Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.

淮北綠金產業投資股份有限公司
(Huaibei GreenGold Industry Investment Co., Ltd.*)

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

(Stock code: 2450)

SUPPLEMENTAL ANNOUNCEMENT
DISCLOSURE PURSUANT TO RULES 13.13 AND 13.15 OF THE LISTING RULES

Reference is made to the announcement made by the Company dated 16 February 2026 (the "**Announcement**"). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, the Company paid RMB294.2 million to Huaibei Construction Investment Group pursuant to a framework agreement and a purchase order for the procurement of steel-related products. The amount represented approximately 13.0% of the Company's total assets as at 30 June 2025. As the amount exceeded 8% of the Company's total assets as at 30 June 2025, the Company was required to announce the details of this advance to an entity in accordance with Rules 13.13 and 13.15 of the Listing Rules. The Company would like to provide supplementary information on the advance to Huaibei Construction Investment Group.

THE CHRONOLOGY OF EVENTS LEADING TO THE ADVANCE TO HUAIBEI CONSTRUCTION INVESTMENT GROUP

The Company would like to provide additional information about the chronology of events leading to the framework agreement with and purchase from Huaibei Construction Investment Group and the advance to them:

Date/Period	Event
November 2025	The Company commenced business negotiation with Huaibei Construction Investment Group regarding potential procurement of steel products.

Date/Period	Event
23 December 2025	The Company held a management meeting to review the proposal for entering into a procurement framework agreement with Huaibei Construction Investment Group. The meeting was chaired by Mr. Liu Yong, Chairman of the Board and executive Director, with attendance from the Head of the Finance and Capital Department (財務資金部部長), Head of the Securities and Investment Department (證券投資部部長), Interim Head of Human Resources (人力資源部(臨時負責人)), Interim Head of the Board Office (董事會辦公室(臨時負責人)), and the head of the Dispatched Discipline Inspection Group* (派駐紀檢組組長) attended as a non-voting participant. After deliberation, taking into account (i) Huaibei Construction Investment Group's subsidiaries' rich sourcing channels, (ii) supply chain management expertise and (iii) strong reputation due to their state-owned background, the members of the management team agreed in principle to sign the procurement framework agreement and authorized the business department of the Company to proceed with subsequent work.
25 December 2025	The Company entered into a framework agreement with Huaibei Construction Investment Group. For details of the principal terms of the agreement, please refer to the Announcement. Pursuant to the framework agreement, on the same date, the Company placed a purchase order which provided that the deadline of delivery shall be 10 January 2026 and paid approximately RMB294.2 million for the requested steel products.

Date/Period	Event
26 December 2025	The Company's business department initiated a payment application based on the agreement's payment terms and commenced the internal approval process according to the "Payment Approval System" (付款審批制度). This process was subject to tiered approval by the relevant financial officers, department heads, general manager, and chairman from the Company and the relevant subsidiaries of the Company. After the approval process was completed, the funds department made payment to Huaibei Construction Investment Group via the online banking system on the same day. For details of the Company's approval process, please refer to the relevant internal control and risk management procedures in place as described below. During the approval process, due to misinterpretation of Rules 13.13 and 13.15 of the Listing Rules as illustrated below, the Company failed to identify the potential Listing Rules implications under Chapter 13 of the Listing Rules associated with this advance.
Early January to 10 January 2026	Despite the supply chain management expertise of Huaibei Construction Investment Group, due to factors beyond the control of the Company, including (i) the specialized specification and stringent transportation requirements of the steel products and (ii) the adverse weather conditions which led to disruptions in road transportation due to severe snow which has severely hampered the procurement and logistics arrangements, Huaibei Construction Investment Group was unable to deliver the requested steel products to the Company by the agreed timeline (i.e. 10 January 2026).
Mid-January 2026	Huaibei Construction Investment Group communicated with the Company in relation to the delivery delay. Through amicable negotiations and taking into consideration unforeseeable factors such as adverse weather conditions as well as long-term cooperative relationships, the parties agreed that Huaibei Construction Investment Group shall refund the full amount to the Company by 30 January 2026.

Date/Period	Event
29 January 2026	Huaibei Construction Investment Group refunded the amount in full to the Company.
Early to Mid-February 2026	During the preparation of the annual audit of the Group for the year ended 31 December 2025, the Company became aware of the potential issues of non-compliance related to the advance after discussion with the auditors. The Company took the matter seriously and immediately prepared an announcement pursuant to Rule 13.13 of the Listing Rules.
16 February 2026	The Company published an announcement pursuant to Rule 13.13 of the Listing Rules. For details, please refer to the Announcement.

RELEVANT INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES IN PLACE AND REASONS FOR MISINTERPRETATION OF RULES 13.13 AND 13.15 OF THE LISTING RULES

The Company has the following internal control and risk management procedures in place in relation to the outbound transfer of monies from the Company:

(i)	Application and preliminary review:	When the business department initiates an advance payment application, it must submit complete information about the background of the transaction, basic information on the counterparty, an explanation of the purpose of funds, and the proposed repayment arrangement (if relevant). The preliminary review is conducted by the finance department, which verifies the completeness and compliance of the information.
(ii)	Due diligence:	For advances exceeding RMB5 million or those involving a high level of risk as identified based on publicly available information including credit ratings and market reputation etc, the Company initiates due diligence process, including but not limited to verifying the counterparty's legal status, shareholding structure, operating condition, credit history, and past contract performance.
(iii)	Tiered authorization and approval:	A tiered approval system is implemented based on the amount, term, and risk level of the advance. Management at different levels (e.g. department heads, chief financial officer, board of directors) provide approval in accordance with their authorization limits.

(iv) Contract and legal review: The advance payment agreement must be reviewed by the legal department to ensure the terms are valid and enforceable. The agreement must clearly stipulate the repayment schedule, interest rate, any security/guarantee measures, and the mechanism for handling defaults.

(v) Compliance review throughout the process: At each key stage of the approval process, the compliance department or designated personnel are responsible for conducting review against Chapter 14 and 14A of the Listing Rules and checking against the connected persons list maintained by the Company to assess whether the transaction requires disclosure or shareholders' approval. In relation to this incident, a review against Rules 13.13 and 13.15 of the Listing Rules was not conducted as these rules were not clearly included in the internal control procedures of the Company that are currently in place.

(vi) Online approval procedures and relevant safeguards for remittance of monies: The Company standardised all domestic onshore fund transfer procedures to be completed online. Also, the Company implemented measures to safeguard online bank transfers, which included: (a) designating the finance department to keep custody of the security keys (U盾) of the Company for online banking transfers; (b) adopting a dynamic verification code payment mechanism, whereby a two-factor authentication code is sent to the General Manager to approve and effect a fund transfer when the transfer amount reaches or exceeds a specified threshold; and (c) imposing a collective completion requirement, under which the online banking payment process must be collectively completed by the funds payment department, the finance department and, where necessary, the general manager.

However, the Company misinterpreted Rules 13.13 and 13.15 of the listing rules because:

(i) the amount paid to Huaibei Construction Investment Group was trade in nature, unsecured and interest-free and was made in the ordinary course of business according to the procurement needs of the Group. Based on the Company's wrongful interpretation on the definition of "advance to an entity" in accordance with the Chinese version of Rule 13.13 (給予某實體的貸款) of the Listing Rules, the Company has mistakenly considered that only loans or borrowings advanced to an entity would be classified as an "advance to an entity" under Chapter 13 of the Listing Rules; and

(ii) the Company's current internal control measures and internal training are primarily centred on the requirements under Chapter 14 and Chapter 14A of the Listing Rules and did not clearly mention Chapter 13 of the Listing Rules, the compliance team and the relevant staff within the approval chain may have failed to identify the potential Listing Rules implications under Chapter 13 of the Listing Rules associated with this advance, and hence failed to trigger the mechanism to prevent the payment from being processed before making the relevant disclosure in accordance with the Listing Rules.

As a result of the above misinterpretation and oversight, despite having gone through the internal control procedures as described above, the safeguards in place were not able to prevent the payment from being processed. The Directors consider that the non-compliance incident is a one-off misinterpretation of the application of Rules 13.13 and 13.15 of the Listing Rules and an isolated event.

REMEDIAL MEASURES

As a state-owned enterprise, the Company strives to maintain robust corporate governance. In order to avoid the recurrence of similar non-compliance in the future, the following remedial measures will be taken by the Group to ensure that the Listing Rules, including Rules 13.13 and 13.15 of the Listing Rules, is strictly complied with:

(i) for the purpose of fulfilling its continuous disclosure obligations in annual reports, the Company has engaged an internal control consultant to conduct a comprehensive review of its existing internal control measures. All identified deficiencies and proposed reforms would be detailed in the upcoming annual report and properly documented in the Company's internal systems as a starting point to refine and revamp the existing measures. As at the date of this announcement, the internal control consultant has already completed their review against the Company's internal control procedures. On 6 March 2026, the Company implemented the "Related Party Transaction Management Measures" (《淮北綠金產業投資股份有限公司關聯交易管理辦法》(2026版)) and revised the "Fund Payment Management System" (《資金支付管理制度》) and the "Compliance Review Process Guidelines" (《合規審查流程指引》). The main revisions include:

    (a) the addition of "compliance review checkpoints" for prepayments/advance payments (預付款項／墊款合規審查節點): before the business department initiates a payment request, an assessment under Rule 13.13 of the Listing Rules must be completed. It covers payments in the nature of prepayments, deposits, and interest-free loans;

(b) establishing an "Advanced Compliance Review Mechanism" (合規判斷前置機制): all payment requests must undergo preliminary classification by a compliance officer to determine whether they fall under "advances", with written records maintained;

(c) strengthening "payment checkpoint controls" (支付關卡控制): mandatory control points have been set in the OA system and bank payment processes. If the counterparty is a related party or the payment amount exceeds 8% of the Company's total asset (being that shown in the latest published audited accounts or interim report, whichever is more recent), the system will automatically trigger an approval process, requiring the upload of a board resolution or a compliance exemption letter; and

(d) introducing a compliance dashboard: a compliance status report will be generated by the 5th day of each month, covering transactions pending classification, threshold alerts, and identified advance payment matters;

(ii) strengthen training on the Listing Rules (in particular Chapter 13 of the Listing Rules) for all directors, senior management and staff involved. The Company has arranged the first round of strengthened training in mid-March 2026. The Company has established a systematic training mechanism, including (i) annual mandatory training of at least four hours for all directors and senior management, covering Chapter 13, Chapter 14, Chapter 14A and Appendix C1 of the Listing Rules and the Corporate Governance Code; (ii) specialized remedial training to the finance, compliance and securities department led by the legal advisors to the Company on the interpretation and application of Rules 13.13 and 13.15 of the Listing Rules; and (iii) training record management system to be established to document training content, duration, participants, and assessment results, which also serve as a reference for the annual compliance review.

(iii) refine the internal reporting procedures such that all relevant staff are required to conduct size tests for all pending transactions involving advances to entities prior to any approvals to ensure compliance with Rules 13.13 and 13.15 of the Listing Rules. The size test calculations will be reviewed by the head of compliance department and the person in charge of fund management from the finance department. All size test calculations and communication documents shall be properly retained by the Board secretary's office. The updated procedures have been circulated to all staff and the above will be formalized in the internal control procedures of the Company by April 2026; and

(iv) strengthen communication with and consult the Company's auditors and advisors where necessary, especially when the Company enters into a first-time transaction and is unsure of the disclosure requirement. As at the date of this announcement, this has been incorporated in the Company's internal control policy.

By order of the Board
Huaibei GreenGold Industry Investment Co., Ltd. *
Liu Yong
Chairman of the Board and Executive Director

Anhui, the PRC, 25 March 2026

As at the date of this announcement, the executive Directors are Mr. Liu Yong, Mr. Qin Jiapeng, Mr. Mao Hongxian, and Mr. Yao Minglei, and the independent non-executive Directors are Mr. Gao Wei, Mr. Liu Chaotian and Ms. Xing Mengwei.

* *For identification purposes only*