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**If you are in doubt** as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your securities in China Silver Group Limited, you should at once hand this circular and the relevant accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

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中國白銀集團
CHINA SILVER GROUP

# CHINA SILVER GROUP LIMITED
# 中國白銀集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 815)**

# SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE AND NOTICE OF THE EXTRAORDINARY GENERAL MEETING

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

A letter from the Board is set out on pages 5 to 21 of this circular.

The resolution will be proposed at the EGM to be held at Unit 5, 17/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong on Friday, 10 April 2026 at 2:00 p.m. or any adjournment thereof to approve the matters referred to in this circular. The notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the meeting is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to Computershare Hong Kong Investor Services Limited, the Company's share registrar in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting (i.e. not later than 2:00 p.m. on Wednesday, 8 April 2026) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish. If you attend and vote at the EGM, the authority of your proxy will be revoked.

References to time and dates in this circular are to Hong Kong time and dates.

Hong Kong, 26 March 2026

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*In this circular, the following words and expressions have the meanings set out below unless the context requires otherwise:*

| | |
|---|---|
| "Awarded Shares" | Share(s) granted to the grantee under the Share Award Scheme |
| "Announcement" | the announcement of the Company dated 16 February 2026 in relation to, among others, the Subscription |
| "Board" | the board of the Directors |
| "Business Day(s)" | a day (excluding Saturday, Sunday, public holiday and any day on which "extreme conditions" caused by super typhoons is announced by the government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a "black" rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business throughout their normal business hours |
| "Company" | China Silver Group Limited (中國白銀集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 815) |
| "Completion" | completion of the Subscription under the Subscription Agreements |
| "Completion Date" | within five (5) Business Days following the fulfillment of all Conditions Precedent, or such other date as may be agreed between the parties to such Subscription Agreement |
| "Conditions Precedent" | conditions precedent to the Completion, as set out in the Subscription Agreements |
| "connected person" | has the meaning as ascribed to it under the Listing Rules |
| "Director(s)" | the director(s) of the Company |
| "EGM" | the extraordinary general meeting to be convened and held on Friday, 10 April 2026 for the Shareholders to consider and, if thought fit, approve the resolution thereunder |

| | |
|---|---|
| "General Mandate" | the general mandate granted to the Directors at the annual general meeting of the Company held and convened on 18 June 2025 to allot, issue or deal with up to 20% of the then issued share capital of the Company, being 468,425,111 Shares as at the date of the annual general meeting of the Company held and convened on 18 June 2025 |
| "Group" | the Company and its subsidiaries |
| "HK$" | Hong Kong dollars, the lawful currency for the time being of Hong Kong |
| "Hong Kong" | the Hong Kong Special Administrative Region of the People's Republic of China |
| "Latest Practicable Date" | Friday, 20 March 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange |
| "Mount Everest Gold" | Mount Everest Gold Group Company Limited (珠峰黃金集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1815) |
| "PRC" | the People's Republic of China |
| "RMB" | Renminbi, the lawful currency of the PRC |
| "Share(s)" | ordinary share(s) of par value of HK$0.01 each in the capital of the Company |
| "Share Award Scheme" | the share award scheme approved and adopted by the Shareholders at the Company's annual general meeting held on 18 June 2025 |
| "Shareholder(s)" | holder(s) of the issued Share(s) |
| "Shigatse Mine" | an area of 50.81 $km^2$ in Shigatse, Tibet covered under the exploration license of Xizang Shigatse |

| | |
|---|---|
| "Specific Mandate" | the specific mandate to be sought from the Shareholders for the allotment and issue of the Subscription Shares |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Subscriber A" | Ms. YE Liman (叶麗曼) |
| "Subscriber B" | Renovo Group Limited, a company incorporated in the British Virgin Islands with Mr. ZHANG Tieren as the sole shareholder |
| "Subscriber C" | Mr. YU Yim (俞焰) |
| "Subscriber D" | Ms. CHEN Zejun (陳澤君) |
| "Subscriber E" | Ms. LIN Xiuzhen |
| "Subscriber F" | Mr. LO Hoi Chuen (羅海全) |
| "Subscribers" | Subscriber A, Subscriber B, Subscriber C, Subscriber D, Subscriber E and Subscriber F |
| "Subscription" | the subscription for the Subscription Shares by the Subscribers pursuant to the Subscription Agreements |
| "Subscription Agreement A" | the subscription agreement dated 13 February 2026 and entered into between the Company and the Subscriber A in respect of the subscription of 60,000,000 new Shares |
| "Subscription Agreement B" | the subscription agreement dated 13 February 2026 and entered into between the Company and the Subscriber B in respect of the subscription of 180,000,000 new Shares |
| "Subscription Agreement C" | the subscription agreement dated 13 February 2026 and entered into between the Company and the Subscriber C in respect of the subscription of 180,000,000 new Shares |
| "Subscription Agreement D" | the subscription agreement dated 13 February 2026 and entered into between the Company and the Subscriber D in respect of the subscription of 190,000,000 new Shares |
| "Subscription Agreement E" | the subscription agreement dated 13 February 2026 and entered into between the Company and the Subscriber E in respect of the subscription of 195,000,000 new Shares |

| | |
|---|---|
| "Subscription Agreement F" | the subscription agreement dated 13 February 2026 and entered into between the Company and the Subscriber F in respect of the subscription of 105,000,000 new Shares |
| "Subscription Agreement(s)" | Subscription Agreement A, Subscription Agreement B, Subscription Agreement C, Subscription Agreement D, Subscription Agreement E and Subscription Agreement F |
| "Subscription Price" | the subscription price of HK$0.51 per Subscription Share |
| "Subscription Shares" | an aggregate of 910,000,000 Shares to be subscribed by the Subscribers pursuant to the Subscription Agreements and "Subscription Share" should be construed accordingly |
| "subsidiary(ies)" | has the meaning as ascribed to it under the Listing Rules |
| "substantial shareholder(s)" | has the meaning as ascribed to it under the Listing Rules |
| "trading day(s)" | means a day on which the Stock Exchange is open for the trading of securities |
| "Xizang Shigatse" | Xizang Shigatse Huaye Mining Development Co., Ltd.* (西藏日喀則市華冶礦業開發有限責任公司), a company incorporated in the PRC with limited liability |
| "%" | per cent. |

* *For identification purpose*

中國白銀集團
CHINA SILVER GROUP

# CHINA SILVER GROUP LIMITED
# 中國白銀集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 815)**

*Executive Directors:*
Mr. CHEN Wantian *(Chairman)*
Mr. SONG Guosheng

*Independent Non-executive Directors:*
Mr. SONG Hongbing
Ms. SONG Fangxiu
Dr. ZENG Yilong

*Registered Office:*
Intertrust Corporate Services (Cayman) Limited
One Nexus Way
Camana Bay
Grand Cayman, KY1-9005
Cayman Islands

*Head Office and Principal Place of Business in the PRC:*
37th Floor, Tower A
Shuibei Jewelry Headquarters Building
No.3008 Buxin Road,
Dushu Community, Dongxiao Subdistrict,
Luohu District, Shenzhen, Guangdong, the PRC

*Principal Place of Business in Hong Kong:*
Unit 5, 17/F,
China Merchants Tower, Shun Tak Centre
168-200 Connaught Road Central
Sheung Wan
Hong Kong

26 March 2026

*To the Shareholders*

Dear Sir or Madam,

## SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE AND NOTICE OF THE EGM

### INTRODUCTION

Reference is made to the Announcement in relation to the Subscription. The purpose of this circular is to provide you with information containing, among other things, further details of the Subscription and other information as required to be contained in the circular under the Listing Rules, together with the notice of the EGM and enclosed form of proxy.

## THE SUBSCRIPTION

On 13 February 2026 (after trading hours), the Company entered into six (6) Subscription Agreements with six (6) Subscribers respectively, pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 910,000,000 Subscription Shares at the Subscription Price of HK$0.51 per Subscription Share.

Each of the Subscription Agreements is on substantially the same terms (other than the number of Subscription Shares).

The principal terms of the Subscription Agreements are summarized as follows:

## THE SUBSCRIPTION AGREEMENTS

### Date

13 February 2026 (after trading hours)

### Subscribers

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Subscribers is a professional corporate and/or individual private investor.

As at the Latest Practicable Date, none of the Subscribers hold any shares in the Company or its subsidiaries. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, all of the Subscribers (and their respective ultimate beneficial owner(s), where applicable) are third parties independent of the Company and its connected persons. As disclosed in the Announcement, it is not expected that any of the Subscribers or their respective ultimate beneficial owner(s) will become a substantial shareholder (as defined under the Listing Rules) of the Company immediately after the Completion of the Subscription.

### Subscription

| Subscription Agreements | Parties | No. of Subscription Shares | Consideration |
|---|---|---|---|
| Subscription Agreement A | (1) The Company<br>(2) Subscriber A | 60,000,000 | HK$30,600,000 |
| Subscription Agreement B | (1) The Company<br>(2) Subscriber B | 180,000,000 | HK$91,800,000 |

| Subscription Agreements | Parties | No. of Subscription Shares | Consideration |
|---|---|---|---|
| Subscription Agreement C | (1) The Company<br>(2) Subscriber C | 180,000,000 | HK$91,800,000 |
| Subscription Agreement D | (1) The Company<br>(2) Subscriber D | 190,000,000 | HK$96,900,000 |
| Subscription Agreement E | (1) The Company<br>(2) Subscriber E | 195,000,000 | HK$99,450,000 |
| Subscription Agreement F | (1) The Company<br>(2) Subscriber F | 105,000,000 | HK$53,550,000 |
| **Total** | | **910,000,000** | **HK$464,100,000** |

**Subscription Shares**

As at the Latest Practicable Date, the Company has 3,036,337,559 Shares in issue. Assuming that there will be no change in the issued share capital of the Company between the Latest Practicable Date and the Completion Date, the Subscription Shares represent (i) approximately 29.97% of the existing total issued share capital of the Company as at the Latest Practicable Date; and (ii) approximately 23.06% of the total issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, subject to completion of the Subscription.

The Subscription Shares have an aggregate nominal value of HK$9,100,000.00 and a market value of approximately HK$564,200,000 based on the closing price of HK$0.62 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements.

**Subscription Price**

The Subscription Price of HK$0.51 per Subscription Share represents:

(1) a discount of approximately 17.74% to the closing price of HK$0.62 per Share as quoted on the Stock Exchange on 13 February 2026, being the date of the Subscription Agreements;

(2) a discount of approximately 19.30% to the average closing price of HK$0.632 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Subscription Agreements; and

(3) a discount of approximately 21.30% to the average closing price of HK$0.648 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days prior to the date of the Subscription Agreements;

(4) a discount of approximately 25.98% to the average closing price of HK$0.689 per Share as quoted on the Stock Exchange for the last 20 consecutive trading days prior to the date of the Subscription Agreements;

(5) a discount of approximately 27.35% to the average closing price of HK$0.702 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days prior to the date of the Subscription Agreements;

(6) a premium of approximately 17.38% to the audited consolidated net asset value attributable to the Shareholders as at 31 December 2024 of approximately HK$0.434 per Share (based on audited consolidated net asset value attributable to the Shareholders as at 31 December 2024 divided by 3,036,337,559 Shares in issue as at the Latest Practicable Date);

(7) a discount of approximately 2.82% to the unaudited consolidated net asset value attributable to the Shareholders as at 30 June 2025 of approximately HK$0.525 per Share (based on unaudited consolidated net asset value attributable to the Shareholders as at 30 June 2025 divided by 3,036,337,559 Shares in issue as at the Latest Practicable Date); and

(8) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) represented by a discount of approximately 4.45%, which is calculated based on the theoretical diluted price of approximately HK$0.60387 per Share (as defined under Rule 7.27B of the Listing Rules, taking account of the higher of (i) the closing price of the Shares as quoted on the Stock Exchange on the date of the Subscription Agreements of HK$0.62 per Share; and (ii) the average closing prices of the Shares as quoted on the Stock Exchange for the five consecutive trading days prior to the date of the Subscription Agreements of approximately HK$0.632 per Share).

The Subscription Price was determined and negotiated on an arm's length basis between the Company and each of the Subscribers, primarily with reference to (1) the prevailing market price and the recent trading volume of the Shares, including but not limited to the closing price of HK$0.62 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements and the average closing price of HK$0.632 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Subscription Agreements, (2) the business prospects, funding needs and financial position of the Group, including but not limited to the financial results of the Group for the six months ended 30 June 2025, (3) the unaudited consolidated net asset value attributable to the Shareholders as at 30 June 2025 of approximately HK$0.525 per Share, and (4) the industry landscape, sector sentiment and the current market conditions in the non-ferrous metals industry which have been fluctuating in the past few months and their impact on investor sentiment. In particular, the Board noted a slightly downward trend of the market price of the Shares since the commencement of the year 2026 and a relatively insignificant average daily trading volume of the Shares for the last 30 consecutive trading days prior to the date of the Subscription Agreements (which amounted to approximately 3% of the total number of issued Shares as at the date of the Subscription Agreements), indicating a relatively low liquidity in the Shares. As such, the Board viewed that applying a commercially reasonable discount to the recent market price of the Shares was necessary to attract the Subscribers and to secure the Subscription within a limited timeframe, which was expected to bring benefits to the Group's liquidity position, operational flexibility and business growth and development (as elaborated under the section headed "Reasons for Subscription and Use of Proceeds" in this circular).

The net Subscription Price, after deduction of relevant expenses, is estimated to be approximately HK$0.509 per Subscription Share. The aggregate cash consideration of approximately HK$464,100,000 under the Subscription Agreements is payable in full by the six (6) Subscribers on or before the date of the Completion of their respective Subscriptions.

**Conditions Precedent to the Subscription**

As disclosed in the Announcement, under each Subscription Agreement, the relevant Subscriber's subscription for, and the Company's allotment and issue of, the relevant Subscription Shares are conditional upon the satisfaction of the following Conditions Precedent:

(1) the passing of all necessary resolution(s) by the Shareholders at the EGM approving the Subscription Agreements and transactions contemplated thereunder (including the allotment and issue of the Subscription Shares under the Specific Mandate);

(2) the Listing Committee of the Stock Exchange having granted its approval for the listing of, and the permission to deal in, such Subscription Shares, and such approval and permission not having been withdrawn prior to the commencement of trading of such Subscription Shares on the Main Board of the Stock Exchange; and

(3) the representations, warranties, undertakings, confirmations and admissions made by such Subscriber under such Subscription Agreement being true and accurate and not misleading as at the date of such Subscription Agreement and the date of issue of such Subscription Shares, and such Subscriber not having breached such Subscription Agreement.

If the Conditions Precedent are not fulfilled or waived (as the case may be) on or before the expiration of 18 June 2026 or such later date as shall be agreed between the Company and the Subscribers in writing, the Subscription shall terminate and none of the parties shall have any claim against the other for costs, damages, compensation or otherwise save for any antecedent breaches. The Company may, at its sole discretion, at any time on or before 18 June 2026, waive in whole or in part Condition Precedent (3) set out above by written notice to the relevant Subscriber(s), provided that such waiver shall not prejudice any rights or remedies of the Company under the relevant Subscription Agreement. Conditions Precedent (1) and (2) set out above are not capable of being waived by either party. The transactions contemplated under the six (6) Subscription Agreements are not inter-conditional upon one another.

None of the Conditions Precedent above had been fulfilled or waived as at the Latest Practicable Date.

**Completion of the Subscription**

Under each Subscription Agreement, Completion shall take place within five (5) Business Days following the fulfillment of all Conditions Precedent set forth in the subsection headed "Conditions Precedent to the Subscription" above, or such other date as may be agreed between the parties to such Subscription Agreement.

Under each Subscription Agreement, on the date of Completion, the relevant Subscriber shall pay the Subscription Price multiplied by the relevant number of the Subscription Shares to a bank account designated by the Company, and the Company shall allot and issue the relevant number of the Subscription Shares to the relevant Subscriber.

**Lock-up Undertaking**

Pursuant to the respective Subscription Agreement, each Subscriber has agreed and undertaken that, in the period of thirty (30) days commencing on the date of issue of the relevant Subscription Shares, it/he/she shall not dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, such Subscription Shares.

**Ranking**

The Subscription Shares, when issued, shall be duly authorised and shall rank *pari passu* in all respects with all other existing Shares outstanding on the Completion Date and be entitled to all dividends and distributions the record date for which falls on a date on or after the date of the issue.

**Application for listing**

Application shall be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Subscription Shares following the signing of the Subscription Agreements.

**Specific Mandate to issue the Subscription Shares**

The Subscription Shares will be allotted and issued pursuant to the Specific Mandate to be approved by way of ordinary resolution by the Shareholders at the EGM.

**REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS**

The Company is a leading fully-integrated silver and precious metals enterprise in the PRC, engaging in the manufacture, sales and trading of silver ingots, palladium and other non-ferrous metals in the PRC. As disclosed in the Company's announcement dated 17 June 2025, the Company previously acquired 20% equity interest in a company holding the entire equity interest in Xizang Shigatse, which in turn holds an exploration license with the right to conduct general exploration on mineral resources of the Shigatse Mine under certain conditions. The Directors consider that the Subscription could provide further capital to support the intensive funding requirements of the Company's general exploration activities of the Shigatse Mine and to advance the Group's long-term business strategy of expanding into upstream mining operations. Such upstream expansion is expected to diversify the Group's business portfolio, enhance supply chain security and create operational and cost synergies with its existing core precious metals manufacturing and trading business.

Assuming all the Subscription Shares are fully subscribed and subject to the Completion, it is expected that the gross proceeds raised from the Subscription will be approximately HK$464,100,000, and the net proceeds, after deduction of all relevant expenses, will be approximately HK$463,250,000.

As disclosed in the Announcement, the net proceeds raised from the Subscription will be substantially used to satisfy the business growth and development anticipated by the Group and will initially be applied as follows:

(i) Approximately 40% of net proceeds (which amounts to approximately HK$185,300,000) will be applied towards the Company's expected capital expenditure contribution, in proportion to its 20% shareholding in the Shigatse Mine, for the general exploration and other exploration works on the Shigatse Mine in accordance with the estimated expenditure breakdown and timeline as set out below;

(ii) Approximately 40% of the net proceeds (which amounts to approximately HK$185,300,000) will be reserved to provide further financing to Xizang Shigatse (being the project company for the Shigatse Mine) on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole, to meet the funding requirements of the Shigatse Mine as may arise at later stages of the exploration in accordance with the estimated expenditure breakdown and timeline, subject to the Company entering into final terms in respect thereof; and

(iii) Approximately 20% of the net proceeds (which amounts to approximately HK$92,650,000) will be allocated to the general working capital of the Group.

As disclosed in the Company's circular dated 5 December 2025, subject to changes in circumstances, the preliminary results and actual progress of the exploration works and continuous assessments and evaluations by the Company, the expected total capital requirement for the Shigatse Mine in the next two years is approximately RMB950 million to 1,150 million, of which the Company is expected to contribute approximately RMB200 million to 250 million in the next two years in proportion to its 20% shareholding in the Shigatse Mine.

Further to the Company's previous disclosure as stated above, based on the Company's current assessment and subject to the actual progress of the exploration works and further evaluation as the exploration progresses, the Company has, on a preliminary basis, formulated a more detailed indicative expenditure breakdown and timeline in respect of the Shigatse Mine as set out below, which includes expenditures relating to the preparation of feasibility studies, environmental assessments and exploration works:

| **No.** | **Item** | **Estimated Expense** *(RMB)* | **Expected Timeline** |
|---|---|---|---|
| 1. | Geological survey, mapping, geochemical and geophysical exploration (including trenching and drilling preparation) | 135 million | March – August 2026 |
| 2. | Initial large-scale drilling exploration | 725 million | September 2026 – August 2027 |

| No. | Item | Estimated Expense *(RMB)* | Expected Timeline |
|---|---|---|---|
| 3. | Resource modelling, reserve estimation and metallurgical testing | 90 million | September – November 2027 |
| 4. | Hydrology, engineering and environmental studies | 15 million | September – October 2027 |
| 5. | Project management, supervision and contingency costs | 115 million | March 2026 – November 2027 |
| **Total** | | **1,080 million** | |
| ***Expected contribution from the Company (in proportion to its 20% shareholding in the Shigatse Mine)*** | | 216 million | |
| ***Expected contribution from Mount Everest Gold (in proportion to its 35% shareholding in the Shigatse Mine)*** | | 378 million | |
| ***Outstanding capital requirements for the Shigatse Mine (after deducting the expected contributions from the Company and Mount Everest Gold)*** | | 486 million | |

As illustrated in the indicative expenditure breakdown and timeline above, the Company currently expects that approximately RMB1,080 million will be deployed across five phases from March 2026 to November 2027 for the exploration project of the Shigatse Mine. The indicative budget and timeline were formulated by the Company's senior management and technical team, who possess extensive experience in mining project development, with reference to prevailing market pricing for comparable service scopes based on indicative quotations obtained from relevant service providers. In addition, the Company has consulted external technical advisers, including Zijin Mining Group Southwest Geological Exploration Co., Ltd.(紫金礦業集團西南地質勘查有限公司), with which the Company entered into a contract on 1 December 2025 as disclosed in the Company's announcement dated 29 December 2025, as well as industry experts with relevant geological and operational expertise, to review the proposed work programme and provide input on cost estimates and development sequencing. While the Board acknowledges that the final project costs may vary depending on factors including the ultimate scope of work (which may be further reduced or expanded based on the exploration results), seasonal constraints and contractor availability at the relevant time, the Board considers maintaining adequate funding

availability in line with the projected expenditure schedule is necessary to mitigate the risk of disruption to the exploration project of the Shigatse Mine and to ensure timely procurement, mobilisation and commencement of works within the limited available exploration window under optimal operating conditions at the Shigatse Mine. On this basis, the Board is of the view that the funding requirements of the Shigatse Mine as illustrated above are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

In view of the Company's expected capital contribution of RMB216 million in proportion to its 20% shareholding in the Shigatse Mine, after taking into account HK$41.3 million (approximately RMB36 million) raised from the Company's placing of new Shares under the General Mandate and allocated to capital expenditure for general exploration and other exploration works at the Shigatse Mine as disclosed in the Company's announcement dated 14 July 2025 and which remains unutilised as at the Latest Practicable Date, the Company is expected to have an estimated funding shortfall of approximately RMB179 million for its expected capital contribution to the Shigatse Mine over the next two years. Such shortfall in the Company's capital contribution will be replenished by the Company's internal funds and the Subscription in accordance with the use of proceeds (which amounts to approximately HK$185,300,000) as set out in paragraph (i) above.

As illustrated in the expenditure breakdown table above, after taking into account the expected capital contributions from the Company and Mount Everest Gold, there remains an expected capital requirement of approximately RMB486 million for the exploration works at the Shigatse Mine. The Company plans to utilise approximately 40% of the net proceeds (which amounts to approximately HK$185,300,000) to provide funding to Xizang Shigatse by way of a shareholder's loan to Xizang Shigatse on terms (including the interest rate) that are fair and reasonable and in the interests of the Company and its Shareholders as a whole, as set out in paragraph (ii) above. In determining the terms of the shareholder's loan (including the interest rate, term, repayment schedule and other key provisions), the Board will ensure that such terms are fair and reasonable and on normal or better commercial terms by benchmarking the proposed interest rate and other commercial terms against the prevailing market interest rates and comparable financing arrangements available from independent financial institutions or third parties under similar circumstances. In the event that any such loan is materialised with the terms finalized, the Company will comply with the applicable requirements under the Listing Rules and make announcement(s) in accordance with the Listing Rules as and when appropriate.

The proceeds allocated as general working capital of the Group as set out in paragraph (iii) above will be applied for purposes including but not limited to, staff expenses, directors' remuneration, legal and professional fees, payment of interest expenses, procurement of raw materials and inventory, and other general management and administrative expenses incurred in the ordinary course of business. As disclosed in the section headed "Fundraising Activities in the Past Twelve Months" of this circular, the Company previously raised approximately HK$41.3 million from the placing of new Shares under the General Mandate for general working capital purposes, of which approximately HK$4.7 million has been utilised as intended and approximately HK$36.6 million remains unutilised as at the Latest Practicable Date. Taking into account the proposed allocation of approximately HK$92.7 million from the Subscription for general working capital, the aggregate amount allocated for general working capital purpose (including the unutilised proceeds from the previous placing) will be approximately HK$129.3 million. The Directors are of the opinion that, after taking into account the aforesaid amount and the Group's other available financial resources, including cash and cash equivalents on hand, the internally generated funds and existing facilities, the Group has sufficient working capital for its present requirement for the next twelve (12) months from the date of this circular.

In determining the level of general working capital to be reserved, the Board has considered the capital-intensive nature of the Group's business and the high volatility in operating costs arising from fluctuations in commodity prices, particularly silver and gold. The Group's operations require substantial cash outlay for procurement of raw materials and inventory, and may require the Group to deploy substantial cash resources within a short timeframe to secure raw materials or inventory under favourable market conditions. By preserving flexibility in the application of general working capital, it enables the Group to respond promptly to market opportunities, such as increasing inventory procurement when commodity prices experience downward adjustments, meeting short-term obligations as they fall due, as well as to address potential short-term funding needs arising from business expansion or changes in market conditions. The Board therefore considers such allocation to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

At the Latest Practicable Date, the Group's unaudited bank balances and cash is approximately HK$577 million, and the Group's unaudited bills payables and bank borrowings is approximately HK$441 million. The Group's net gearing ratio was calculated on the basis of the bank and other borrowings less bank balances and cash as a percentage of total equity. As at 31 December 2025, the Group was in a net cash position with a net gearing ratio of approximately -9.2% (unaudited), which the Directors consider to be a prudent and healthy level having regard to the capital-intensive nature of the Group's business and its ongoing operational needs. As the exploration phase of the Shigatse Mine does not generate revenue and the timing of commercial production remains subject to exploration progress and regulatory approvals, financing such capital commitments by way of debt and borrowings would likely result in substantial finance costs, which the full financial impact of such on the Group's liquidity and cash flow position cannot be reliably quantified at this stage given the inherently uncertain and long payback period. By contrast, the equity-based nature of the Subscription enables the Group to maintain the healthy liquidity position without incurring substantial interest burden and fixed repayment obligations, thereby preserving the Group's financing flexibility and liquidity buffer to withstand market volatility for its existing operations while supporting its long-term development strategy.

Having considered the Group's existing financial resources, the anticipated intensive capital requirements for the development of the Shigatse Mine and the potential costs and obligations associated with debt financing, the Directors (including the independent non-executive Directors) consider the Subscription to be strategically beneficial as it will enhance the Group's liquidity position and operational flexibility and represents a more prudent approach to maintain the Group's financial stability and operational continuity while supporting the Group's business growth and long-term development as compared to debt financing. Subject to the actual progress of the exploration work of the Shigatse Mine and the usage of the general working capital, the Directors currently expect that all net proceeds allocated pursuant to the Subscription will be fully utilised by the end of 2027.

In view of the above, the Directors (including the independent non-executive Directors) consider that the terms and conditions of the Subscription Agreements and the transactions contemplated thereunder (including the Subscription and the Subscription Price) are fair and reasonable and that the Subscription is in the interest of the Company and the Shareholders as a whole.

## FUNDRAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has conducted the following equity fundraising activity during the twelve months immediately preceding the Latest Practicable Date:

| Date of Announcement | Event | Net Proceeds | Intended use of proceeds | Actual use of proceeds |
|---|---|---|---|---|
| (i) 14 July 2025<br>(ii) 18 July 2025<br>(iii) 17 September 2025<br>(iv) 7 November 2025<br>(v) 19 December 2025<br>(vi) 22 January 2026 | Placing of new Shares under General Mandate | HK$206,500,000 | (i) Approximately HK$123.9 million (approximately 60% of net proceeds) for purchasing inventory materials (e.g. silver ingots, palladium and other non-ferrous metals);<br>(ii) Approximately HK$41.3 million (approximately 20% of net proceeds) for conducting general exploration and other exploration works on the Shigatse Mine and other potential mining opportunities nearby; and<br>(iii) Approximately HK$41.3 million (approximately 20% of net proceeds) for general working capital | As at the Latest Practicable Date, approximately 62% of the net proceeds (approximately HK$128.6 million) have been utilised as intended, as set out below:<br>(i) Fully utilized as intended;<br>(ii) Not utilized as at the Latest Practicable Date and is expected to be utilized in accordance with the disclosed intended use; and<br>(iii) Approximately HK$4.7 million was utilized as intended. The remaining approximately HK$36.6 million is expected to be utilized in accordance with the disclosed intended use. |

Save as the above, the Company did not conduct any equity fundraising activities during the twelve months immediately preceding the Latest Practicable Date.

## EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, the Company has 3,036,337,559 Shares in issue. The table below summarizes the shareholding structure of the Company (1) as at the Latest Practicable Date and (2) immediately upon Completion:

| Name of Shareholders | Shareholding immediately before Completion | | Shareholding immediately after Completion | |
|---|---|---|---|---|
| | *Number of Shares* | *Approximately* | *Number of Shares* | *Approximately* |
| Rich Union Enterprises Limited *(Note 1)* | 308,222,187 | 10.15% | 308,222,187 | 7.81% |
| Mr. Chen Wantian *(Note 1)* | 1,050,000 | 0.03% | 1,050,000 | 0.03% |
| Mr. Song Guosheng *(Note 2)* | 456,797 | 0.02% | 456,797 | 0.01% |
| Newline Dragon Limited *(Note 3)* | 234,212,000 | 7.71% | 234,212,000 | 5.93% |
| Subscriber A | – | – | 60,000,000 | 1.52% |
| Subscriber B | – | – | 180,000,000 | 4.56% |
| Subscriber C | – | – | 180,000,000 | 4.56% |
| Subscriber D | – | – | 190,000,000 | 4.81% |
| Subscriber E | – | – | 195,000,000 | 4.94% |
| Subscriber F | – | – | 105,000,000 | 2.66% |
| Other public Shareholders | 2,492,396,575 | 82.09% | 2,492,396,575 | 63.16% |
| **Total** | **3,036,337,559** | **100%** | **3,946,337,559** | **100%** |

*Notes:*

1. Mr. Chen Wantian is deemed to be interested in 308,222,187 Shares owned by Rich Union Enterprises Limited as his spouse, Ms. Zhou Peizhen, owns the entire issued share capital of Rich Union Enterprises Limited. The entire issued share capital of Rich Union Enterprises Limited has been transferred from Mr. Chen Wantian to his spouse, Ms. Zhou Peizhen, on 19 June 2023. Ms. Zhou Peizhen has declared that all such Shares are held in trust for the benefit of Mr. Chen Wantian. Further, Mr. Chen Wantian is the beneficial owner of 1,050,000 Shares.

2. Mr. Song Guosheng is an executive Director.

3. Newline Dragon Limited is appointed under a trust deed entered into with the Company to act as trustee in respect of administration of the Share Award Scheme. For details, please refer to the circular of the Company dated 27 May 2025. On 30 September 2025, the Company granted 234,212,000 Awarded Shares, which are held by Newline Dragon Limited as the trustee for the grantees until such Awarded Shares are vested in the relevant grantees in accordance with the terms of the Share Award Scheme. For details of the aforementioned grant of Awarded Shares, please refer to the announcement of the Company dated 30 September 2025.

4. All percentages in the above table are approximations and rounded to the nearest 2 decimal places. The aggregate percentage(s) may not add up due to such rounding.

## EGM

The EGM will be held at Unit 5, 17/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong on Friday, 10 April 2026 at 2:00 p.m. for the Shareholders to consider and, if thought fit, approve the Subscription Agreements and the transactions contemplated thereunder (including the allotment and issue of the Subscription Shares under the Specific Mandate). A notice of the EGM is set out on pages EGM-1 to EGM-3 of this circular.

At the EGM, any Shareholder with a material interest in the Subscription Agreements and the transactions contemplated thereunder (including the allotment and issue of the Subscription Shares under the Specific Mandate) as set out in the ordinary resolution is required to abstain from voting on the relevant resolution at the EGM. To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, none of the Shareholders and their respective close associates has a material interest in the Subscription Agreements and the transactions contemplated thereunder (including the allotment and issue of the Subscription Shares under the Specific Mandate) and therefore no Shareholder is required to abstain from voting at the EGM in relation to the resolution to be proposed for approving the Subscription Agreements and the transactions contemplated thereunder (including the allotment and issue of the Subscription Shares under the Specific Mandate) and related matters at the EGM.

## VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of such general meeting, in good faith, decides to allow a resolution that relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the resolution put to vote at the EGM shall be taken by poll.

The Company will appoint scrutineer to handle vote-taking procedures at the EGM. The results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules will be published by the Company on the Stock Exchange's website at www.hkex.com.hk and the Company's website at www.chinasilver.hk as soon as possible after the conclusion of the EGM.

## ACTION TO BE TAKEN

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the Stock Exchange's website at www.hkex.com.hk and the Company's website at www.chinasilver.hk. Whether or not you are able to attend the meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to Computershare Hong Kong Investor Services Limited, the Company's share registrar in Hong Kong, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting (i.e. not later than 2:00 p.m. on Wednesday, 8 April 2026) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish. If you attend and vote at the EGM, the authority of your proxy will be revoked.

## CLOSURE OF REGISTER OF MEMBERS

For the purpose of identifying Shareholders who are entitled to attend the EGM, the register of members of the Company will be closed from Thursday, 2 April 2026 to Friday, 10 April 2026 (both days inclusive), during which period no transfer of shares in the Company will be effected. In order to qualify for attending the EGM, all transfers, accompanied by the relevant share certificates, have to be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on Wednesday, 1 April 2026.

## 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.

**RECOMMENDATION**

Having considered the above, the Directors (including all the independent non-executive Directors) consider that the terms of the Subscription Agreements and the transactions contemplated thereunder (including the Subscription and the Subscription Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution set out in the notice of the EGM to be proposed at the EGM.

**Shareholders and potential investors of the Company should note that completion of the Subscription is subject to the fulfillment of the Conditions Precedent in the Subscription Agreements, and there is no assurance that such Conditions Precedent will be fulfilled. As the Subscription may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

By order of the Board
**CHINA SILVER GROUP LIMITED**
**Chen Wantian**
*Chairman*

中國白銀集團
CHINA SILVER GROUP

# CHINA SILVER GROUP LIMITED
# 中國白銀集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 815)**

## NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that an extraordinary general meeting (the "**EGM**") of China Silver Group Limited (the "**Company**") will be held at Unit 5, 17/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong on Friday, 10 April 2026 at 2:00 p.m. for the considering and, if thought fit, approving (with or without modification) the following resolution:

### ORDINARY RESOLUTION

"**THAT**:

(a) the subscription agreements (the "**Subscription Agreements**") each dated 13 February 2026 entered into between China Silver Group Limited (the "**Company**") as the issuer and each of the subscribers in the Subscription Agreements respectively in relation to the issue and allotment of an aggregate of 910,000,000 new ordinary shares of HK$0.01 each in the capital of the Company (the "**Subscription Share(s)**") at the subscription price of HK$0.51 per Subscription Share and the transactions contemplated thereunder (including the allotment and issue of the Subscription Shares) and all other matters incidental thereto and in connection therewith, be and are hereby approved, confirmed and ratified (as the case may be);

(b) the directors of the Company ("**Director(s)**") be and are hereby granted a specific mandate (the "**Specific Mandate**") to allot and issue the Subscription Shares, with such Specific Mandate being in addition to and not prejudicing or revoking any general or specific mandate(s) which has/have been granted or may from time to time be granted to the Directors by the shareholders of the Company prior to the passing of this resolution; and

(c) any Director or the company secretary of the Company be and is/are hereby authorised to implement and take all steps and do all acts and things and execute all such documents (including under seal of the Company, where applicable) which he/she consider(s) necessary, desirable or expedient to give effect to the Subscription Agreements and transactions contemplated thereunder (including the allotment and issue of the Subscription Shares under the Specific Mandate) and to agree with such variation, amendment or waiver as are, in the opinion of the Directors, in the interests of the Company and its shareholders as a whole."

By order of the Board
**China Silver Group Limited**
**Chen Wantian**
*Chairman*

Hong Kong, 26 March 2026

*Principal Place of Business in Hong Kong:*
Unit 5, 17/F, China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Sheung Wan
Hong Kong

*Notes:*

1. Every member entitled to attend and vote at the EGM (or at any adjournment thereof) is entitled to appoint another person as his proxy. Any member who holds two or more shares in the Company ("**Shares**") may appoint more than one proxy. If more than one proxy is appointed, the appointment shall specify the number of Shares in respect of which each such proxy is appointed. A proxy need not be a member of the Company. The number of proxies appointed by a clearing house (or its nominee) is not subject to the aforesaid limitation.

2. Where there are joint holders of any Share, any one of such persons may vote at the EGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share will alone be entitled to vote in respect thereof.

3. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy of that power or authority), must be deposited at the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the EGM (i.e. not later than 2:00 p.m. on Wednesday, 8 April 2026) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude a member from attending the EGM and voting in person if he so wishes. In the event of a member who has lodged a form of proxy attending the EGM, the form of proxy will be deemed to have been revoked.

4. The register of members of the Company will be closed from Thursday, 2 April 2026 to Friday, 10 April 2026 (both days inclusive), during which period no transfer of Shares will be effected. In order to qualify for the right to attend and vote at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, 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 Wednesday, 1 April 2026 for registration of transfer.

5. The resolution set out in this notice shall be decided by poll.

6. References to time and dates in this notice are to Hong Kong time and dates.

*As at the date of this notice, the Board comprises Mr. Chen Wantian and Mr. Song Guosheng as executive Directors; and Mr. Song Hongbing, Dr. Zeng Yilong and Ms. Song Fangxiu as independent non-executive Directors.*