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上善黃金國際控股有限公司
SHANGSHAN GOLD INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1939)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

東吳證券(香港)
SOOCHOW SECURITIES (HONG KONG)

Reference is made to the announcement (the "**Announcement**") of Shangshan Gold International Holdings Limited (the "**Company**") dated 29 September 2025 and the supplemental announcement (the "**Supplemental Announcement**" and together with the Announcement, the "**Announcements**") of the Company dated 20 October 2025 in relation to, among others, the Placing. Capitalised terms used in this announcement shall have the same meanings as defined in the Announcements unless otherwise defined.

COMPLETION OF THE PLACING

The Board is pleased to announce that all of the conditions set out in the Placing Agreement (as supplemented by the Supplemental Agreement) have been fulfilled and Completion took place on 6 November 2025. An aggregate of 11,880,000 Placing Shares, representing approximately 2.32% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares, have been placed by the Placing Agent to not less than six Placees at the Updated Placing Price of HK$7.71 per Placing Share pursuant to the terms and conditions of the Placing Agreement (as supplemented by the Supplemental Agreement).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placees and their respective ultimate beneficial owner(s) are third parties (i) who are independent of and not connected with the directors, chief executive, controlling shareholders, substantial shareholders and other connected

persons of the Company and its subsidiaries and their respective associates; (ii) who are not connected persons of the Company; (iii) who did not and does not hold any Shares at any time before Completion; and (iv) who are not acting in concert with ESSA, Mr. Huang, Ruihe Data, Mr. Li and Mr. Zheng and parties acting in concert with any of them.

Furthermore, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Placees have become substantial Shareholders immediately upon Completion.

The gross proceeds from the Placing amounted to HK$91,594,800 and the net proceeds, after the deduction of the placing commission and other related expenses, are estimated to be approximately HK$90 million, representing a net price of approximately HK$7.58 per Placing Share. As disclosed in the Supplemental Announcement, the Company intends to use the net proceeds raised from the Placing as follows:

(i) HK$35 million for global channel layout and brand system construction:

(a) HK$26 million for global flagship channel network development including the establishment of 10 direct-operated smart terminal flagship stores in key global regions and markets which serve as regional hubs for gold recycling, sales of gold and gold products, sales of contemporary art collectibles and auction services, and 10 direct-operated standard outlets for gold recycling and gold and gold products sales. The flagship stores will feature in-store staff members to assist the Group's customers in their recycling of gold and/or purchasing of gold products and purchasing of contemporary art collectibles displayed and exhibited at such flagship stores, and display of auction promotional materials, thereby promoting the Group's gold products and services and contemporary art sales and auction services to its target market within the general public.

(b) HK$9 million for global branding development, involving (i) HK$7 million for B2C scenario penetration through in-store scenario marketing and B2B marketing and social media promotion through attending global industry exhibitions; and (ii) HK$2 million for in-stores advertising and promotion for auction business and the sales of contemporary art collectibles.

(ii) HK$42 million for technology upgrade and supply chain guarantee system construction and relocation of global headquarters:

(a) HK$5 million for AI technology development of gold business, including AI technology iteration to improve terminal intelligent interactive experience, multi-language adaption for different region, digital technology research and analysis.

(b) HK$32 million for flexible supply chain system construction to support the expansion and stable operation of global gold smart terminal stores both direct-operated and regional franchised, which shall be specifically utilised as follows:

(1) HK$15 million for production reserve of smart terminals or machines in the early stage, through prepaying for the production to the suppliers and maintaining a certain level of safety stock.

(2) HK$15 million reserve for the safety stock of gold, jewelry and contemporary art collectibles to ensure stock replenishment in the smart terminals and/or the flagship store and high turnover efficiency.

(3) HK$2 million for the cross-border logistic system development.

(c) HK$5 million for relocating global headquarters in Hong Kong for the Group's expansion of operations.

(iii) HK$13 million for establishment of a new gold, jewelry and contemporary art business division and other general operating expenses:

(a) HK$5 million for forming a new business division for gold, jewelry and contemporary art, recruiting international professional management talent and local operational staff to support the operation of the new business division.

(b) HK$3 million for global talent acquisition of professional staff and advisers for facilitating the operations of the global headquarters and the development of the new gold business.

(c) HK$5 million for general working capital of the Group.

The smart terminals, as mentioned above, comprise an intelligent recycling machine and a self-service vending machine. The intelligent recycling machine will melt, refine, test, appraise, and pay the customers the appraised value of the gold after deduction of the service fees, with no human intervention required throughout the process. The self-service vending machine enables instant purchase and collection of the gold and gold products. The smart terminal offers customers a self-service ordering system and a convenient, efficient one-stop physical gold trading experience.

Following the Completion, the Group plans to prioritise market expansion by establishing flagship stores, standard outlets and franchised outlets in mainly East Asia, Southeast Asia, and the Middle East.

The direct-operated flagship stores will be established in select landmark commercial locations and besides carrying the smart terminals, such outlets will feature dedicated areas for displaying gold products and contemporary art collectibles, as well as auction promotional materials. There will also be professional staff at such flagship stores to promote the Group's gold products and services, contemporary art collectibles sales and auction services. The revenue of the direct-operated flagship stores will primarily derive from the gold recycling service fees, gold product sales and contemporary art collectibles sales.

The direct-operated standard outlets and franchised outlets will be situated in high-footfall commercial areas with relatively smaller floor space to carry the smart terminals. The Group's revenue for direct-operated standard outlets will mainly derive from gold recycling service fees and gold product sales, while the Group will generate revenue from franchised outlets primarily through smart terminal sales, equipment system maintenance fees, and business revenue sharing from gold recycling and gold product sales conducted by the franchisees.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the following table sets out the shareholding structure of the Company (i) immediately before Completion; and (ii) immediately upon Completion:

	Immediately before Completion		**Immediately upon Completion**	
	Number of Shares	*Approximately %*	*Number of Shares*	*Approximately %*
ESSA	334,157,278	66.83	334,157,278	65.28
Mr. Li	15,000,000	3.00	15,000,000	2.93
Mr. Zheng	15,000,000	3.00	15,000,000	2.93
Public Shareholders:				
Ruihe Data	15,000,000	3.00	15,000,000	2.93
Placees	—	—	11,880,000	2.32
Other public Shareholders	120,842,722	24.17	120,842,722	23.61
Total	**500,000,000**	**100.00**	**511,880,000**	**100.00**

By order of the Board of
Shangshan Gold International Holdings Limited
Mr. Huang Shikun
Chairman

Hong Kong, 6 November 2025

As at the date of this announcement, the executive Directors are Mr. Huang Shikun, Mr. Huang Shifeng, Ms. Qian Yuanyuan and Mr. Tong Jun; the non-executive Directors are Mr. Li Jiefeng and Mr. Zheng Haoran; and the independent non-executive Directors are Professor He Jia, Professor Hu Zuohao and Mr. Leung Ting Yuk.