – secured	—	—	—	2.24-3.98	2024	127,754
Bank loans – unsecured	2.93-5.00	2025	1,373,461	—	—	—
			<hr/>			<hr/>
			1,373,461			127,754
			<hr/>			<hr/>

Notes:

- (i) All interest-bearing bank loans and other borrowings are denominated in RMB.
- (ii) The following assets were pledged as securities for interest-bearing bank and other borrowings:

	2024 RMB'000	2023 RMB'000
Inventories	<u>–</u>	<u>30,000</u>

- (iii) As at December 31, 2024, the Group's total facilities for bank and other borrowings amounted to RMB1,750,000,000 (2023: RMB127,754,000) of which RMB1,373,461,000 (2023: RMB127,754,000) had been utilised.
- (iv) No bank borrowing of the Group was guaranteed and counter-guaranteed by related parties as at December 31, 2024. As at December 31, 2023, RMB129,000,000 of bank borrowings of the Group was guaranteed and counter-guaranteed by related parties.
- (v) No bank borrowing of the Group was guaranteed by a third party guarantee company as at December 31, 2024. As at December 31, 2023, RMB99,000,000 of bank borrowings of the Group was guaranteed by a third party guarantee company.

14 SHARE CAPITAL

Shares

	2024 RMB	2023 RMB
Authorised and fully paid:		
Ordinary shares with par value of RMB1.00 each	<u>168,366,700</u>	<u>142,642,500</u>

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Share capital RMB
At January 1, 2023	136,500,000	136,500,000
Issuance of ordinary shares (<i>note a</i>)	<u>6,142,500</u>	<u>6,142,500</u>
At December 31, 2023 and January 1, 2024	142,642,500	142,642,500
Issuance of ordinary shares (<i>note b</i>)	<u>25,724,200</u>	<u>25,724,200</u>
At December 31, 2024	<u>168,366,700</u>	<u>168,366,700</u>

Notes:

- (a) In connection with the Pre-IPO, 6,142,500 ordinary shares of a par value of RMB1.00 each were issued at a price of approximately RMB36.63 per share at a total cash consideration, before deducting the share issue expense, of RMB225,000,000.
- (b) In connection with the IPO and the full exercise of the over-allotment option, 25,724,200 ordinary shares of a par value of RMB1.00 each were issued at a price of HK\$40.50 per share at a total cash consideration, before deducting the underwriting fees and commissions and other estimated listing expenses, of approximately HK\$1,041,830,100.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Founded in 2009, we are the top heritage gold jewelry brand in China to promote the concept of heritage gold. It reshapes the landscape of China's gold jewelry market.

Since our inception, we have consistently adhered to our high-end brand positioning, systematically building a distinctive competitive advantage in “brand, product, channel, and customer service.” With our formidable market influence, we have propelled the entire industry into the realm of heritage gold, ushering in a new product era in China's gold industry and driving the market transformation and development of China's outstanding traditional culture. In the evolving consumer landscape, we have maintained strategic focus, upheld high product value, and leveraged our corporate capabilities in “channel, customer service, and operations”, enabling us to achieve leapfrog growth.

For the Reporting Period, the Group's revenue was approximately RMB8,505.6 million, representing an increase of approximately RMB5,326.0 million or approximately 167.5% as compared with the revenue of approximately RMB3,179.6 million for the year of 2023. For the Reporting Period, the Group's gross profit was approximately RMB3,501.2 million, representing an increase of approximately RMB2,169.2 million or approximately 162.9% as compared with the gross profit of approximately RMB1,332.0 million for the year of 2023. The above increases were mainly attributable to the following factors:

1. The continuous expansion of brand influence, leading to the competitive market position of the Group which resulted in a significantly increased overall revenue for existing boutiques across both online and offline channels.

We are positioned as a premium Chinese brand specializing in heritage gold, consistently focusing on our positioning of “heritage gold” and adhering to a concentrated brand strategy. We have not only established a consumer consensus as “China's leading brand in heritage gold jewelry industry”, but have also emerged as a high-end Chinese brand competing directly with international luxury brands, and built significant brand advantage and brand influence:

- Our Company is the top heritage gold jewelry brand in China as recognized by the China Gold Association;
- Our Company is the drafting unit to draft the group standards for “Heritage Gold Artifact” (《古法金飾品》團體標準) and “Heritage Gold Artifact Inlaid with Diamonds” (《古法金鑲嵌鑽石飾品》團體標準) as published by the China Gold Association;
- Our Company is the first brand in the industry to introduce diamond-inlaid pure gold jewelry, setting trends for the industry;
- Our Company was listed in the “Hurun Supreme Brands – China's High Net-Worth Individuals' Brand Preferences Report” (胡潤至尚優品－中國高淨值人群品牌傾向報告) for three consecutive years from 2023 to 2025;

- Our Group achieved an average sales amount of approximately RMB328 million per shopping mall in 2024. According to Frost & Sullivan, in the year of 2024, among all reputable jewelry brands (including both international and domestic jewelry brands), our Group ranked first in Mainland China in terms of average revenue per shopping mall and revenue per available square meter;
- Although our Company primarily relies on offline channels for sales, our online flagship store topped the sales rankings among jewelry stores during the 2024 Tmall Double Eleven shopping festival with a total sales amount of approximately RMB1,260 million for the Reporting Period; and
- As of December 31, 2024, our loyalty members reached approximately 350,000, representing an increase of 150,000 members compared to the year of 2023, and the consumer base is constantly expanding.

The expansion of brand influence has led to continuous growth of same-store revenue. Our Company's same-store revenue growth rate in 2024 exceeded 120.9%.

2. The continuing optimization, promotion and iteration of the Group's products which facilitated the sustained operating revenue growth.

We were the pioneering brand in China to promote the concept of heritage gold, heralding a new product era in China's gold jewelry industry. We were the first to introduce diamond-inlaid pure gold jewelry, and the first to apply heat treatment of enamels (燒藍) to pure gold products, consistently driving the development and progress of China's gold jewelry industry.

Relying on the high-dimensional intellectual capital investment of the research and development team, the Group has built an extremely strong product research and development capability. Our founder personally serves as the R&D director, leading a team renowned for its strong innovative capabilities and solid professional expertise. Supported by the Company's culture, mechanisms, and systemic corporate capabilities, the team consistently develops products with exceptional market impact, ensuring sustained revenue growth.

As of December 31, 2024, we created nearly 2,000 original product designs and had 249 domestic patents, 1,314 work copyrights and 228 overseas patents.

3. As compared to the year of 2023, the Company had seven new boutiques and optimized and expanded four boutiques which resulted in an increased revenue contribution.

With our high-quality brand identity, as well as the track records of our existing boutiques, we have gained a strong channel expansion capability, enabling us to continuously open new boutiques in reputable commercial centers with stringent entry requirements. In recent years, the phenomenal traffic consistently observed at our boutiques in major shopping malls, coupled with the boutiques' exceptional revenue and revenue per available square meter, has further enabled the Company to effectively optimize the size and location of its existing boutiques.

As of December 31, 2024, we self-operated a total of 36 boutiques in 15 cities, all of which were located in 26 reputable commercial centers with stringent entry requirements, including five in SKP and 11 in MixC (萬象城). As compared to 2023, the Company had seven new boutiques and optimized and expanded four boutiques which resulted in an increased revenue contribution.

- Seven new boutiques: Beijing China World Mall Boutique (北京國貿商城店), Hong Kong Flagship Store (香港旗艦店), Tianjin MixC Boutique (天津萬象城店), Wuhan SKP Boutique (武漢SKP店), Zhengzhou Dennis David City Boutique (鄭州丹尼斯大衛城店), Shenzhen MixC L2 Boutique (深圳萬象城L2層店), Hong Kong Harbour City Boutique (香港海港城店)
- Four optimized and expanded boutiques: Hangzhou MixC Boutique (杭州萬象城店) (expanded), Guangzhou TaiKoo Hui Boutique (廣州太古匯店) (expanded), Wuhan World Trade Tower Boutique (武漢世貿廣場店) (location optimized and expanded), Chengdu IFS Boutique (成都IFS店) (location optimized and expanded)

OUTLOOK AND PROSPECT

Moving forward, we will remain steadfast in our core values and uphold our brand positioning. We will continue to pursue product innovation, R&D, and iterative upgrades, persist in advancing brand internationalization and market globalization, and strive to establish “Laopu Gold (老鋪黃金)” as the China’s top heritage gold jewelry brand with exceptional market competitiveness and rank first globally among gold brands, thereby pioneering a new era for the industry.

FINANCIAL REVIEW

For the year ended December 31, 2024, the Group’s revenue increased from approximately RMB3,179.6 million in 2023 to approximately RMB8,505.6 million, representing a year-on-year increase of approximately 167.5%.

Revenue by Sales Channels

Our integrated offline and online jewelry retail structure combines both offline boutiques and online sales channels, providing customers with a seamless and consistent shopping experience. The following table sets forth a breakdown of our revenue by sales channels for the years indicated:

	For the year ended December 31,						Revenue	
	2024			2023			Year-on-year Changes	
	Sales RMB'000	Revenue RMB'000	contribution %	Sales RMB'000	Revenue RMB'000	contribution %	RMB'000	%
Boutiques	8,534,769	7,450,333	87.6	3,246,926	2,818,483	88.6	4,631,850	164.3
Online platforms	1,260,441	1,055,227	12.4	430,456	361,081	11.4	694,146	192.2
Total	9,795,210	8,505,560	100.0	3,677,382	3,179,564	100.0	5,325,996	167.5

The sales of our products is mainly through offline boutique channels. Online platforms are a powerful complement to enhance customers' shopping experience. Revenue generated from online platforms accounted for approximately 12.4% of total revenue during the Reporting Period, which remained a slightly growth.

Revenue by Product/Service Type

We generated almost all of the revenue from sales of gold jewelry products. The following table sets forth a breakdown of our revenue by product/service type for the years indicated:

	For the year ended December 31,						Revenue	
	2024			2023			Year-on-year Changes	
	Sales RMB'000	Revenue RMB'000	contribution %	Sales RMB'000	Revenue RMB'000	contribution %	RMB'000	%
Gold jewelry ^{Note1}	9,787,204	8,498,524	99.9	3,672,153	3,174,940	99.9	5,323,584	167.7
Other product/service ^{Note2}	8,006	7,036	0.1	5,229	4,624	0.1	2,412	52.2
Total	9,795,210	8,505,560	100.0	3,677,382	3,179,564	100.0	5,325,996	167.5

Notes:

1. Gold jewelry refers to pure gold jewelry and gem-set jewelry.
2. Other product/service mainly include (i) the sales of non-gold jewelry products primarily made of gemstones; and (ii) the provision of maintenance and repair services for jewelry products sold by us.

Our product portfolio includes daily wear accessories, as well as traditional Chinese handicrafts and stationeries, daily use and decorative ornaments and vessels to cater to consumers from different age groups and with diverse needs. These products exhibit a higher level of craftsmanship complexity, deeply integrating and reflecting cultural elements and aesthetic appeal, further reinforcing our brand's unique positioning and greatly satisfying consumers' all-round needs.

Profitability

During the Reporting Period, the Group's gross profit margin was basically stable at approximately 41.2%. The gross profit increased by approximately 162.9% from approximately RMB1,332.0 million for the year ended December 31, 2023 to approximately RMB3,501.2 million for the year ended December 31, 2024. The net profit increased by approximately 253.9% from approximately RMB416.3 million for the year ended December 31, 2023 to approximately RMB1,473.1 million for the year ended December 31, 2024. The increase in revenue and gross profit during the Reporting Period were mainly due to: (i) the continuous expansion of brand influence, leading to the competitive market position of the Group which resulted in a significantly increased overall revenue for existing boutiques across both online and offline channels; (ii) the continuing optimization, promotion and iteration of the Group's products which facilitated the sustained revenue growth; and (iii) as compared to the year of 2023, the Group opened seven new boutiques and optimized and expanded four boutiques which resulted in an increased revenue contribution.

Selling and Administrative Expenses and Other Expenses

Selling and Distribution Expenses

During the Reporting Period, the selling and distribution expenses of the Group increased by approximately 113.5% from approximately RMB579.3 million for the year ended December 31, 2023 to approximately RMB1,236.7 million for the year ended December 31, 2024. Approximately over 97% of the selling and distribution expenses were attributable to shopping mall rental and expenses and e-commerce platform transaction charges, employee costs for the sales team, depreciation and amortization, customer service operating expenses, share-based payments, transportation expenses, as well as operating consumables. The increase in the selling and distribution expenses was mainly due to (i) an increase in shopping mall rental and expenses, which was in line with the increase in sales revenue from boutiques, and also related to the expansion of our boutique channels; and (ii) an increase in staff costs as a result of the expansion of our sales team and the increase in their remuneration, which was in line with our business growth.

Administrative Management Expenses

During the Reporting Period, the administrative management expenses of the Group increased by approximately 62.5% from approximately RMB167.6 million for the year ended December 31, 2023 to approximately RMB272.2 million for the year ended December 31, 2024, mainly due to (i) an increase in staff costs as a result of the increased number of our administrative management staff and an increase in their remuneration, which was in line with our business growth; (ii) an increase in bank charges relating to bank card settlements with customers due to the rising sales revenue; and (iii) an increase in other expenses which mainly included travel expenses, information technology costs, other taxes, transportation and miscellaneous charges and others.

Research and Development Expenses

During the Reporting Period, the research and development expenses of the Group increased by approximately 78.8% from approximately RMB10.7 million for the year ended December 31, 2023 to approximately RMB19.2 million for the year ended December 31, 2024. Relying on the high-dimensional intellectual capital investment of the research and development team, the Group has built an extremely strong product research and development capability. The research and development expenses were mainly composed of the remuneration of the research and development personnel. The increase in the expenses was mainly due to an increase in staff costs as a result of the increased number of our research and development staff and an increase in their remuneration, which was in line with our business growth.

Other Expenses, Net

During the Reporting Period, the other expenses, net of the Group increased by approximately 218.3% from approximately RMB5.3 million for the year ended December 31, 2023 to approximately RMB16.9 million for the year ended December 31, 2024, mainly due to an increase in credit impairment and an increase in the disposal of assets of expanded boutiques, which were in line with our business growth.

The following table sets forth a breakdown of our expenses for the years indicated:

	For the year ended December 31,			
	2024	2023	Year-on-year Changes	
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	%
Selling and distribution expenses	1,236,743	579,347	657,396	113.5
Administrative expenses	272,235	167,571	104,664	62.5
Research and development expenses	19,163	10,720	8,443	78.8
Other expenses, net	16,929	5,318	11,611	218.3
Total	<u>1,545,070</u>	<u>762,956</u>	<u>782,114</u>	<u>102.5</u>

Income Tax Expense

We are subject to income tax on an entity basis on profits generated in or derived from the jurisdictions in which members of our Group reside and operate. During the Reporting Period, our income tax expense was approximately RMB473.4 million, while the income tax expense we incurred for the year of 2023 was approximately RMB137.2 million, due to the increase of our profit before income tax expense. Our effective tax rate decreased from approximately 24.8% in 2023 to approximately 24.3% in 2024. For details of the calculation of income tax, please refer to “Note 7 Income Tax” in the consolidated financial statements on page 7 of this annual results announcement.

Non-IFRS Financial Measure Adjusted Net Profit

To supplement our financial information which are presented in accordance with IFRS Accounting Standards, we use non-IFRS adjusted net profit as an additional financial measure, which is not required by, or presented in accordance with IFRS Accounting Standards. We believe that this non – IFRS measure facilitates comparisons of results of operations from period to period and company to company by eliminating potential impacts of items that our management does not consider to be indicative of our operating performance. We believe that this measure provides useful information to investors and others in understanding and evaluating our consolidated operating performance in the same manner as they help our management. However, our presentation of non-IFRS adjusted net profit may not be comparable to a similarly titled financial measure presented by other companies. The use of this non-IFRS measure has limitations as an analytical tool, and investors should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

The non-IFRS adjusted net profit has not been calculated in accordance with the IFRS Accounting Standards, thus it is deemed as non-IFRS financial indicator. The non-IFRS adjusted net profit refers to the net profit after excluding share-based payment, while the non-IFRS adjusted net profit margin refers to the non-IFRS adjusted net profit divided by revenue. The following table sets out the reconciliation of non-IFRS financial indicators of the Company for the respective years.

	Year ended December 31, 2024 (RMB'000)	Year ended December 31, 2023 (RMB'000)
Profit for the year	1,473,106	416,302
Adjustments		
Share-based payment	28,626	8,633
Non-IFRS adjusted net profit	1,501,732	424,935
Non-IFRS adjusted net profit margin	17.7%	13.4%

The management is of the view that share-based payment expenses are non-cash items, which do not directly reflect our business operation. Hence, through eliminating the effects of such items on calculation of non-IFRS adjusted net profit, relevant operating performance can be better reflected, and it would be more convenient to compare operating performance in different years.

Current Assets, Financial Resources and Gearing Ratio

In 2024, the Group adopted conservative and stable fund management and financial policies with regard to its overall business operations. The Group maintained the following resources to meet its working capital requirements:

Inventories

Our inventories primarily comprise raw materials, work-in-progress jewelry products, finished jewelry goods. Our inventories increased from approximately RMB1,267.9 million as of December 31, 2023 to approximately RMB4,087.8 million as of December 31, 2024, representing an increase of approximately 222.4% as compared to the year of 2023, which was primarily due to the increase in product inventories to meet with the performance growth of the Company, stock preparation for the peak season, the products demand for new store openings and boutique expansions. Inventory turnover days decreased from 205 days in 2023 to 195 days in 2024.

Trade Receivables

Our trade receivables mainly represent receivables from shopping malls. Certain shopping malls collect consumers' payments on behalf of the Company and then pay the amount back to the Company after deducting their fees, thus constituting our trade receivables. Our trade receivables increased from approximately RMB376.3 million as of December 31, 2023 to approximately RMB801.2 million as of December 31, 2024. Trade receivables turnover days amounted to 25 days in 2024, which was in line with our credit policy, and remained stable as compared to 28 days in 2023.

Cash and Cash Equivalents

Our cash and cash equivalents primarily comprise cash at bank. Cash and cash equivalents increased from approximately RMB69.8 million as of December 31, 2023 to approximately RMB732.7 million as of December 31, 2024, which was mainly due to (1) the increase in cash inflow generated from sales collection in 2024 as compared to 2023; and (2) the net proceeds raised from the Global Offering.

The cumulative operating cash outflow of the Group during the Reporting Period was approximately RMB1,228.5 million which was primarily due to the increase of inventories which was in line with our business growth.

The funds required for the day-to-day business of the Group were mainly funded by the operating capital and short-term borrowings are also mainly used to meet the inventory stocking capital requirements of the peak season or the newly expanded store network. The Group did not have any difficulties in repaying the loans.

We remained focus on maintaining a reasonable gearing ratio. Gearing ratio is calculated by dividing total liabilities by total assets and multiplying by 100%. As at December 31, 2024, the gearing ratio of the Group was approximately 38.1% (as at December 31, 2023: 29.8%).

Bank Loans

As at December 31, 2024, the interest-bearing bank borrowings of the Group was RMB1,373.5 million (as of December 31, 2023: approximately RMB127.8 million). For details, please refer to “Note 13 Interest-bearing Bank Loans and Other Borrowings” in the consolidated financial statements on page 10 of this annual results announcement.

Significant Investment, Major Acquisitions and Disposal

As at December 31, 2024, the Group did not hold any significant investment. The Group had no material acquisition or disposal during the year ended December 31, 2024.

Future Plans Regarding Significant Investment or Capital Assets

Except for the expansion of new offline boutiques and the establishment of new overseas companies, the Group did not have any specific plan for significant investment or capital assets.

Pledge of Assets

As at December 31, 2024, the Group had no assets pledged (as at December 31, 2023, inventories with a carrying amount of approximately RMB30 million were pledged for our bank loans).

Contingent Liabilities

As at December 31, 2024, the Group did not have any contingent liabilities.

Exchange Risk Management

Our management believes that the exchange risk of foreign currency is not significant as the majority of business transactions occur in Mainland China and all domestic transactions are mainly denominated in Renminbi. As of December 31, 2024, we have no foreign currency hedging policy. However, the management will monitor foreign exchange risks and consider hedging significant risk of foreign currency when necessary.

Capital Expenditure

During the Reporting Period, the capital expenditure of the Group was approximately RMB70.9 million, which was mainly for the opening of new stores and the upgrading, transformation and decoration of stores.

Human Resources, Employees and Remuneration Policies

We offer a comprehensive compensation and benefits package, including salaries, bonuses, maternity leave, and other allowances, on top of social insurance and housing provident fund contributions. For employees who work overtime, we will compensate them according to their base salary and overtime hours, and allow them to take paid leave within a reasonable period of time. We require all our department heads to reasonably allocate manpower in a way that can maximize work efficiency and avoid unnecessary overtime work so as to protect the legitimate interests of our employees. In addition, we also embrace diversity and inclusion, so all our employees enjoy equal opportunities in all respects, ranging from recruitment, training, welfare coverage, career and personal development during their time with us.

Besides, we will also continue to encourage a culture of work-life balance, in order to create a positive and comfortable work environment for our employees. Our policy is to treat all employees equally regardless of age and gender. We conduct internal assessment to ensure the fairness of employee compensation, and motivate, attract, and retain outstanding talents through equity incentive plans.

The Company maintains its well-established performance-based remuneration policy with discretionary year-end performance bonuses. Training was provided to new and existing staff to keep pace with the expansion of our store network.

As at December 31, 2024, the Group had 1,303 employees, of which 1,244 were employees in Mainland China and 59 were employees in Hong Kong and Macau.

The table below sets forth the breakdown of our employees by function as at December 31, 2024:

Function	Number	Percentage of Total Number
Administrative management	278	21%
Sales and marketing	576	44%
Production	429	33%
Research and design	20	2%
Total	1,303	100%

SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

RSU Scheme

Adoption of the RSU Scheme

On February 26, 2025, the RSU Scheme, the objectives of which are 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, together with the Scheme Mandate Limit were passed by the EGM by way of special resolutions.

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. 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 5.6% 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.

For capitalized terms and details above, please refer to the circular of the Company dated February 11, 2025 (the “**Circular**”) and the poll results announcement of the Company dated February 26, 2025.

Grant of Awarded Shares under the RSU Scheme

On February 26, 2025, the Company granted a total of 597,000 Awarded Shares to 27 Grantees in accordance with the terms of the RSU Scheme.

To the best knowledge of the Directors, as at the date of this annual results announcement, none of the Grantees is (i) a Director, Supervisor, chief executive or substantial shareholder, or an associate of any of them; (ii) a participant with options and awards granted and to be granted exceeding the 1% individual limit under the Listing Rules; or (iii) a related entity participant or service provider. No financial assistance will be provided by the Company to the Grantees for the purchase of Awarded Shares under the RSU Scheme.

Following the grant of the above Awarded Shares, 8,880,486 H Shares underlying the Awarded Shares are available for future grant under the RSU Scheme.

For capitalized terms and details above, please refer to the Circular and the announcement of the Company dated February 26, 2025.

Proposed Implementation of the H Share Full Circulation by the Company

On March 7, 2025, the CSRC issued a Filing Notice in respect of the H Share Full Circulation. According to the Filing Notice, the filing with the CSRC in relation to the H Share Full Circulation, in respect of the conversion of 40,388,900 Unlisted Shares held by three shareholders of the Company into 40,388,900 H shares has been completed. If the conversion of the Shares is not completed within 12 months from the date of the Filing Notice, being March 7, 2025, and the Company still intends to proceed, the Company shall update the filing materials with the CSRC. The Company will apply to the Stock Exchange for the listing of, and permission to deal in, such H Shares on the Main Board of the Stock Exchange. For capitalized terms and details above, please refer to the announcement of the Company dated March 7, 2025.

Save as disclosed in this annual results announcement and as at the date of this annual results announcement, there were no significant events occurred after the Reporting Period that require additional disclosure or adjustments.

USE OF NET PROCEEDS FROM THE LISTING

The H Shares of the Company were listed on the Main Board of the Stock Exchange on June 28, 2024 (the “**Listing Date**”). After deducting underwriting fees, commissions and other related listing expenses, the total net proceeds of the Group’s initial public offering and the full exercise of the Over-allotment Option of approximately HK\$957.1 million (the “**Net Proceeds**”) will be allocated and utilized in accordance with the intended purposes as set out in the Prospectus.

The intended and actual usage of the Net Proceeds as at December 31, 2024 are set out below:

Intended use of the Net Proceeds	Distribution of the Net Proceeds <i>HK\$ million</i>	Percentage of the total Net Proceeds	Utilized amount as of December 31, 2024 <i>HK\$ million</i>	Utilized amount during the Reporting Period <i>HK\$ million</i>	Unutilized amount as of December 31, 2024 <i>HK\$ million</i>	Intended timetable for utilization of the unutilized Net Proceeds
(i) allocated to expand sales network	701.6	73.3%	479.2	479.2	222.4	On or before December 31, 2027
(ii) allocated to maintain brand positioning and increase our brand awareness	108.2	11.3%	76.7	76.7	31.5	On or before December 31, 2027
(iii) allocated to optimize the internal information technology system and enhance the level of automation and informatization	25.8	2.7%	3.3	3.3	22.5	On or before December 31, 2027
(iv) allocated to strengthen our research and development capabilities	25.8	2.7%	0.6	0.6	25.2	On or before December 31, 2027
(v) allocated to our general working capital and general corporate purposes	95.7	10.0%	95.7	95.7	0	On or before December 31, 2027
Total	957.1	100%	655.5	655.5	301.6	

Balance of unutilized proceeds as of December 31, 2024 was approximately HK\$301.6 million. The Group will utilize the Net Proceeds for the intended purposes as stated in the Prospectus. As at the date of this annual results announcement, the Board is not aware of any material change to the plan as to the use of the Net Proceeds.

DIVIDEND

The Board recommends the payment of a final dividend of RMB6.35 per share for the year ended December 31, 2024 (2023: nil). This final dividend is still subject to the approval of the Company's shareholders at the upcoming annual general meeting (the “**Annual General Meeting**”) to be held on Tuesday, May 20, 2025. This final dividend is expected to be paid on Wednesday, July 2, 2025 to shareholders whose names appear on the register of members of the Company on Thursday, May 29, 2025.

Based on the Company's confidence in its future development, in order to better reward investors, in respect of the dividends to be paid for the Reporting Period, the total amount of dividends to be paid was referred to 50% of the Group's undistributed profits as of December 31, 2024 by the Board. Based on the total number of issued Shares as at the date of this annual results announcement, the total amount of dividends to be paid was approximately RMB1,070 million.

CLOSURE OF REGISTER OF MEMBERS

The Annual General Meeting of the Company will be held on Tuesday, May 20, 2025. For the purposes of determining the entitlement of H shareholders to the attendance of the Annual General Meeting, the register of H Shareholders of the Company will be closed from Thursday, May 15, 2025 to Tuesday, May 20, 2025, both days inclusive. To be eligible to attend the above-mentioned Annual General Meeting, all completed H-share transfer documents, together with the relevant share certificates, must be lodged with the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration, not later than 4:30 p.m. on Wednesday, May 14, 2025.

For the purpose of determining the identity of the Shareholders entitled to receive the final dividend, the register of members of H Shares of the Company will also be closed from Monday, May 26, 2025 to Thursday, May 29, 2025 (both days inclusive). In order to qualify for receiving the final dividend, all completed share transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration by no later than 4:30 p.m. on Friday, May 23, 2025.

CORPORATE GOVERNANCE CODE

The Group is committed to maintain high standards of corporate governance to safeguard the interests of the Company's Shareholders and to enhance corporate value and accountability. The Company has adopted the principles and code provisions set out in the CG Code as its own code of corporate governance. From the Listing Date to the date of this annual results announcement, the Company has complied with all code provisions set out in the CG Code, except for the following deviations. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code and maintain a high standard of corporate governance practices of the Company.

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be segregated and should not be performed by the same individual. According to the current structure of the Board, Mr. Xu is our chairman of the Board and general manager of our Company. With extensive experience in the jewelry industry and having served in our Company since its establishment, Mr. Xu is in charge of the overall corporate and business strategies of our Group. Our Board considers that vesting the roles of chairman of the Board and general manager in the same person is beneficial to the management of our Group. The balance of power and authority is ensured by the operation of our Board and our senior management, which comprises experienced and visionary individuals. Since the Listing, our Board comprises four executive Directors (including Mr. Xu) and three independent non-executive Directors, and therefore has a strong independence element in its composition.

Code provision C.5.1 of the CG Code stipulates that Board meetings should be held at least four times a year at approximately quarterly intervals with active participation of the majority of the Directors, either in person or through electronic means of communication. As the Company was only listed on the Stock Exchange on June 28, 2024, one regular Board meeting was held during the period from the Listing Date to December 31, 2024. The Company expects to continue to convene at least four regular meetings in each financial year at approximately quarterly intervals in accordance with code provision C.5.1 of the CG Code.

Code provision D.3.3 of the CG Code stipulates that members of the Audit Committee should liaise with the Board and senior management and the committee must meet, at least twice a year, with the auditors. As the Company was only listed on the Stock Exchange on June 28, 2024, one Audit Committee meeting was held during the period from the Listing Date to December 31, 2024. The Company will continue to convene at least two regular meetings in each financial year at approximately semi-annually intervals in accordance with code provision D.3.3 of the CG Code.

Code provision F.1.1 of the CG Code provides that the issuer should have a policy on payment of dividends. As the Company does not have any dividend policy to declare or pay any dividends in the near future. The Board will review the Company's status periodically and consider adopting a dividend policy if and when appropriate.

A detailed Corporate Governance Report setting out the Group's framework of governance and explanations about how the provisions of the CG Code have been applied will be included in the Company's 2024 annual report to be published.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors and Supervisors. Having made specific enquiries with all Directors and Supervisors of the Company, each of the Directors and Supervisors has confirmed that they have complied with the required standard set out in the Model Code from the Listing Date to the date of this annual results announcement.

The Company's relevant employees, who are likely to be in possession of unpublished inside information of the Company, are also subject to the Model Code. No incident of non-compliance of the Model Code by the employees was noted by the Company from the Listing Date to the date of this annual results announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

From the Listing Date to the date of this annual results announcement, there was no purchase, sale or redemption by the Company or any of its subsidiaries of any of the listed securities of the Company.

AUDIT COMMITTEE AND REVIEW OF ANNUAL RESULTS

The Audit Committee consists of three members, all of which are independent non-executive Directors, namely Dr. He Yurun (Chairperson), Mr. Sun Yijun and Mr. See Tak Wah, with written terms of reference in accordance with the requirements of the Listing Rules. The Audit Committee of the Company has reviewed the accounting principles and practices adopted by the Group with the Company's management and external auditors, and reviewed the annual results and consolidated financial statements of the Company for the year ended December 31, 2024. The Audit Committee reviewed and considered that the annual financial results and consolidated financial statements for the year ended December 31, 2024 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

SCOPE OF WORK OF AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and consolidated statement of comprehensive income and the related notes thereto for the year ended December 31, 2024 as set out on this annual results announcement have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by Ernst & Young on this annual results announcement.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND 2024 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This annual results announcement is published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.lphj.com. The 2024 annual report containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the websites of the Stock Exchange and the Company in due course.

DEFINITIONS

In this annual results announcement, unless the context otherwise requires, the following expressions shall have the following meanings.

“Audit Committee”	the audit committee of the Board
“Board” or “Board of Directors”	the board of Directors

“CG Code”	the “Corporate Governance Code” as contained in Appendix C1 to the Listing Rules
“China Gold Association”	a nationwide not-for-profit organization dedicated to gold industry mechanism establishment, approved and registered by the Ministry of Civil Affairs of the People’s Republic of China and the former State Economic and Trade Commission in November 2001 in accordance with the Proposal for Reforming the State Gold Management System defined by the State Council
“Company”	Laopu Gold Co., Ltd. (老鋪黃金股份有限公司), a limited liability company incorporated in the PRC on December 5, 2016 which was converted into a joint stock company with limited liability on November 25, 2019, whose H Shares are listed on the Stock Exchange (Stock Code: 6181)
“Director(s)”	the director(s) of the Company
“Frost & Sullivan”	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., Ltd. an independent market research and consulting company
“gemstone”	mineral crystals of aesthetics value, often used to make jewelry or ornament, among which diamond is a special kind of gemstone formed only from one single element of carbon, in comparison with other gemstones
“Global Offering”	the Hong Kong Public Offering and the International Offering
“Group”, “our Group”, “our”, “we”, or “us”	the Company and all of its subsidiaries, or any one of them as the context may require
“H Share(s)”	Shares which an application has been made for listing and permission to trade on the Hong Kong Stock Exchange with nominal value of RMB1.00 each
“heat treatment of enamels (燒藍)”	a decorative process that entails the application of colored enamel glaze onto the surface of gold products, which results in a vibrant and multi-hued appearance
“heritage gold (古法黃金) jewelry”	a type of pure gold jewelry that combines modern designs and classic Chinese culture, features matte (啞光), sandy (磨砂) or other texture of ancient royal jewelry, and applies at least two Chinese traditional handmade gold crafting techniques as specified in the group standards published by the China Gold Association
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong dollars” or “HK\$”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong

“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited
“IFRS”	International Financial Reporting Standards, amendments and interpretations issued by the IASB
“Listing”	listing of the H Shares on the Main Board of the Stock Exchange
“Listing Date”	June 28, 2024, on which the H Shares were listed and on which dealings in the H Shares were first permitted to commence on the Hong Kong Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
“Macau”	the Macau Special Administrative Region of the PRC
“Main Board”	the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange
“Mainland China”	the People’s Republic of China excluding, for the purposes of this annual results announcement, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“MixC”	a high-end shopping mall under China Resources (Holdings) Company Limited (華潤(集團)有限公司), with a geographic layout covering over 30 cities in China
“Mr. Xu”	Mr. XU Gaoming (徐高明), our executive Director and one of our controlling shareholders
“Prospectus”	the prospectus of the Company dated June 20, 2024
“pure gold”	refers to fine gold with gold content of 99.0% or above, according to the PRC National Standard No. GB11887
“Reporting Period”	for the year ended December 31, 2024
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the capital of the Company with a nominal value of RMB1.00 each, including both Unlisted Shares and H Shares

“Shareholder(s)”	holder(s) of the Share(s)
“SKP”	a high-end shopping mall under BHG, with Beijing SKP, Xi’an SKP, Chengdu SKP, Wuhan SKP and etc. in its network
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Supervisor(s)”	member(s) of our Supervisory Committee
“Supervisory Committee”	the supervisory committee of the Company
“Unlisted Share(s)”	unlisted ordinary Share(s) issued by the Company, with a nominal value of RMB1.00 each, which is/are not listed or traded on any stock exchange
“%”	per cent

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

Hong Kong, March 31, 2025

As at the date of this announcement, the Board of Directors of the Company 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.