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**SD-GOLD**

**SHANDONG GOLD MINING CO., LTD.**

**山東黃金礦業股份有限公司**

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

**(Stock Code: 1787)**

**ANNUAL RESULTS ANNOUNCEMENT FOR  
THE YEAR ENDED 31 DECEMBER 2025**

**ANNUAL RESULTS HIGHLIGHTS OF 2025**

- The Group's revenue for the year ended 31 December 2025 was approximately RMB104,287.39 million, representing an increase of approximately 26.38% as compared to the corresponding period of last year;
- The Group's profit before tax for the year ended 31 December 2025 was approximately RMB9,088.71 million, representing an increase of approximately 59.95% as compared to the corresponding period of last year;
- The Group's net profit attributable to shareholders of the parent company for the year ended 31 December 2025 amounted to approximately RMB4,739.39 million, representing an increase of approximately 60.57% as compared to the corresponding period of last year;
- Basic earnings per share of the Company for the year ended 31 December 2025 was RMB0.94, representing an increase of approximately 64.91% as compared to RMB0.57 for the corresponding period of last year;
- For the year ended 31 December 2025, the Group's total assets were RMB170,374.16 million, representing an increase of approximately 6.05% compared with the end of the last year; the Group's net assets attributable to shareholders of the parent company were RMB44,899.27 million, representing an increase of approximately 18.79% compared with the end of the last year.
- The Board recommended the payment of a final dividend of RMB1.80 per 10 Shares (tax inclusive) for the year ended 31 December 2025.

*Notes:*

- (1) The net profit attributable to shareholders of the listed company during the Reporting Period as shown in the above table included the interest attributable to the holders of the perpetual bonds of RMB507,281,620.99 during the Reporting Period. After deducting the perpetual bond interest, the net profit attributable to ordinary shareholders of the listed company during the Reporting Period was RMB4,232,111,499.73. The effect of perpetual bonds and their interests is deducted in the calculation of the abovementioned key financial indicators, including basic earnings per Share, diluted earnings per Share, basic earnings per Share after deducting non-recurring profit or loss, weighted average return on net assets and weighted average return on net assets after deducting non-recurring profit or loss.
- (2) The data of the same period in this announcement is the financial data prepared in accordance with the Accounting Standards for Business Enterprises (as defined below). Approved by the Shareholders at the extraordinary general meeting held on 14 August 2025, the Company has uniformly adopted the Accounting Standards for Business Enterprises for the preparation of financial reports and the disclosure of corresponding financial information starting with the 2025 interim financial report.

The Board is pleased to announce the consolidated annual results of the Group for the year ended 31 December 2025. These consolidated annual results are an extract of the audited consolidated financial statements of the Group.

## I. FINANCIAL STATEMENTS

In this announcement, unless otherwise indicated in the context, the currency and unit is RMB.

### CONSOLIDATED BALANCE SHEET

31 December 2025

Items	Notes	31 December 2025 (Audited)	31 December 2024 (Audited)
<b>Current assets:</b>			
Monetary funds		17,491,068,240.14	11,077,274,906.35
Financial liabilities held for trading		2,593,509,746.86	3,749,373,193.21
Derivative financial assets		5,914,356.65	1,919,103.18
Notes receivable		132,496,950.29	123,886,585.10
Accounts receivable	8	376,778,739.91	493,049,005.61
Receivables financing		5,341,418.51	80,034.15
Prepayments		412,155,487.83	472,574,999.65
Other receivables		5,073,224,619.02	4,940,701,333.75
Inventories		6,904,356,083.62	6,819,745,616.21
Other current assets		872,800,579.11	1,022,644,405.61
Total current assets		<u>33,867,646,221.94</u>	<u>28,701,249,182.82</u>

<b>Items</b>	<i>Notes</i>	<b>31 December 2025</b> <b>(Audited)</b>	31 December 2024 (Audited)
<b>Non-Current assets:</b>			
Long-term equity investment		2,604,294,296.82	2,526,932,631.88
Investments in other equity instruments		29,319,822.20	28,719,822.20
Other non-current financial assets		3,281,775,250.31	4,481,600,576.61
Investment real estate		121,878,738.94	132,847,463.01
Fixed assets		59,245,157,254.37	50,826,259,662.77
Construction in progress		6,642,718,850.94	10,604,445,075.41
Right-of-use assets		341,273,486.56	212,065,851.77
Intangible assets		47,239,340,824.75	47,347,838,861.91
Including: Data resources		4,962,644.23	2,350,831.58
Development expenditures		38,020,943.43	17,797,553.43
Including: Data resources		1,542,427.14	
Goodwill		12,670,694,343.37	13,033,245,227.92
Long-term deferred expenses		81,755,297.16	72,659,747.42
Deferred income tax assets		1,842,679,939.10	921,755,853.93
Other non-current assets		<u>2,367,603,059.44</u>	<u>1,752,536,677.28</u>
Total non-current assets		<u>136,506,512,107.39</u>	<u>131,958,705,005.54</u>
Total assets		<u>170,374,158,329.33</u>	<u>160,659,954,188.36</u>
<b>Current liabilities:</b>			
Short-term borrowings		28,855,131,220.78	26,269,496,757.73
Financial liabilities held for trading		31,034,491.69	864,631,222.45
Derivative financial liabilities		37,071,358.85	9,934,794.49
Notes payable		6,096,277,395.81	2,867,623,523.83
Accounts payable	9	11,921,715,587.59	14,099,955,640.58
Advances received		841,504.09	656,585.26
Contract liabilities		694,202,457.74	427,135,295.37
Staff remuneration payables		669,276,431.24	626,183,255.77
Taxes payable		2,465,244,007.37	962,099,132.81
Other payables		10,079,685,139.69	9,144,431,460.83
Including: Dividends payable		75,246,381.57	128,982,745.71
Non-current liabilities due within one year		11,034,124,071.95	6,898,133,097.49
Other current liabilities		<u>194,315,158.13</u>	<u>215,538,868.09</u>
Total current liabilities		<u>72,078,918,824.93</u>	<u>62,385,819,634.70</u>



## CONSOLIDATED STATEMENT OF INCOME

January to December 2025

Items	<i>Notes</i>	2025	2024
I. Total operating revenue		<b>104,287,391,583.12</b>	82,517,993,538.30
Including: Operating revenue	3	<b>104,287,391,583.12</b>	82,517,993,538.30
II. Total operating costs		<b>91,853,583,528.77</b>	76,296,401,905.82
Including: Operating costs	3	<b>82,949,651,366.17</b>	68,902,025,733.03
Tax and surcharges	4	<b>2,220,005,304.24</b>	1,296,133,009.19
Selling expenses		<b>167,202,418.53</b>	184,583,367.35
Administrative expenses		<b>3,614,114,140.13</b>	2,855,068,490.35
R&D expenses		<b>992,891,266.26</b>	770,411,080.33
Financial expenses		<b>1,909,719,033.44</b>	2,288,180,225.57
Including: Interest expenses		<b>1,930,825,091.04</b>	2,074,452,630.94
Interest income		<b>153,275,094.45</b>	190,016,962.76
Add: Other gains		<b>43,825,633.19</b>	36,660,070.27
Investment income (Loss represented in “-” signs)		<b>-569,716,494.06</b>	-174,987,410.11
Including: Investment income from associates and joint ventures		<b>31,176,386.75</b>	33,485,045.98
Gains on changes in fair value (Loss represented in “-” signs)		<b>-1,496,140,744.54</b>	-252,892,347.40
Credit impairment losses (Loss represented in “-” signs)		<b>-221,873,613.93</b>	-35,922,609.69
Asset impairment loss (Loss represented in “-” signs)		<b>-798,911,209.53</b>	-50,270,909.80
Gains on disposal of assets (Loss represented in “-” signs)		<b>-2,309,165.46</b>	160,373.31
III. Operating profit (Loss represented in “-” signs)		<b>9,388,682,460.02</b>	5,744,338,799.06
Add: Non-operating income		<b>74,381,567.20</b>	35,950,265.33
Less: Non-operating expenses		<b>374,356,056.75</b>	98,093,284.66
IV. Total profit (Total loss represented in “-” signs)		<b>9,088,707,970.47</b>	5,682,195,779.73
Less: Income tax expenses	5	<b>2,461,814,317.39</b>	1,243,061,697.45
V. Net profit (Net loss represented in “-” signs)		<b>6,626,893,653.08</b>	4,439,134,082.28
(I) Classified by continuity of operations			
1. Net profit from continuing operations (Net loss represented in “-” signs)		<b>6,626,893,653.08</b>	4,439,134,082.28

Items	Notes	2025	2024
2. Net profit from discontinued operation (Net loss represented in “-” signs)			
(II) Categorized by owners’ equity			
1. Net profit attributable to shareholders of the parent company (Net loss represented in “-” signs)		<b>4,739,393,120.72</b>	2,951,551,189.32
2. Profit or loss of minority shareholders (Net loss represented in “-” signs)		<b>1,887,500,532.36</b>	1,487,582,892.96
VI. Other comprehensive income, net of tax		<b>-200,043,452.27</b>	52,271,455.08
(I) Other comprehensive income attributable to owners of the parent company, net of tax		<b>-200,354,050.20</b>	39,536,828.31
1. Other comprehensive income that may not be reclassified to profit or loss			
2. Other comprehensive income that may be reclassified to profit or loss		<b>-200,354,050.20</b>	39,536,828.31
Differences of exchange for foreign currency financial statements		<b>-200,354,050.20</b>	39,536,828.31
(II) Other comprehensive income attributable to minority shareholders, net of tax		<b>310,597.93</b>	12,734,626.77
VII. Total comprehensive income		<b>6,426,850,200.81</b>	4,491,405,537.36
(I) Total comprehensive income attributable to owners of the parent company		<b>4,539,039,070.52</b>	2,991,088,017.63
(II) Total comprehensive income attributable to minority shareholders		<b>1,887,811,130.29</b>	1,500,317,519.73
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)	6	<b>0.94</b>	0.57
(II) Diluted earnings per share (RMB/share)	6	<b>0.94</b>	0.57

## NOTES:

### 1. CORPORATE PROFILE

Shandong Gold Mining Co., Ltd. (hereinafter referred to as the “**Company**”, collectively referred to as the “**Group**” when including subsidiaries) was established in January 2000, with its registered address at No. 2503 Jingshi Road, Licheng District, Jinan, Shandong Province, and its head office address at No. 2503 Jingshi Road, Licheng District, Jinan, Shandong Province.

The Company successfully listed on the Shanghai Stock Exchange in August 2003 and on the Main Board of The Stock Exchange of Hong Kong Limited in September 2018.

The Company operates in the non-ferrous metal mining and beneficiation industry. The Group’s main business activities include non-ferrous metal mining, smelting, processing, precious metal investment, equity investment and asset management. Primary operations include gold and non-ferrous metal mining and smelting (subject to the validity period of the relevant licence); processing and sales of by-products from gold and non-ferrous metal production; production and sales of gold mine-specific equipment, and building decoration materials (excluding products restricted by national laws and regulations). The Company primarily produces standard gold ingots, various specifications of investment gold bars, alloy gold and silver ingots.

The Company’s controlling Shareholder is Shandong Gold Group Co., Ltd. (山東黃金集團有限公司), and the actual controller of the Company is the State-owned Assets Supervision and Administration Commission of Shandong Provincial People’s Government (山東省人民政府國有資產監督管理委員會).

The financial statements were approved by the Company’s Board of Directors for issuance on 26 March 2026.

### 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

#### (1) Basis of preparation

The Group’s financial statements have been prepared in accordance with the actual transactions and events that have occurred, and are prepared in accordance with the Accounting Standards for Business Enterprises and its application guidance, interpretations, and other relevant regulations (hereinafter collectively referred to as the “Accounting Standards for Business Enterprises”) issued by the Ministry of Finance of the People’s Republic of China, as well as the Codification of Rules for the Information Disclosure of Companies Offering Securities to the Public No. 15 — General Rules for Financial Reporting (2023 Revision) and other relevant regulations issued by the China Securities Regulatory Commission (hereinafter referred to as the “CSRC”). The financial statements also comply with the disclosure requirements of the Companies Ordinance of Hong Kong and the Listing Rules of Hong Kong Stock Exchange.

#### (2) Going concern

The Company evaluated the going concern capability for the 12 months from the end of the reporting year and found no matters or circumstances that could raise serious doubts about the going concern capability. Therefore, the financial statements are presented on a going concern basis.

### 3. OPERATING REVENUE AND OPERATING COSTS

#### (1) Details of operating revenue and operating costs

*Unit: RMB*

Items	Amount for the current period		Amount for the last period	
	Revenue	Cost	Revenue	Cost
Principal operating activities	104,124,319,881.18	82,840,186,599.33	82,243,059,294.69	68,709,459,810.04
Other operating activities	<u>163,071,701.94</u>	<u>109,464,766.84</u>	<u>274,934,243.61</u>	<u>192,565,922.99</u>
<b>Total</b>	<b><u>104,287,391,583.12</u></b>	<b><u>82,949,651,366.17</u></b>	<b><u>82,517,993,538.30</u></b>	<b><u>68,902,025,733.03</u></b>

#### (2) The disaggregated information of operating revenue and operating costs

*Unit: RMB*

Contract classification	Operating revenue	Operating costs
Type of goods		
Self-produced gold revenue	38,395,834,507.41	18,978,317,766.15
Purchased gold revenue	43,193,097,874.88	42,846,200,728.25
Small gold bar revenue	10,376,179,655.23	10,139,685,996.35
Trade revenue	9,978,561,359.83	9,840,622,138.40
Other revenue	2,343,718,185.77	1,144,824,737.02
By region of operation		
Domestic	89,354,098,948.47	74,190,456,480.00
Overseas	14,933,292,634.65	8,759,194,886.17
By market or customer type		
By contract type		
By time of transfer of goods		
Transfer at a point in time	104,276,423,875.61	82,935,793,586.02
Transfer within a certain period of time	10,967,707.51	13,857,780.15
By contract term		
By sales channel		
<b>Total</b>	<b><u>104,287,391,583.12</u></b>	<b><u>82,949,651,366.17</u></b>

#### 4. TAXES AND SURCHARGES

Items	<i>Unit: RMB</i>	
	Amount for the current year	Amount for the last year
Resource tax	2,022,007,193.91	1,040,056,489.97
Water resource tax	52,801,905.78	130,946,572.09
Stamp duty	48,593,247.11	48,347,589.19
Property tax	35,091,760.58	31,913,553.56
Land use tax	26,205,054.33	23,656,355.40
Urban maintenance and construction tax	11,895,859.36	8,814,401.55
Education surcharges	6,615,673.65	4,876,314.16
Local education surcharges	4,410,449.05	3,250,876.14
Environmental protection tax	3,497,541.92	835,021.82
Vehicle and vessel use tax	1,843,420.79	1,758,854.99
Others	7,043,197.76	1,676,980.32
<b>Total</b>	<b><u>2,220,005,304.24</u></b>	<b><u>1,296,133,009.19</u></b>

#### 5. INCOME TAX EXPENSES

##### (1) Income tax expenses

Items	<i>Unit: RMB</i>	
	Amount for the current period	Amount for the last period
Current income tax expenses	4,337,154,802.27	1,867,625,762.44
Deferred income tax expenses	<u>-1,875,340,484.88</u>	<u>-624,564,064.99</u>
<b>Total</b>	<b><u>2,461,814,317.39</u></b>	<b><u>1,243,061,697.45</u></b>

(2) Adjustment process of accounting profit and income tax expenses

	<i>Unit: RMB</i>
<b>Items</b>	<b>Amount for the current period</b>
Total profit	9,088,707,970.47
Income tax expense calculated at statutory/applicable tax rate	1,362,920,054.77
Effect of different tax rates applicable to subsidiaries	905,851,642.51
Effect of adjusting income taxes for the prior period	38,989,187.21
Impact on non-taxable income	-57,516,259.47
Effect of non-deductible costs, expenses and losses	246,656,160.53
Effect of using deductible losses of deferred income tax assets not recognized in the prior period	-138,321,961.90
Effect of deductible temporary differences or deductible losses of deferred income tax assets not recognized in the current year	326,760,121.70
Change in balance of deferred tax assets/liability at the beginning of the period due to tax rate adjustment	-301,229,242.11
Additional deduction of research and development expenses	-83,828,696.12
Additional deduction of wages for disabled employees	-2,269,420.07
Profit or loss attributable to joint ventures and associates	-7,575,426.38
Interest tax	29,326,024.91
MAS dividend withholding tax	116,894,431.19
Investment tax credit for special equipment used in safety, energy conservation and emission reduction production	-4,474,799.40
Others	29,632,500.02
Income tax expenses	<b><u>2,461,814,317.39</u></b>

*Note:* Interest tax refers to the withholding income tax on interest paid by Shandong Gold Mining (Hong Kong) Co., Limited (山東黃金礦業(香港)有限公司) on its interest income derived from providing loans to MAS, at a tax rate of 35% in accordance with the provisions of Argentine tax law.

## 6. RETURN ON NET ASSETS AND EARNINGS PER SHARE

<b>Profit for the Reporting Period</b>	<b>Weighted average return on net assets (%)</b>	<b>Earnings per Share</b>	
		<b>Basic earnings per Share</b>	<b>Diluted earnings per Share</b>
Net profit attributable to ordinary shareholders of the parent company	15.59	0.94	0.94
Net profit attributable to ordinary shareholders of the parent company after deducting non- recurring profit or loss	16.52	1.00	1.00

## 7. SEGMENT INFORMATION

### (1) Basis for determining reporting segment and accounting policies

According to internal management and reporting system of the Group, all businesses are classified into one segment. The measurement basis of segment reporting information is consistent with accounting and measurement basis of preparation financial statements.

**(2) Financial information of reporting segments**

Principal business (by product) :

*Unit: RMB*

Items	Iron ore										Inter segment		Total
	Gold	Silver metal	Copper metal	Copper concentrates	Lead metal	Zinc metal	Purchased gold	Small gold bars	Others	elimination	Total		
Revenue for 2025	38,395,834,507.41	1,358,480,377.49	120,419,542.82	33,717,317.71	180,051,461.59	279,011,808.88	43,193,097,874.88	10,376,179,655.23	10,187,527,335.17			104,124,319,881.18	
Cost for 2025	18,978,317,766.15	541,675,088.16	53,099,135.79	21,900,122.55	82,866,732.49	159,082,380.58	42,846,200,728.25	10,139,685,996.35	10,017,358,649.01			82,840,186,599.33	
Revenue for 2024	25,025,859,629.66	1,223,848,041.08	121,243,354.13	29,618,148.95	167,500,979.46	290,095,133.72	36,764,876,679.69	10,341,859,199.72	8,278,158,128.28			82,243,059,294.69	
Cost for 2024	13,251,305,685.41	540,289,297.16	38,576,580.82	12,937,193.26	86,076,163.11	151,992,701.22	36,381,713,723.39	10,153,732,903.59	8,092,835,562.08			68,709,459,810.04	



Type	Book balance		Opening balance		Book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Provision for bad debts made on an individual basis					
Provision for bad debts made on a collective basis	518,229,682.33	/	25,180,676.72	/	493,049,005.61
Including: The aging portfolio	362,500,828.07	69.95	25,180,676.72	6.95	337,320,151.35
Other portfolio	<u>155,728,854.26</u>	<u>30.05</u>			<u>155,728,854.26</u>
<b>Total</b>	<b><u>518,229,682.33</u></b>	<b><u>-</u></b>	<b><u>25,180,676.72</u></b>	<b><u>-</u></b>	<b><u>493,049,005.61</u></b>

*Provision for bad debts made on a collective basis:*

Aging	Closing balance		Provision ratio (%)
	Book balance	Provision for bad debts	
Within 1 year	205,841,932.68	10,292,096.68	5.00
1 to 2 years	12,949,450.94	1,294,945.10	10.00
2 to 3 years	2,263,452.00	452,690.40	20.00
3 to 4 years	387,842.22	116,352.67	30.00
4 to 5 years	400,000.00	160,000.00	40.00
Over 5 years	<u>6,678,116.82</u>	<u>6,678,116.82</u>	<u>100.00</u>
<b>Total</b>	<b><u>228,520,794.66</u></b>	<b><u>18,994,201.67</u></b>	<b><u>-</u></b>

*Unit: RMB*

Note:

For accounts receivable classified into portfolios, the Group determines the proportion of provision for bad debts based on the actual loss rates of accounts receivable portfolios with similar credit risk characteristics, grouped by aging, with reference to historical credit loss experience and in combination with the current situation and forecasts of future economic conditions.

*Provision for bad debts made on an individual basis*

Name	Carrying amount	Closing balance		Reason for provision
		Provision for bad debts	Provision proportion (%)	
Unit 1	56,732,116.06	37,962,879.26	66.92	Expected to be partially irrecoverable
<b>Total</b>	<b><u>56,732,116.06</u></b>	<b><u>37,962,879.26</u></b>	<b><u>66.92</u></b>	<b><u>—</u></b>

*Unit: RMB*

(3) **Staus of provision for bad debts**

*Unit: RMB*

Type	Opening balance	Changes during the period			Others	Closing balance
		Accrual	Recovery or reversal	Carryforward or write-off		
Provision for bad debts made on an individual basis		37,962,879.26				37,962,879.26
Provision for bad debts made on a collective basis	<u>25,180,676.72</u>	<u>(6,186,475.05)</u>				<u>18,994,201.67</u>
<b>Total</b>	<b><u>25,180,676.72</u></b>	<b><u>31,776,404.21</u></b>				<b><u>56,957,080.93</u></b>

(4) **Actual write-off of accounts receivable for the current period: N/A.**

(5) **Information on the top five accounts receivable balances by debtor at the end of the year**

*Unit: RMB*

Unit name	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion to the total closing balance of accounts receivable and contract assets (%)	Closing balance of provision for bad debts
Unit 2	148,426,407.47		148,426,407.47	34.22	
Unit 3	116,251,275.36		116,251,275.36	26.80	5,812,563.77
Unit 1	56,732,116.06		56,732,116.06	13.08	37,962,879.26
Unit 4	13,127,013.25		13,127,013.25	3.03	1,160,856.63
Unit 5	<u>8,945,002.41</u>		<u>8,945,002.41</u>	<u>2.06</u>	<u>447,250.12</u>
<b>Total</b>	<b><u>343,481,814.55</u></b>		<b><u>343,481,814.55</u></b>	<b><u>79.19</u></b>	<b><u>45,383,549.78</u></b>

**9. ACCOUNTS PAYABLE**

(1) **Accounts payable presented**

The aging analysis of payables based on the date of transactions is as follows:

*Unit: RMB*

Items	Closing balance	Opening balance
Within 1 year	7,914,454,571.95	13,141,597,538.94
1 to 2 years	3,681,990,140.61	697,887,586.54
2 to 3 years	94,032,580.74	189,447,759.82
Over 3 years	<u>231,238,294.29</u>	<u>71,022,755.28</u>
<b>Total</b>	<b><u>11,921,715,587.59</u></b>	<b><u>14,099,955,640.58</u></b>

(2) Significant other payables aged more than 1 year

Item	Closing balance	Unit: RMB
		Reasons for non-payment or carryover
Shandong Gold Geological Mine Exploration Co., Ltd. (山東黃金地質礦產勘查有限公司)	<u>3,421,044,245.23</u>	Payment conditions not yet met
<b>Total</b>	<u><u>3,421,044,245.23</u></u>	<u>/</u>

10. UNDISTRIBUTED PROFIT

Items	Unit: RMB	
	Current period	Last period
<b>Undistributed profit at the end of the last period before adjustment</b>	<b>15,572,448,966.97</b>	<b>14,369,371,415.15</b>
Total adjusted undistributed profit at the beginning of the period (add+, less-)		
<b>Adjusted undistributed profit at the beginning of the period</b>	<b>15,572,448,966.97</b>	<b>14,369,371,415.15</b>
Add: Net profit attributable to owners of the parent company in the current period	4,739,393,120.72	2,951,551,189.32
Less: Appropriation of statutory surplus reserve	71,868,468.46	357,001,724.35
Appropriation of discretionary surplus reserve		
Withdrawal of general risk reserve	986,096.17	2,483,796.54
Dividends payable on ordinary shares	1,467,283,959.83	984,154,495.50
Ordinary share dividends transferred to share capital		
Others	<u>507,281,620.99</u>	<u>404,833,621.11</u>
<b>Undistributed profit at the end of the period</b>	<b><u><u>18,264,421,942.24</u></u></b>	<b><u><u>15,572,448,966.97</u></u></b>

11. EVENTS AFTER THE BALANCE SHEET DATE

Profit or dividend to be distributed 1,635,003,704.63

The Company held the 9th meeting of the seventh session of the Board of Directors on 26 March 2026, at which the 2025 Annual Profit Distribution Plan of the Company was considered and approved. The Company proposes to distribute a cash dividend of RMB1.80 (tax inclusive, the same below) per 10 shares to all shareholders. As of the date of convening this Board meeting, the Company's total share capital was 4,609,929,525.00 shares. Based on this, the proposed cash dividend to be distributed is RMB829,787,314.50, with the remaining undistributed profit to be carried forward to future years for distribution. The Company implemented the semi-annual profit distribution for 2025 on 23 October 2025, distributing a cash dividend of RMB1.7467 per 10 shares to all shareholders. The Company's cash dividend for 2025 was RMB3.5467 per 10 shares, amounting to a total of RMB1,635,003,704.63, representing 38.63% of the net profit attributable to ordinary shareholders of the listed company after deducting perpetual bond interest from the consolidated financial statements for the year 2025.

The above profit distribution plan has not yet been approved by the Company's general meeting.

## II. MANAGEMENT DISCUSSION AND ANALYSIS

### (I) INFORMATION ON THE CONDITIONS OF THE INDUSTRY TO WHICH THE COMPANY BELONGS AND MAJOR BUSINESSES DURING THE REPORTING PERIOD

#### 1. *Business Scope*

During the Reporting Period, the Company's approved business scope was mainly: exploration, mining, beneficiation and sales of gold and non-ferrous metal, production, processing and sales of specialized equipment for gold mines and construction and decoration materials (excluding products restricted by national laws and regulations). The Company's main products include standard gold bullions, investment gold bars, alloy gold and silver ingots.

The mining enterprises under the Company's management are located in Shandong, Fujian, Inner Mongolia, Gansu, Xinjiang, Jilin, Heilongjiang, Qinghai, Yunnan and other regions in the PRC, and overseas countries such as Argentina in South America, and Ghana and Namibia in Africa, forming an integrated industry chain covering exploration, mining, beneficiation, smelting of gold, deep processing and sales of gold products, as well as the manufacture of mining equipment, with an industry-leading scientific and technological research and development system, and a mining investment and financing support platform.

#### 2. *Operating Model*

##### (1) *Mechanized and large-scale production and operation*

The Company's mines operate under a production model featuring dispersed mining and beneficiation with centralized smelting. The mining equipment is mechanized and large-scale, the transportation and lifting systems are automated, and the beneficiation technology is advanced and intelligent, enabling the large-scale, intensive, and mechanized mining of gold resources. The mechanization rate of mining operations in major mines reached over 66%, the mechanization rate of shoveling and transportation reached 100%, and the automation rate of major fixed facilities reached over 96%. In 2025, the Company accelerated its progress in exploration, resource expansion, and project construction. It actively promoted the development of a world-class gold production base in the Jiaodong region, encompassing the Jiaojia Gold Mine, Xincheng Gold Mine, and Sanshandao Gold Mine, as well as the construction of the Twin Hills Gold Project of Osino in Namibia while expediting the ramp-up to full production at Cardinal Namdini Mining and Changtai Mining.

(2) *Lean operation and control*

To deepen lean operation and management control, the Company has firmly established a lean management philosophy centered on “full participation, collaborative efficiency, and continuous improvement”, systematically enhancing its refined management capabilities and cost control level to drive comprehensive growth in operational efficiency. By strengthening lean coordination across the entire industrial chain from procurement and production to management and the supply chain, the Company is committed to building an integrated operation system featuring seamless business integration and smooth, efficient processes. It has fully implemented a systematic management and control model covering the entire process of “geology, surveying, mining, beneficiation, and smelting”, deepened the integration of technology and management, as well as production and operations, to achieve simultaneous improvements in operational efficiency and economic returns. In 2025, the mining enterprise continued to optimize its production systems, completed related investments of approximately RMB2,530 million and executed 67,300 meters of engineering work. Through optimized organization and processes, it achieved comprehensive annual efficiency gains of approximately RMB100 million.

(3) *Technology and innovation-driven model*

The Company insists on in-depth implementation of the innovation driven development strategy, attaches great importance to improving independent innovation capabilities, and continues to increase investment in technological innovation focusing on the critical common technical challenges that urgently need to be addressed in the current development of the gold industry. In 2025, the Company won one first prize for provincial scientific and technological progress, and received a total of 43 awards from the China Gold Association and the China Non-ferrous Metals Association. Led or participated in the formulation of 9 standards with 9 provincial-level or above scientific research projects under development. Two independently developed technological achievements of it, recognised for their outstanding innovation and industry-leading status, have been successfully included in the “2025 List of Enterprises and Products for Shandong Province’s First-of-a-Kind Technical Equipment and Key Core Components”. Leveraging the key theories and technologies for intelligent collaborative construction of transparent sinking of three ultra-deep diameter vertical shafts, the Company successfully completed the 2,000-meter-deep auxiliary shaft at the Sanshandao Gold Mine, which is the deepest large-diameter vertical shaft in Asia, marking a new milestone in deep underground mining within China’s gold industry.

(4) *Safe and green development*

The Company has thoroughly carried out the three-year action to tackle the root causes of safety production, accelerating the adoption of mechanization, automation, and intelligent technologies to continuously enhance intrinsic safety levels. The Company has remained committed to integrating green and low-carbon development principles throughout the entire process of mining development and utilization. It has established and improved a long-term management mechanism for green mine construction, revised the green mine (exploration and factory) construction management measures and standards, and raised construction benchmarks to set industry examples. In 2025, the “Xinhui Company Flotation Tailings Backfilling Heiyangshan Project” was officially designated as the first and only pilot project in Shandong Province for backfilling with bulk solid waste in the field of tailings utilization, marking a key breakthrough in addressing the challenge of comprehensive tailings utilization. Seven entities, including the Sanshandao Gold Mine, were honored with the municipal titles of “Zero-Waste Mine” and “Zero-Waste Factory”, laying a solid foundation for comprehensively promoting the Company’s green and high-quality development.

**3. *Analysis on Situation of the Company’s Industry during the Reporting Period***

(1) *Industry Development*

The development of the gold industry has always been deeply intertwined with the complex and volatile global landscape. In 2025, driven by multiple factors such as heightened uncertainty in geopolitical conflicts and the weakened credibility of the U.S. dollar, market risk aversion intensified and global de-dollarization transactions gained momentum, further highlighting the strategic value and financial attributes of gold. Central banks of various countries continued to increase their gold reserves, driving robust growth in gold investment demand, and both domestic and international gold prices repeatedly reached record highs.

During the Reporting Period, risks in the international political and economic landscape intensified. On one hand, the United States exerted pressure on other countries through measures such as high tariffs, leading to a reshaping of the global economic and trade order and an escalation in strategic rivalries between nations. The situation in Ukraine remained deadlocked, while the Middle East experienced recurring turmoil. On the other hand, escalating debt risks in the United States, coupled with heightened monetary easing expectations resulting from challenges to the Federal Reserve’s independence, further undermined confidence in U.S. dollar assets.

During the Reporting Period, gold prices exhibited a significant upward trend. In 2025, the international spot gold price ranged from the highest of US\$4,550/ounce to the lowest of US\$2,614/ounce, with a maximum volatility of US\$1,936/ounce, and closed at US\$4,318/ounce at the end of the year, up by approximately 65% as compared to the closing price of US\$2,624/ounce at the end of last year. The contract price of Shanghai Gold Exchange Au (T+D) in China reached the highest of RMB1,017.19/g and the lowest of RMB618.42/g, with a maximum volatility of RMB398.77/g, and closed at RMB974.39/g at the end of the year, representing an increase of approximately 58% over the closing price of RMB614.82/g at the end of last year.

During the Reporting Period, total global gold demand experienced modest growth but domestic gold demand fell. According to statistics of the World Gold Council, total global gold demand in 2025 reached 5,002 tonnes, representing a year-on-year increase of approximately 0.81%. Global central bank gold purchases amounted to 863 tonnes, with purchase scale remaining at a relatively high level historically. Among them, the People's Bank of China increased its gold holdings by 26.75 tonnes during the year, bringing its total gold reserves to 2,306.32 tonnes. According to the statistics of the China Gold Association, China's gold consumption in 2025 was 950.096 tonnes, representing a year-on-year decrease of 3.57%, among which, gold jewelry of 363.836 tonnes, representing a year-on-year decrease of 31.61%; gold bars and gold coins of 504.238 tonnes, representing a year-on-year increase of 35.14%; and industrial and other gold products of 82.022 tonnes, representing a year-on-year increase of 2.32%.

During the Reporting Period, the total amount of gold traded on the domestic gold exchanges recorded significant increase year-on-year. According to the statistics of the China Gold Association, the accumulated unilateral trading volume of all gold products on the Shanghai Gold Exchange in 2025 was 31,400 tonnes, representing a year-on-year increase of 1.02%, with an accumulated unilateral turnover of RMB24.93 trillion, representing a year-on-year increase of 43.89%. The accumulated unilateral trading volume of all gold futures and options on the Shanghai Futures Exchange was 142,200 tonnes, representing a year-on-year increase of 56.10%, with an accumulated unilateral turnover of RMB88.97 trillion, representing a year-on-year increase of 111.93%.

(2) *Analysis on Domestic Gold Production Changes*

During the Reporting Period, the domestic gold production continued to grow year-on-year. According to the statistics of the China Gold Association, the gold produced with domestic raw materials was 381.339 tonnes in 2025, representing a year-on-year increase of 4.097 tonnes or 1.09%; the gold produced from imported raw materials was 170.681 tonnes, representing a year-on-year increase of 13.817 tonnes or 8.81%; and the gold produced from both domestic and imported raw materials totaled 552.020 tonnes, representing a year-on-year increase of 17.914 tonnes or 3.35%.

In 2025, the overseas gold production of China's large scale gold groups grew steadily, with mined gold output reaching approximately 90 tonnes, representing a year-on-year increase of 25%.

(3) *Industry Position of Shandong Gold*

The Company is one of the leading gold producers in China, with abundant reserves of gold resources. The Company has actively advanced exploration, resource expansion, and merger and acquisition integration initiatives. Through measures such as production system optimization, technological innovation, and enhanced technical management, it has continuously increased its gold resources and production output. According to the China Gold Association, in 2024, the Company ranked second among gold mining companies nationwide in terms of mined gold production and net profit; Shanjin International, of which the Company is a controlling shareholder, ranked sixth among listed gold mining companies nationwide in terms of mined gold production in 2024, and fourth in terms of net profit.

In 2025, the Company produced 48.89 tonnes of mineral gold, representing a year-on-year increase of 2.72 tonnes or 5.89%. The Company operated 13 domestic and overseas mines, each with an annual gold production of over 1 tonne. Among which, domestic mines produced a total of 36.31 tonnes of gold, remaining flat year-on-year, thereby sustaining its leading position in gold production from domestic mines among listed domestic gold mining companies. Its overseas mines produced a total of 12.58 tonnes of gold, representing a year-on-year increase of 60.20% and accounting for approximately 13.98% of the total overseas mined gold from large-scale gold groups. This performance further solidified Shandong Gold's advantageous position within the industry.

## (II) DISCUSSION AND ANALYSIS ON OPERATING PERFORMANCE

In 2025, the global precious metals market embraced a historic opportunity amid volatility. Driven by core factors including anticipated Federal Reserve rate cuts, heightened geopolitical risks, and a wave of gold purchases by global central banks, the international gold price surged by over 60% throughout the year, continuously refreshing historical highs. This ushered in an unprecedented golden era for the gold industry. Confronted with this historic market trend, Shandong Gold astutely assessed the situation, anchoring itself to the goal of high-quality development. Forging ahead with resolve and courage, the Company proactively assumed responsibilities, took decisive actions, and steadily advanced all initiatives to ensure tangible results, successfully bringing the “14th Five-Year Plan” to a fulfilling conclusion.

### *1. Steady improvements were achieved in production and operational efficiency by focusing on core responsibilities and main businesses*

The Company has focused on its core responsibilities and main businesses, with “stable growth and improve quality and efficiency” as its core objectives. It has coordinated and optimized production layouts and scientifically organized production operations, breaking down and assigning task indicators tailored specific strategies for each enterprise. This approach has enabled its mining enterprises to maintain stable production, meet capacity targets, expand capacity, and increase output, while its other enterprises have optimized their layouts, expanded markets, and enhanced revenues. The Company has thus sustained a positive trajectory of steady growth with continuous quality improvement. In 2025, the Company had the gold mine production volume of 48.89 tonnes, representing a year-on-year increase of 2.72 tonnes or approximately 5.89%; it achieved operating income of RMB104.287 billion, representing a year-on-year increase of RMB21.769 billion or 26.38%; it achieved total profit of RMB9.089 billion, representing a year-on-year increase of RMB3.407 billion or 59.95%; the net profit attributable to shareholders of the listed company was approximately RMB4.739 billion, representing a year-on-year increase of approximately RMB1.787 billion or 60.57%; weighted average return on net assets was 15.59%, representing a year-on-year increase of 4.74 percentage points; and basic earnings per Share was RMB0.94, representing an increase of RMB0.37 compared with RMB0.57 per share in the same period of the previous year.

## ***2. Strengthening resource and project support to continuously solidify the foundation for long-term development***

Pursuing both independent exploration and resource acquisitions, the Company has consolidated a solid resource foundation for its long-term development. Throughout the year, the Company invested a total of RMB810 million in exploration, completing 717,000 meters of exploration projects, and increasing 81 tonnes of gold metal in exploration. The newly added resource quantity for the year significantly exceeded the resource quantity consumed in production, among these, Sanshandao Gold Mine, Jiaojia Gold Mine, and Qinghai Dachaidan achieved an increase of 8.3 tonnes, 7.5 tonnes, and 17.6 tonnes of gold metal, respectively. As of the end of 2025, the Company's retained resources and reserves of gold metal amounted to 2,054.33 tonnes (calculated based on the Company's attributable equity interest).

Construction of key projects was accelerated with enhanced efficiency. Throughout the year, the Company obtained 76 permits and related approvals, with a cumulative planned investment of RMB2,997.68 million in infrastructure construction projects. The Sanshandao auxiliary shaft project successfully completed sinking and lining, leading China's mining industry into the "era of deep earth" at the 2,000-meter level. Among the five main shaft engineering projects designed for the Jiaojia Mining Area (integrated) gold resource development and utilization project, four have successfully completed sinking and lining. Construction of supporting facilities is now advancing in an orderly manner. For the Xincheng Gold Mine resource integration and development project, the main control shaft engineering has been completed, and its supporting facilities are under construction. The Company efficiently advanced the trial production and production ramp-up at the Namdini Gold Mine project of Cardinal. Overall production performance is stable and improving. Construction of the Twin Hills Gold Project at Osino in Namibia commenced in 2025 and is expected to commence production in the first half of 2027.

## ***3. Refining management practices drove steady improvements in operational quality and efficiency***

The Company has intensified efforts to optimize its production systems, innovate mining, beneficiation and smelting techniques, and upgrade key equipment. It promoted intensive and efficient mining methods such as medium-deep hole and large-section mining, shared advanced experience in filling quality management, and advanced breakthroughs in technological areas including deep shaft mining, pre-selection and discarding, and comprehensive utilization of tailings, thereby improving its comprehensive resource utilization rate. In 2025, the Company's beneficiation volume (heap leach) increased by 42.74%. The recovery rate of comprehensive processing and smelting improved by 0.32 percentage point, leading to a simultaneous enhancement

in operational efficiency and profitability. The Company further advanced its special initiative to reduce costs and enhance efficiency, achieving a 0.21 percentage point year-on-year decrease in average financing costs. Precision efforts in capital operations culminated in the successful completion of H Share top-up placing, raising HK\$3,901 million. With the formulation of its Market Value Management System, the Company established a comprehensive market value management framework that enabled scientific, systematic, standardized, and effective practices. As a result, the market capitalizations of both Shandong Gold and Shanjin International reached record highs.

#### ***4. Core innovation capabilities continuously enhanced by technology-driven transformation***

The Company has placed great emphasis on the driving role of technological innovation, investing RMB1,025 million in R&D throughout the year, a year-on-year increase of 18.69%. Its innovation investment continued to strengthen. The Company has deepened strategic cooperation with universities and scientific research institutes, advancing breakthroughs in key technologies such as ultra-deep shaft construction, refractory ore processing, paste backfill, and tailings reduction. The Company had 9 provincial-level or above scientific research projects under development. It had 8 “Specialized, Refined, Differential, and Innovative” enterprises, with one of them joining the first batch of innovation consortia of Shandong provincial enterprises, continuously improving its innovation ecosystem. The Company achieved remarkable results in the commercialization of research outcomes and patent applications. In 2025, it was granted 117 invention patents and 5 overseas patents. The project “Key Technologies for Intelligent Filling and Green Mining in Metal Mines” was honored with the First Prize for Provincial Scientific and Technological Progress and was recognized as one of the Top Ten Scientific and Technological Achievements of Provincial Enterprises in 2025, effectively addressing the challenges of intelligent backfilling and green mining of metal mine tailings as well as comprehensive utilization of tailings, and providing technical support and engineering references for the green mining and high-quality development of metal mines in China. The Company has accelerated its digital and intelligent transformation. It formulated a three-year action plan for “Artificial Intelligence+” and participated in the development of multiple industry standards, including those for digital workshops in the gold sector. A total of 38 typical intelligent application scenarios were established. The Sanshandao Gold Mine was selected for the Ministry of Industry and Information Technology’s 2025 National 5G Factory List. Changtai Mining completed the construction of the China’s first intelligent photoelectric sorting workshop in the gold industry. The Company’s intelligent lifecycle management system for equipment was recognized as one of the “Top Ten Typical Artificial Intelligence Application Scenarios” by the Shandong Provincial State-owned Assets Supervision and Administration Commission.

**5. *Fortifying risk control defenses to maintain overall stability in corporate development***

Adhering firmly to the fundamental goal of “consolidating the foundation for safe development and achieving a leap in intrinsic safety”, the Company diligently carried out the three-year campaign to tackle the root causes of safety production. It invested RMB1.219 billion in special safety funds, continuously advanced special rectification of hidden disaster-causing factors, and strictly implemented the measures of full support right up to the tunnel face in excavation operations. The Company installed intelligent warning and control devices for personal injury prevention on 2,308 trackless vehicles, implemented the principle of “no operation without monitoring” across 658 workfaces and completed the establishment of self-operated excavation teams for its mines within the Shandong Province. The Company maintained a stable safety production record throughout the year. Ecological and environmental protection efforts have been continuously strengthened, with the Company investing RMB275 million in environmental funds. A total of 26 operating mines have been included in the national or provincial green mine list, and seven organizations, including the Sanshandao Gold Mine, have been awarded municipal-level titles such as “Zero-Waste Factory”. Xinhui Company was designated as the only pilot unit in Shandong Province for backfilling and rehabilitation of tailings pits, further highlighting its commitment to green development. The Company strengthened its economic responsibility audits, special audits, and legislation work, established a comprehensive compliance management system and completed 109 compliance reviews for major decisions.

**6. *Following the guidance of Party building to forge strong synergies for high-quality development***

The Company has consistently prioritized its political building under the Party’s leadership and deeply carried out and implemented learning and education on the spirit of the Central Eight Provisions, leveraging a strong work style to stimulate momentum and vitality for reform and development. The Company has solidified its foundational work to enhance Party building, achieving deep integration between Party building initiatives and production operations. It has continuously strengthened the construction of talent teams, adhering to a hierarchical personnel allocation combining experienced, middle-aged and young talents, and accelerating the building of a high-quality professional talent team. The Company has recruited and introduced 13 high-level talents, added two new model workers nationwide, two chief technicians in Qilu and four provincial technical experts. Two employees have been awarded the Shandong Provincial May 1st Labor Medal, and one team has been awarded the Shandong Province Workers’ Pioneer. The Company has continuously intensified the rectifying of work style and discipline, refining a comprehensive “big supervision” system. It has strengthened oversight and enforcement concerning “key minorities”

and critical areas, fostering a clean and upright political environment. The historical legacy of “130,000 taels of gold sent to Yan’an” has been featured on the Xinhua News Agency’s ideological and political education platform. This revolutionary legacy, passed down through generations, has forged a powerful synergy driving corporate development.

### **(III) ANALYSIS ON THE CORE COMPETITIVENESS DURING THE REPORTING PERIOD**

#### ***1. Strategic Advantage***

The Company firmly embraces the theme of high-quality development, fully and accurately implements the new development philosophy in a comprehensive manner, and is guided by value creation. It continues to deepen reforms, strengthen innovation-driven initiatives, and fully leverages its leading role in driving the high-end, intelligent, green, and safe development of the gold industry. Adhering to the principles of cooperative sharing and contributing to society, the Company strives to build itself into a world-class gold mining enterprise renowned for its technological and managerial excellence and sustainable development.

#### ***2. Advantage in Resources***

The Company has been upholding the concept of “resource first” in an unswerving manner, closely aligning with the requirements of the new round of strategic actions for mineral exploration breakthroughs. It has accelerated resource exploration and development, increased reserves and production, and continuously strengthened its resource production support capabilities. Focusing on the periphery and the deep part of the existing mines, the Company increased the investment in exploration, and the annual additional resources from exploration provided strong impetus and resource support for the sustainable development of the mines. The Company continued to advance its resource acquisition strategy and accelerated the exploration progress of newly acquired projects, striving to achieve new breakthroughs in mineral exploration. In 2025, the Company secured the exploration right for the Yinma River Gold Mine detailed survey in Xihe County, Gansu Province, thereby laying the foundation for further development of the Gansu resource base. Shanjin International completed the acquisition of 52.07% equity interests in Yunnan Western Mining Co., Ltd. (雲南西部礦業有限公司). The controlling subsidiary of Shanjin International, Mangshi Huasheng Gold Mine Development Co., Ltd. (芒市華盛金礦開發有限公司), acquired an exploration right in the vicinity. As of the end of 2025, the Company retained resource reserves of 2,054.33 tonnes of gold metal (calculated based on the proportion of interest held by the Company).

### **3. *Scale Advantage***

The Company is mainly engaged in the development and utilization of gold mineral resources. Strategically located in the Laizhou and Zhaoyuan regions of Shandong Province, the world's third-largest gold-rich area, it leverages a unique geographical advantage and superior gold resource endowment, boasting ultra-large reserve bases. In 2024, there were 42 independent mines in China producing more than one tonne of gold, of which the Company owned 11, accounting for a quarter of the total. In 2025, it owned a total of 13 mines with an annual production of more than 1 tonne of gold and four mines among six gold mining companies with the cumulative gold production exceeding 100 tonnes in the country, Jiaojia Gold Mine, Sanshandao Gold Mine, Xincheng Gold Mine and Qinghai Dachaidan have been on the list of China Top Ten Mines in Gold Production for several consecutive years, and Jiaojia Gold Mine, Sanshandao Gold Mine and Xincheng Gold Mine have been on the list of China Top Ten Mines in Gold Economic Efficiency for several consecutive years. Shandong Gold Smelting Co., Ltd. boasts a daily processing capacity of 1,200 tonnes of gold concentrate, with an annual refining capacity of 100 tonnes of standard gold and 50 tonnes of silver per year, enjoying a leading position among the national top ten smelting and refining enterprises for many years. In recent years, the Company has accelerated the construction of a world-class gold production base in the Jiaodong region, actively promoted the application of cutting-edge technologies such as big data, AI+ and 5G in mining enterprises, and expedited the construction of intelligent mining areas in major mines. These efforts have significantly advanced the Company's transformation from a traditional industry to an intelligent development trajectory.

### **4. *Advantage in Scientific and Technological Innovation***

The Company adhered to problem orientation for its scientific and technological innovation work, concentrating on key industry development directions such as deep resource exploration and development, intelligent mine construction, and green mine development. Through scientific project initiation and goal orientation, the Company consolidated superior resources to conduct collaborative research, continuously enhancing its core technological capabilities. During the period of the "14th Five-Year Plan", the Company's cumulative R&D investments have reached RMB3,816 million, representing 1.82 times the amount invested during the period of the "13th Five-Year Plan", with an average of approximately 300 technology projects initiated annually. In 2025, the Company continued to advance its technological innovation initiatives. Among these, significant breakthroughs were achieved in the intelligent

mineral discovery technology system, marked by the completion of 1,000-tonne big data collection for the gold cluster in the northwest of Jiaodong Peninsula and the establishment of the region's first intelligent exploration demonstration base. Sanshandao Gold Mine took the lead in a deep shaft construction project jointly tackled by five scientific research units, successfully completing the sinking and lining of Asia's deepest shaft. This milestone marks a new era for China's mining industry, ushering in development at depths of 2,000 meters underground. In 2025, the Filling Laboratory led the application for the "Key Technology for Intelligent Filling and Green Mining of Metal Mines", which was honored with the first prize of Science and Technology Progress Award of Shandong Province. This achievement was also concurrently selected as one of the "Top Ten Scientific and Technological Achievements" for 2025 among enterprises supervised by the State-owned Assets Supervision and Administration Commission of Shandong Province. As of the end of 2025, the Company held a total of 1,242 valid patents.

## 5. *Talent Advantage*

Adhering to an open and inclusive talent philosophy, the Company firmly upheld the candidate selection and appointment principle of "morality first, equal stress on integrity and ability, emphasis on actual performance and public recognition". Focusing on building three talent teams in management, technology, and skill, the Company built a robust talent hub through multi-dimensional efforts, including platform establishment, targeted cultivation and introduction, mechanism innovation, and ecological optimization. The Company flexibly introduced top-tier talents in geology, mining, and other sectors to play a leading role. It deepened cooperation with universities such as Northeastern University to jointly cultivate master's and doctoral students in engineering, thereby strengthening its core technical workforce. The Company established an integrated model combining self-assessment and skills competitions, innovatively developing a self-evaluation system for vocational skills specific to unique types of gold mining industry, thereby filling a gap in the national industry and cultivating outstanding industrial workers. Regular recruitment campaigns were conducted for campus hires, industrial workers, and high-caliber talents to continuously optimize the age and structure of its workforce. The Company continuously facilitated the selection and appointment mechanism, and promoted the construction of young cadres team; improved the professional and technical position and rank system and smoothed the career development channels for professional and technical personnel, and leveraged key projects to strengthen the development of scientific and technological research team of talents, driving breakthroughs in core technologies and the efficient transformation of achievements.

## 6. *Brand Advantage*

The Company firmly established and actively practiced the development philosophy that “lucid waters and lush mountains are invaluable assets”. Adhering to ecological conservation and green development, it integrated green and low-carbon concept into the entire process of developing and utilizing mineral resources. The Company comprehensively promoted the coordinated protection and systematic governance of mountains, rivers, forests, farmlands, lakes, grasslands, and deserts, and advanced its “Double Carbon” initiatives in a steady and orderly manner, continuously improving its green and low-carbon development level, further burnishing the brand image of “Shandong Gold · Ecological Mining”. The Company was included into the Shanghai Stock Exchange 50 Index, the Shanghai Stock Exchange 180 Index, as well as three major international indices, namely the MSCI Indices, FTSE Russell and S&P Dow Jones Indices for multiple times. In 2025, it was honored with several awards, including the Tianma Award for Investor Relations Management, Top 100 Most Valuable Companies Listed on the Main Board, and the “Shanghai Securities News Eagle · Golden Quality” – Corporate Governance Award. Its relevant experiences and practices were also selected as outstanding cases in categories such as Best Practice Case of Investor Relations Management of Chinese Listed Companies, Best Practice Case of Sustainable Development, and Best Practice Case of the Board of Directors, as organized and evaluated by the China Association for Public Companies. The Wind ESG rating of the Company has been upgraded to Grade A, and the Company has been rated Grade A for information disclosure by the Shanghai Stock Exchange for eight consecutive years.

### **(IV) MAJOR OPERATIONS DURING THE REPORTING PERIOD**

In 2025, the Company produced 48.89 tonnes of mine-produced gold, representing a year-on-year increase of 2.72 tonnes or 5.89%. The primary reasons for this growth were as follows: overseas mine production increased by 4.73 tonnes year-on-year, representing an increase of 60.20%; the breakthroughs in domestic production continuity projects at Sanshandao Gold Mine, Jinzhou Company and Guilaizhuang Mining enhanced their production capabilities; production at the Linglong mining area of the Linglong Gold Mine resumed and ramped up, further unleashing its production potential; technological transformations at Changtai Mining facilitated capacity release; and higher processing grades at Jinchuan Mining and Heihe Luoke contributed to increased production.

## Key Mines' Gold Production in 2025

Name of organization	Interest held	Mine-produced gold (kg)	Mine-produced gold on equity basis (kg)
Sanshandao Gold Mine	100%	7,171	7,171
Jiaojia Gold Mine	100%	5,550	5,550
Linglong Gold Mine	100%	2,219	2,219
Xincheng Gold Mine	100%	4,700	4,700
Penglai Mining	100%	300	300
Yinan Gold Mine	100%	390	390
Xinhui Company	100%	701	701
Laixi Company	100%	318	318
Jinzhou Company	100%	1,469	1,469
Guilaizhuang Mining	70.65%	810	572
Chifengchai Mine	73.52%	1,161	853
Fujian Yuanxin Gold Mine	90.31%	173	156
Xihe Zhongbao Gold Mine	70%	1,057	740
Jinchuan Mining	100%	2,355	2,355
Changtai Mining	70%	300	210
Qinghai Dachaidan	26.00%	3,126	813
Jilin Banmiaozi	27.45%	2,251	618
Heihe Luoke	28.89%	2,261	653
<b>Domestic total</b>		<u>36,311</u>	<u>29,788</u>
Veladero Gold Mine	50.00%	7,157	7,157
Cardinal	85.00%	5,424	4,610
<b>Overseas total</b>		<u>12,580</u>	<u>11,767</u>
<b>Total of the Company</b>		<u><u>48,892</u></u>	<u><u>41,555</u></u>

Note: As of 31 December 2025, the Company owned 70.65%, 73.52%, 90.31%, 70% and 70% of equity interests of Guilaizhuang Gold Mine, Chifengchai Mine, Fujian Yuanxin Gold Mine, Xihe Zhongbao Gold Mine and Changtai Mining respectively; the Company held 28.89% equity interests of Shanjin International, and Shanjin International held 90%, 95% and 100% of equity interests of Qinghai Dachaidan, Jilin Banmiaozi and Heihe Luoke respectively. The Company held 50% equity interests in the Veladero Gold Mine (the Company consolidated the production of the Veladero Gold Mine at 50%. The mine's gold production as presented in the table above has been calculated accordingly on a 50% basis). The Company owns 100% equity interests in Cardinal, which in turn owns 85% equity interests of subsidiaries, namely Cardinal Namdini Mining Limited and Cardinal Ghana Limited.

**1. TABLE OF MOVEMENT ANALYSIS FOR RELATED ITEMS IN FINANCIAL STATEMENTS**

*Unit:RMB*

<b>Items</b>	<b>Amount for the current period</b>	<b>Amount for the corresponding period of last year</b>	<b>Change in percentage (%)</b>
Operating revenue	<b>104,287,391,583.12</b>	82,517,993,538.30	26.38
Operating costs	<b>82,949,651,366.17</b>	68,902,025,733.03	20.39
Selling expenses	<b>167,202,418.53</b>	184,583,367.35	-9.42
Administrative expenses	<b>3,614,114,140.13</b>	2,855,068,490.35	26.59
Financial expenses	<b>1,909,719,033.44</b>	2,288,180,225.57	-16.54
R&D expenses	<b>992,891,266.26</b>	770,411,080.33	28.88
Net cash flows generated from operating activities	<b>21,492,754,843.56</b>	13,339,797,529.06	61.12
Net cash flows generated from investment activities	<b>-13,608,699,528.09</b>	-22,800,866,386.85	N/A
Net cash flows generated from financing activities	<b>-1,874,583,169.05</b>	11,003,954,286.27	-117.04
Tax and surcharges	<b>2,220,005,304.24</b>	1,296,133,009.19	71.28
Investment income	<b>-569,716,494.06</b>	-174,987,410.11	N/A
Gain on changes in fair value	<b>-1,496,140,744.54</b>	-252,892,347.40	N/A
Asset impairment loss	<b>-798,911,209.53</b>	-50,270,909.80	N/A
Non-operating expenses	<b>374,356,056.75</b>	98,093,284.66	281.63

Explanation of changes in operating revenue: The increase in operating revenue was mainly due to the increase in both sales volume and selling price of self-produced gold during the period, as well as the increase in the selling price of purchased gold and finished gold;

Explanation of changes in operating costs: The increase in operating costs was mainly due to the increase in the costs of both self-produced and purchased gold during the period;

Explanation of changes in selling expenses: The decrease in selling expenses was mainly due to the decrease in sales commissions during the period;

Explanation of changes in administrative expenses: The increase in administrative expenses was due to the increase in staff remuneration and intermediary fees;

Explanation of changes in financial expenses: The decrease in financial expenses was mainly due to the decrease in interest expenses and exchange losses;

Explanation of changes in R&D expenses: The increase in R&D expenses was mainly due to the increase in R&D investment by subsidiaries;

Explanation of changes in net cash flows generated from operating activities: The increase in net cash flows generated from operating activities was mainly due to the increase in net cash inflows generated from purchasing and sales activities during the period;

Explanation of changes in net cash flows generated from investment activities: The increase in net cash flows generated from investment activities was mainly due to the decrease in cash paid for the acquisition of long-term assets and investments during the period;

Explanation of changes in net cash flows generated from financing activities: The decrease in net cash flows generated from financing activities was mainly due to the decrease in cash received from borrowings during the period.

Explanation of changes in tax and surcharges: The increase in tax and surcharges was mainly due to the increase in resource tax following the commencement of production of overseas subsidiaries.

Explanation of changes in investment income: The decrease in investment income was mainly due to the increase in losses arising from gold futures trading and T+D business of subsidiaries during the period.

Explanation of changes from fair value gains and losses: The decrease in changes from fair value gains was mainly due to the decrease in the fair value of other non-current financial assets of subsidiaries at the end of the period during the period.

Explanation of changes in asset impairment loss: The increase in asset impairment loss was mainly due to the goodwill impairment recognized by the Company and the provision for impairment of fixed assets recognized by its subsidiaries during the period.

Explanation of the changes in non-operating expenses: The increase in non-operating expenses was mainly due to the late payment fees on taxes paid by the subsidiaries and losses from written off of fixed assets during the period.

## 2. ANALYSIS OF ASSETS AND LIABILITIES

### (1) Status of assets and liabilities

Unit: RMB

Items	Closing balance for the current period	Closing balance for the current period as a percentage of total assets (%)	Closing balance for the corresponding period of last period	Closing balance for the corresponding period of last period as a percentage of total assets (%)	Period-on-period change of the closing balance (%)	Explanations
Monetary capital	17,491,068,240.14	10.27	11,077,274,906.35	6.89	57.90	It was mainly due to the subsidiary receiving gold sales proceeds and redeeming wealth management products at the end of the period
Financial liabilities held for trading	2,593,509,746.86	1.52	3,749,373,193.21	2.33	-30.83	It was mainly due to the decrease in wealth management products held by subsidiaries
Construction in progress	6,642,718,850.94	3.90	10,604,445,075.41	6.60	-37.36	It was mainly due to the transfer of construction in progress to fixed assets by subsidiaries during the period
Right-of-use assets	341,273,486.56	0.20	212,065,851.77	0.13	60.93	It was mainly due to the increase in leased land by subsidiaries during the period
Development expenditures	38,020,943.43	0.02	17,797,553.43	0.01	113.63	It was mainly due to the increase in research and development investment by subsidiaries during the period
Deferred income tax assets	1,842,679,939.10	1.08	921,755,853.93	0.57	99.91	It was mainly due to the asset impairment provision recognized by subsidiaries and the fair value change on financial assets held for trading during the period

Items	Closing balance for the current period	Closing balance for the current period as a percentage of total assets (%)	Closing balance for the corresponding period	Closing balance for the corresponding period as a percentage of total assets (%)	Period-on-period change of the closing balance (%)	Explanations
Other non-current assets	2,367,603,059.44	1.39	1,752,536,677.28	1.09	35.10	It was mainly due to the increase in prepaid project costs, equipment costs, and long-term inventories by subsidiaries during the period
Derivative financial liabilities	37,071,358.85	0.02	9,934,794.49	0.01	273.15	It was mainly due to the increase in commodity option contracts of subsidiaries compared to the beginning of the period
Notes payable	6,096,277,395.81	3.58	2,867,623,523.83	1.78	112.59	It was mainly due to the increase in bill settlements by subsidiaries compared to the beginning of the period
Contract liabilities	694,202,457.74	0.41	427,135,295.37	0.27	62.53	It was mainly due to the increase in advances received by subsidiaries compared to the beginning of the period
Taxes payable	2,465,244,007.37	1.45	962,099,132.81	0.60	156.24	It was mainly due to the increase in accrued but unpaid taxes of subsidiaries
Non-current liabilities due within one year	11,034,124,071.95	6.48	6,898,133,097.49	4.29	59.96	It was mainly due to the reclassification of long-term borrowings due within one year to non-current liabilities
Accrued liabilities	1,586,038,453.58	0.93	1,119,105,218.62	0.70	41.72	It was mainly due to the increase in the mine environmental restoration provision of subsidiaries compared to the beginning of the period
Other comprehensive income	-82,673,744.69	-0.05	117,680,305.51	0.07	-170.25	It was mainly due to the increase in exchange differences arising from translation of subsidiaries' foreign currency financial statements

(2) *Overseas assets*

Overseas assets were RMB27.609 billion, accounting for 16.21% of the total assets.

### 3. ANALYSIS OF INVESTMENTS

#### (1) Overall analysis on external equity investment

During the Reporting Period, the Company acquired 70% equity interests in Changtai Mining and paid RMB60 million as the final transfer consideration in accordance with the Equity Transfer Agreement signed with all shareholders of Changtai Mining in 2024. Upon the payment of the equity transfer consideration, the acquisition has been fully completed.

The Company funded and established Shandong Gold Materials Co., Ltd. (山東黃金物資有限公司), which operates under a low-profit business model. It centralizes the procurement, unified allocation and professional management of materials within Shandong Gold, thereby enhancing operational efficiency and management level. This initiative continuously reduces procurement costs, optimizes inventory management, and realizes the full-process management for centralized procurement operations. The registered capital of the company is RMB100 million, with an investment of RMB50 million was completed during the Reporting Period.

(a) Key Equity Investments

Unit: RMB10 thousand

Invested company	Major businesses	Mainly engaged in investment business	Investment method	The amount invested	Shareholding	Whether consolidating the financial statements	Statement account (if applicable)	Source of capital	JV partners (if applicable)	Investment horizon (if any)	Progress as of the balance sheet date	Estimated earnings (if any)	Impact on the profit and loss during the period	Whether involved in litigation	Disclosure date (if any)	Disclosure index (if any)
Inner Mongolia Shanjin Mining Co., Ltd. (內蒙古金山銀業有限公司)	Mining and processing of gold and silver; mining development; processing and sales of mineral products; mining engineering construction; sales of mining machinery.	Yes	Acquisition	6,000	70%	Yes	Long-term equity investment	Self-financing	Natural person	Long term	Completed the merger and acquisition		No	12 March 2024	"Announcement on Resolutions of the Fifty-sixth Meeting of the Sixth Session of the Board of Directors of the Company"	
Shandong Shanjin Materials Co., Ltd. (山東山金物資有限公司)	Mainly responsible for material supply and logistics services, providing integrated services such as procurement, warehousing and distribution for both internal and external operations of the Company.	Yes	Newly established	5,000	100%	Yes	Long-term equity investment	Self-financing		Long term	The registered capital of the company is RMB100 million, with an investment of RMB50 million was completed		No	29 August 2024	Announcement on Resolutions of the Sixty-fifth Meeting of the Sixth Session of the Board of Directors of the Company"	
Total	/	/	/	11,000	/	/	/	/	/	/	/	/	/	/	/	/

(b) Key Non-equity Investments

No.	Project name	Total project investment amount (RMB100 million)	Progress of project	Amount completed during the Reporting Period (RMB100 million)	Cumulative amount completed (RMB100 million)	Revenue of project
1	Jiaojia mining area (integration) gold resources development project	82.73	The mixing shaft in the north area, the main shaft in the south area, the auxiliary shaft in the south area, the 2# air return shaft and other parts of the main control project were completed, and the tunnel of the project is under construction.	5.7	14.3	After the project is completed and reaches capacity, the estimated ore production and processing capacity will be 6.6 million tonnes per year, and the average annual production of flotation gold concentrate will be 29,06 tonnes (gold content of 18,854 kg/year).
2	Xincheng Gold Mine resources integrated development project	39.5	The main shaft in mining area I, the auxiliary shaft in mining area II, the air return shaft and other parts of the main control project were completed, and the supporting engineering construction is in progress.	3.7	10.42	After the project is completed and reaches capacity, the estimated annual ore processing capacity will be 2.64 million tonnes, and the average annual production of flotation gold concentrate will be 119,600 tonnes (gold content of 7,771 kg/year).

No.	Project name	Total project investment amount (RMB100 million)	Progress of project	Amount completed during the Reporting Period (RMB100 million)	Cumulative amount completed (RMB100 million)	Revenue of project
3	Expansion project of 2,000t/d of mining and beneficiation in Chifeng Chathulanzi Gold Mining Co., Ltd.	3.05	The auxiliary shaft and air shaft of the main control project were completed, the second phase of tunnel development project is under construction, and the equipment and facilities are being installed.	0.43	2.78	After the project is completed and reaches capacity, it is estimated to produce 600,000 tonnes of ore per year.
4	Namibia Twin Hills gold mine mining and beneficiation project	36.54	The project is currently undertaking the construction of a tailings dam, a 3.66 KV transmission line and an 11 KV substation, the realignment of the D1491 road, pre-stripping for mining operations, and the construction of a camp.	9.55	9.55	The project is scheduled for completion in September 2027. It is designed to have a production capacity of 5 million tonnes/year, with a construction period of two years. The mine will be operated as an open-cast operation and, once operational, is expected to produce 5 tonnes of gold annually.

(2) *Financial assets measured at fair value*

*Unit: RMB10 thousand*

Asset class	Opening balance	Gains and losses from changes in fair value in the current period	Cumulative changes in fair value included in equity	Impairment accrued in the current period	Purchase amount of the current period	Amount sold/ redeemed in current period	Other changes	Closing balance
Stocks	445,679.14	-117,262.07	-	-		253.92	-88.29	328,074.86
Trust products	51,797.68	1.11	-	-		1.11	-100.00	51,697.68
Private equity	163,307.49	11,898.58	-	-	44,208.34	15,779.07	-20.00	203,615.34
Futures	191.91	-9,369.89	-	-	20,638.06	10,789.89	-94.89	575.30
Derivatives	-993.48	-17,796.36	-	-	-64,579.79	-66,102.88	13,575.75	-3,691.00
Others	165,185.05	-17,085.44	-	-	1,215,429.00	1,356,566.01	110.00	7,072.60
Receivables financing	8.00		-	-			526.14	534.14
Total	825,175.79	-149,614.07	-	-	1,215,695.61	1,317,287.12	13,908.71	587,878.92

*Note:* Other categories of financial assets are mainly the entrusted wealth management products held by SDG Capital Management, a wholly-owned subsidiary of the Company, and its subsidiaries, and Shanjin International, a holding subsidiary of the Company, and its subsidiaries.

a) Investment in securities

Unit: RMB10 thousand

Types of securities	Stock code	Abbreviation of securities	Initial investment cost	Source of funds	Opening carrying amount	Gains and losses from changes in fair value in the current period	Cumulative changes in fair value included in equity	Purchase amount of the current period	Investment profit and loss in the current period	Closing carrying amount	Accounting items
Stocks	601899	Zijin Mining	5,000.00	Self-owned funds	6,866.57	7,341.77	-	14,208.34	10,934.73	-	Financial assets held for trading
Stocks	600022	Shandong Iron and Steel	5,000.00	Self-owned funds	261.1	-7.18	-	253.92	-126.03	-	Financial assets held for trading
Funds	/	/	3,100.00	Self-owned funds	18,069.09	9,582.13	29,208.34	-	509.16	56,859.56	Financial assets held for trading
Others	/	/	500	Self-owned funds	2,137.85	383.62	-	-	-	2,521.47	Financial assets held for trading
Total	/	/	13,600.00	0.00	27,334.61	17,300.34	29,208.34	14,462.26	11,317.86	59,381.03	

## Description of securities investment

The wholly-owned subsidiary of SDG Capital Management, Shanjin Shanjinquan (Shanghai) Private Equity Fund Management Co., Ltd. (“**Jinquan Private Equity Fund**”), is a private securities investment fund manager registered with the Asset Management Association of China. Shanjin Futures Co., Ltd. (“**Shanjin Futures Company**”) is a securities and futures operating institution approved for establishment by the state council’s futures regulatory authority and is an asset management plan manager registered with the China Futures Association, possessing investment advisory qualifications. Jinquan Private Equity Fund and Shanjin Futures Company can conduct investments and asset management by establishing private funds and asset management plans.

The securities investment projects under the fund category are the Shanjin Jinyuan No.1 Private Securities Investment Fund and the Shanjin Jinyuan No.2 Private Securities Investment Fund, which are independently managed by Jinquan Private Equity Fund; the securities investment project under the other category is the Caitong Fund Antai No.5 Single Asset Management Plan, which is 100% held by Jinquan Private Equity Fund, with the company holding investment decision-making rights and being consolidated.

### b) Investment in private equity fund

SDG Capital Management is a private equity and venture capital fund manager registered with the Asset Management Association of China (AMAC), and Jinquan Private Equity Fund is a private equity fund manager registered with AMAC. They can invest and manage assets by setting up private equity funds. As of the end of the Reporting Period, the balance of investment in self-managed consolidated private equity funds of which SDG Capital Management and its wholly-owned subsidiaries, namely Jinquan Private Equity Fund, Shanjin Futures and Jinquan Investment Management Company (金泉投資管理公司), acted as managers with an investment proportion exceeding 30% or non-managers with an investment proportion reaching 100%, amounted to RMB2.014 billion.

c) Investment in derivatives

During the Reporting Period, the Company had derivative investments for hedging purposes:

During the Reporting Period, in order to avoid the impact of price and exchange rate fluctuations on production and operation and ensure the continuity and stability of the Company's operating results, the Company and its subsidiaries (excluding Shanjin International) carried out futures and derivatives trading for the purpose of hedging within the limits considered by the Board and the general meeting: the margin and credit of financial institutions occupied by the Company and its subsidiaries (excluding Shanjin International) for self-produced gold futures and derivatives trading business in 2025 did not exceed the authorization limit of RMB0.5 billion or its equivalent value in other currencies as considered and approved, and the maximum contract value did not exceed the authorization limit of RMB3.5 billion or its equivalent value in other currencies as considered and approved; the margin and credit of financial institutions occupied by other futures and derivatives trading businesses did not exceed the authorization limit of RMB0.6 billion or its equivalent value in other currencies as considered and approved, and the maximum contract value did not exceed the authorization limit of RMB4.2 billion or its equivalent value in other currencies as considered and approved; the maximum contract value of the gold leasing and hedging business did not exceed the authorization limit of RMB21.9 billion or its equivalent value in other currencies as considered and approved (for details, please refer to the Announcement on Commencement of Futures and Derivatives Transactions in 2025 of Shandong Gold Mining Co., Ltd. and Announcement on Commencement of Gold Leasing and Hedging Business in 2025 of Shandong Gold Mining Co., Ltd. disclosed by the Company on 27 March 2025).

During the Reporting Period, subject to the limits considered by the Board, Shanjin International, a controlling subsidiary of the Company, carried out derivatives trading business to reduce the impact and risks arising from price and exchange rate fluctuations on the Company's production and operation and ensure the continuity and stability of the Company's operating performance, so as to further enhance the Company's production and operation level and risk resistance capability. The maximum contract value held on any trading day of the derivatives trading business did not exceed RMB9 billion or its equivalent value in other currencies as considered and approved, and the amount of trading margin used did not exceed RMB0.7 billion or its equivalent value in other currencies as considered and approved at any trading day (for details, please refer to the Announcement on Derivative Trading Business Conducted by a Subsidiary of Shanjin International, a Controlling Subsidiary of Shandong Gold Mining Co., Ltd. disclosed by the Company on 19 December 2024).

The accounting policies, specific principles of accounting for hedging business during the Reporting Period, and explanations of whether there are significant changes compared with the previous Reporting Period	In accordance with the Ministry of Finance's Accounting Standards for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments, Accounting Standards for Business Enterprises No. 37 - Presentation of Financial Instruments, Accounting Standards for Business Enterprises No. 39 - Fair Value Measurement, and other relevant provisions and guidelines, the Company has conducted corresponding accounting treatment for its derivative trading business, which is reflected in relevant items on the balance sheet and profit and loss statement. As the Company does not meet the applicable conditions of Accounting Standards for Business Enterprises No. 24 - Hedge Accounting, it has not yet applied hedge accounting for the time being. During the Reporting Period, the accounting policies and specific accounting principles for hedging business did not undergo significant changes compared with the previous Reporting Period.
Explanation on actual profit and loss during the Reporting Period	In order to reduce the impact and risks of price and exchange rate fluctuations on the Company's production and operation, the Company carried out highly liquid futures and derivatives transactions that are related to its main business and similar to the Company's products within the scope of its authorisation and in accordance with operational requirements and all transactions conducted are backed by physical business activities. During the Reporting Period, the Company's futures and derivatives transactions were generally offset by spot value movements, thereby achieving the purpose of hedging.
Description of hedging effect	The futures and derivatives transactions that the Company engages in are linked to products it manufactures and sells and foreign exchange. These activities have effectively hedged against the risks of commodity price and exchange rate fluctuations, safeguarded the financial security of the Company and the profitability of its main business, and achieved the expected risk management objects.
Source of funds for investment in derivatives	Self-owned funds, self-raised funds and credit facilities from financial institutions. No funds raised have been used to engage in futures and derivatives trading.

Risk analysis of positions in derivatives during the Reporting Period and explanations of risk control measures (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)

The Company and its subsidiaries conduct futures and derivative transactions in compliance with the principles of legality, prudence, security and effectiveness. These activities are always aimed at mitigating the impact and risks of price and exchange rate fluctuations on the Company's production and operations, with risk control as the top priority. No speculative trading is carried out under the guise of hedging, and all transactions are backed by actual business backgrounds. Nevertheless, certain risks remain during operations: 1. Operational Risk: Hedging activities are highly specialized and complex. Inadequate internal control mechanisms, transaction system failures, or human operational errors may give rise to risks. 2. Market Risk: Due to significant fluctuations in the futures and derivatives market, there may be instances where the price movements of futures or derivatives may not align with those of the spot market, which could reduce or even nullify the effectiveness of hedging and affect the intended hedging results. 3. Capital Risk: Futures trading operates on a margin and daily mark-to-market system. In the event that the exchange significantly increases trading margin or market movements persistently move against the Company's positions, the Company may need to promptly add margin or settlement reserves, which could expose the Company to capital liquidity risk. The contracts held by the Company may be subject to forced position closure if there is insufficient trading margin or if margin calls are not met in a timely manner. 4. Credit risk: In the course of business operations, there is a risk that a counterparty may default and fail to fulfill the transaction as agreed, thereby causing losses to the company. Risk control measures: 1. The Company has formulated relevant management systems, including the "Self-produced Gold Hedging Management Measures" and the "Bulk Trade Business Hedging Management Measures", which provide clear provisions regarding business principles, organizational structure and responsibilities, operational procedures, risk management and control, information disclosure, and confidentiality and records management, thereby continuously enhancing the Company's internal control. 2. The Company has established a well-defined organizational structure and deployed professional teams to conduct specialized research, decision-making, and trading operations, with clearly defined responsibilities for the relevant personnel. Meanwhile, the Company has implemented trading, communication, and information service facilities and systems that meet the required standards to ensure the effective execution of futures and derivatives transactions. 3. The Company implements strict authorization management, ensuring that trading scale, varieties, and tenor remain strictly within approved limits, with no transactions exceeding authorization or limits. The Company enforces a segregation of duties system and has established dedicated clearing and risk control positions to promptly assess the performance of hedging operations and continuously monitor changes in futures and derivatives prices, thereby ensuring proper capital management and control. 4. The Company trades futures and derivatives on the Shanghai Gold Exchange, the Shanghai Futures Exchange, the New York Metal Exchange and other legitimate exchanges. The counterparties selected for over-the-counter trading are large qualified commercial banks, investment banks and other financial institutions or risk management companies, effectively avoiding credit risks related to trading. 5. The Company has established a reporting system for significant matters, under which business personnel regularly report the status of business operations to the Company's management. Any abnormalities identified are promptly escalated, with risks highlighted and the corresponding risk alert mechanism activated based on the specific circumstances.

Changes in market price or product fair value of derivatives invested during the Reporting Period, where specific methods and relevant assumptions and parameters used shall be disclosed in the analysis of derivatives' fair value

Fair value changes are determined at the end of each month based on the prevailing exchange market prices.

Litigation Involvement (if applicable)

Nil

Disclosure Date of Board Announcement Regarding Derivative Investment Approval (if any)	On 19 December 2024, the Company disclosed the Announcement on Derivative Trading Business Conducted by a Subsidiary of Shanjin International, a Controlling Subsidiary of Shandong Gold Mining Co., Ltd. On 27 March 2025, the Company disclosed the Announcement on Commencement of Futures and Derivatives Transactions in 2025 of Shandong Gold Mining Co., Ltd. and Announcement on Commencement of Gold Leasing and Hedging Business in 2025 of Shandong Gold Mining Co., Ltd.
Disclosure Date of Shareholders' Meeting Announcement Regarding Derivative Investment Approval (if any)	On 11 June 2025, the Company held the general meeting, at which the Resolution Regarding the Company Conducting Gold Leasing and Gold Hedging Portfolio Business in 2025 and the Resolution Regarding the Company Conducting Futures and Derivatives Transactions in 2025 were considered and approved.

#### 4. **LIQUIDITY AND CAPITAL RESOURCES**

The Group requires liquidity for expansion of its mining and processing businesses, exploration activities and acquisition of exploration and mining permits. Major sources of capital of the Group are, including but not limited to, cash generated from operating activities, bank financing, bonds issued or to be issued, and placement of share capital. The liquidity of the Group depends, to a large extent, on the cash generated from its operating activities, its ability to repay debts as and when the debts fall due, and its requirements for future operating and capital expenditure.

#### 5. **COMMITMENTS**

As of 31 December 2025, the Group's commitments amounted to RMB1,270,448,300, the specific details are as follows:

<b>Project</b>	<b>Amount at the end of the year (RMB0'000)</b>	<b>Amount at the beginning of the year (RMB0'000)</b>
Contracted but not recognized in the financial statements		
– Commitment to acquisition and construction of long-term assets	81,576.26	13,376.10
– Significant labour contracts	<u>45,468.57</u>	<u>77,901.31</u>
<b>Total</b>	<b><u>127,044.83</u></b>	<b><u>91,277.41</u></b>

*Note:* Commitment to acquisition and construction of long-term assets and significant labour contracts refer to equipment purchase contracts, construction contracts, etc., that are signed by the Company and its subsidiaries and have not yet been fully executed.

## 6. **GEARING RATIO**

Gearing ratio is defined as the ratio of consolidated total debt to consolidated total equity. As of 31 December 2025, the Group's consolidated total debt was RMB105,994.53 million, and the Group's consolidated total equity was RMB64,379.63 million. As of 31 December 2025, the Group's gearing ratio was approximately 164.64%.

## 7. **RESTRICTIONS ON MAIN ASSETS AS OF THE END OF THE REPORTING PERIOD**

*Unit: RMB*

<b>Items</b>	<b>Carrying amount as of the end of the year</b>	<b>Reasons for restrictions</b>
Monetary funds	630,104,596.84	Security deposits for notes
Monetary funds	389,811,718.76	Futures margin
		Security deposits for land reclamation and environmental governance
Monetary funds	355,684,350.68	Margin deposit for letter of credit
Monetary funds	100,000,000.00	Others
Monetary funds	21,536,395.66	Trading margin
Inventories	57,870,923.07	Advanced security deposit for exploration rights
Other non-current assets	<u>1,329,800.00</u>	
<b>Total</b>	<b><u>1,556,337,785.01</u></b>	

## 8. **MAJOR INVESTMENT, MAJOR ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

Save as disclosed in this announcement, during the Reporting Report, the Group had no major investments, nor major acquisitions or disposals of subsidiaries, associates and joint ventures.

## **9. PLEDGE OF ASSETS**

As of 31 December 2025, the Group did not have any other material pledge of assets, save as disclosed in this announcement.

## **10. CONTINGENT LIABILITIES**

As of 31 December 2025, the Group had no material contingent liabilities.

## **11. INFORMATION ON MAJOR SUPPLIERS AND CUSTOMERS**

For the year ended 31 December 2025, the Group's sales to the top five customers amounted to RMB80.026 billion, representing 76.74% of the total sales for the year. Additionally, the Group's sales to the single largest customer, Shanghai Gold Exchange, accounted for 64.54% of the total sales for the year.

For the year ended 31 December 2025, the Group's procurement from its top five suppliers amounted to RMB31.541 billion, representing 38.62% of the total procurement for the year. Additionally, the Group's procurement from the single largest supplier accounted for 11.35% of the total procurement for the year.

For the year ended 31 December 2025, to the knowledge of the Company, none of the Directors, their close associates, or Shareholders (who to the knowledge of the Company hold more than 5% of the issued Shares of the Company) had any interests in the Company's top five suppliers or customers.

## (V) DISCUSSION AND ANALYSIS ON THE COMPANY'S FUTURE DEVELOPMENT

### 1. *Landscape and Development Trend in the Industry*

#### (1) *Competitive landscape in the industry*

The current international landscape is marked by intertwined turmoil and upheaval, with economic globalization facing severe shocks and local wars and cross-border conflicts occurring frequently. This has further elevated the strategic importance of gold resources. Competition within the gold industry has shifted from a simple race for production volume to a comprehensive contest of strength encompassing resource control, industrial chain integration, and global layout. Internationally, overseas mining companies are accelerating consolidation, leading to further industry concentration. Gold Fields (金田公司), a leading global company, acquired the Gruyere gold mine in Australia through its purchase of Gold Road Resources Ltd. (金路資源公司). Coeur Mining, Inc. (科達倫礦業公司) acquired New Gold Inc. (新黃金公司), becoming one of North America's major precious metals producers. Domestically, on the one hand, ongoing optimization of national mining policies has solidified the foundation for high-quality development in gold mining enterprises. In June 2025, nine departments, including the Ministry of Industry and Information Technology, formally issued the Implementation Plan for High-Quality Development of the Gold Industry (2025-2027), which encourages deeper overseas cooperation and injects new momentum into enhancing the quality and efficiency of domestic gold mining enterprises. In November 2025, the Ministry of Finance and the State Taxation Administration issued the Announcement on Tax Policies Related to Gold (《關於黃金有關稅收政策的公告》), with the new tax policies driving market resources to further concentrate on leading enterprises operating in compliance. On the other hand, China's mining companies are actively expanding their overseas gold resources. However, with rising gold prices and intensifying competition in resource acquisitions, the costs of mergers and acquisitions in the gold industry have also increased accordingly.

Currently, amid the reshaping of the global political and economic landscape, the demand for physical gold remains robust. Firstly, from the geopolitical perspective, the Trump administration's policy initiatives, which continuously break with the traditional international order, are steadily undermining the United States' international standing and national credibility while intensifying great power game. As uncertainty in the global geopolitical situation increases, the "sense of insecurity" felt by governments and market investors regarding the situation will boost safe-haven demand. Secondly, from the economic performance perspective, as the effects of monetary easing gradually materialize and fiscal spending intensifies, the global economy may enter a phase of recovery. However, against the backdrop of geopolitical tensions and rising protectionism, the overall pattern of global economic recovery with unstable foundation and weak momentum has not changed substantively. Finally, from the monetary policy perspective, although the escalation of geopolitical conflicts in the Middle East drove a transient rise in oil prices, thereby raising market concerns over a resurgence of inflation, such sustainability lacks strong support; simultaneously, given the high level of U.S. debt risk, the structural weakness in the labor market and the change in leadership at the Federal Reserve, it is expected that the Federal Reserve will find it difficult to alter the overall accommodative monetary policy stance, and liquidity in global financial markets will remain ample.

(2) *Industry development trend*

In recent years, China's gold enterprises have actively responded to and thoroughly implemented the national new round of strategic action for mineral exploration breakthroughs. They are continuously increasing investment in geological exploration to strengthen domestic resource security. Simultaneously, through cross-border mergers and acquisitions and resource integration, they are proactively deploying high-quality global resources, driving further concentration of gold resources among leading companies and continuously enhancing industry consolidation. Concurrently, the gold industry remains committed to innovation-driven development. Large gold enterprises, in particular, are continuously strengthening their independent innovation capabilities, accelerating the transformation of scientific achievements into practical productivity, and actively practising responsible gold mining concepts. They are comprehensively advancing green mine construction and low-carbon transformation, leading the gold industry toward a path of green, safe, and efficient high-quality development.

## **2. *Development Strategies of the Company***

The Company will give full play to the leading role of large gold enterprises, and balance high-quality development with high-level security. With the core focus on accelerating the development of new quality productive forces, and driven fundamentally by deepening reforms and technological innovation, we will steadfastly practice the green, innovative, and lean development concepts. We will optimize the allocation of domestic and international resources, accelerate the construction progress of infrastructure mine enterprises, and promote the capacity stabilization and increase of in-production mine enterprises. This will ensure the rapid and efficient release of overall production capacity in key regions, comprehensively improving operational efficiency and profitability. Guided by the principles of intelligence, green practices, and internationalization, we will build benchmark intelligent and green mines, create exemplary intelligent smelting projects, and improve comprehensive solid waste utilization capabilities. These efforts will drive transformations in quality, efficiency, and momentum, enabling higher-quality and more sustainable development. We will foster a collaborative and win-win industrial ecosystem, optimizing the entire value chain from resource exploration and extraction to product application. By synergizing technological innovation with institutional innovation to enhance our technological leadership and industrial synergy, we will participate in global competition and cooperation at a higher level. We always adhere to the concept of repaying Shareholders, bravely undertake social responsibilities, and strive to build the Company into a world-class gold mining enterprise with global competitiveness and outstanding main business advantages, excellent corporate governance and excellent value creation ability.

The Company commenced the formulation of its “15th Five-Year Plan” in 2025. As of the date of this announcement, it is accelerating the preparation of sub-plans for each business segment and specialized functional plans. Upon completion of the “15th Five-Year Plan”, the Company will make corresponding disclosures in a timely manner.

### 3. *Operation Plans*

In 2026, the production and operation plan determined by the Company is that the gold output is no less than 49 tonnes. (The plan is formulated based on the current economic situation, market conditions and the production and operation of the Company. It serves as a guiding indicator for the Company and involves uncertainties. It does not constitute a commitment to achieve production targets, and the Company will make appropriate adjustments in a timely manner in light of developments.)

Main measures to be taken in 2026:

(1) *Striving for stable and increased production, achieving new breakthroughs in enhancing resource guarantee capability*

We will persist in making stable and increased production the primary task, focus on consolidating the foundation, expand new increments, and cultivate new drivers. Focusing on capacity release, we will, in accordance with the principle of “stabilizing existing stock, expanding increments, and curbing decrements”, promote the optimization of layouts in infrastructure mines, tap into their potential, and ensure stable and high production. Focusing on resource continuity, we will launch a new round of prospecting breakthroughs and resource acquisition initiatives. Internally, we will intensify exploration efforts in the peripheries and deep sections of mines to increase reserves through exploration. Externally, we will advance the merger, acquisition, and integration of high-grade gold mining projects to create a strategic reserve pool of gold resources.

In 2026, we will focus on project construction, coordinate the construction progress of projects under development and accelerate the implementation of proposed projects. We will expedite the construction progress of key projects such as the deep section project of the Sanshandao Gold Mine Mining and Processing Project (Capacity and Boundary Expansion), the Jiaojia Mining Gold Mine Resource Development and Integration Project, the Xincheng Gold Mine Resource Integration and Development Project, and the Twin Hills Gold Mine Project of Osino in Namibia. We will strive to obtain the approval for the Sanshandao Gold Mine 15,000 tonnes/day mining and processing expansion project in 2026, facilitating the early formation of production capacity and generation of returns from these projects.

(2) *Focusing on value creation, taking new steps in promoting quality changes in development*

We will integrate the new development philosophy throughout the entire production and operation process, comprehensively enhancing operational quality and management efficiency to achieve connotative development led by value creation. We will deepen cost reduction and efficiency enhancement across the entire value chain, strengthen cost control across all personnel, all elements, and the whole lifecycle, optimize mining methods according to specific enterprise conditions, promote advanced mineral processing technologies, strictly control discretionary expenses, reduce comprehensive financing costs, manage cash flow and the scale of “two golds”, focus on optimizing the “five rates”, reducing the “five fees”, lowering the cash cost per gram of gold, and to hedge against the impact on costs arising from the continuously increasing depth of mine extraction and the transition from outsourced construction to self-operated operations. We will comprehensively strengthen investment management, strictly enforce investment plan reviews, special investment risk control, and post-investment evaluations to enhance the level of whole-process investment management.

(3) *Focusing on reform and innovation, forging new advantages in cultivating new quality productive forces*

We will strengthen the guiding role of technological innovation, optimize the allocation of scientific and technological resources, and increase investment in fundamental research. We will concentrate efforts on tackling key technologies in key areas such as intelligent and efficient mining theory and technology, multi-hazard perception and prevention in deep gold mines, green utilization of solid waste and low-grade ore from gold mines, and deep metallogenic mechanisms and reserve enhancement in gold mines. We will promote all links of the whole chain, from technological breakthroughs to the transformation of achievements. We will accelerate the implementation of the “Artificial Intelligence (AI) +” action, promoting the in-depth application of AI and large model technologies in the mining sector. With the construction of “intelligent mining areas” as the core and the development of “benchmark enterprises” as the guide, we will comprehensively advance the intelligent upgrade of mining production processes. We will promote a batch of replicable and easily scalable typical scenarios in areas such as intelligent exploration, intelligent mining, intelligent mineral processing, and intelligent smelting.

(4) *Focusing on risk prevention and control, consolidating new support for securing the baseline of safe development*

We will firmly establish the concept of safe development, comprehensively improve the full-staff, whole-process, and full-chain risk prevention and control system, and safeguard high-quality development with a high level of safety. We will resolutely hold the line on safety in production, implement a project to enhance safety control, complete the three-year “addressing root causes to consolidate gains” campaign for safe production, strengthen source management of hidden dangers and safety management of self-operated teams, expand the coverage of intelligent early warning devices, and promote intelligent equipment to increase the mechanization rate of mining operations. We will resolutely uphold the red line for ecological and environmental protection, implement the action plan for peaking carbon emissions, control energy consumption and carbon emissions, carry out comprehensive solid waste management, tackle key environmental protection technologies, consolidate the achievements of green mining construction, and highlight the foundation for ecological mining development. We will resolutely defend the line of compliant operations, strengthen audit supervision to achieve full coverage on a rolling three-year basis, reinforce the construction of a law-based enterprise and compliance management system, and standardize the review of major decisions.

(5) *Focusing on Party building, achieving new results in fostering a clean and upright political ecosystem*

We will persist in strengthening Party building with political construction as the guide, accelerate the formation of a new pattern for Party building work, advance full and rigorous Party governance in depth, and provide a strong guarantee for the high-quality development of the enterprise. We will continuously consolidate the foundation of primary-level Party organizations, effectively run the “Shandong Gold Lecture Hall” and special training courses, implement a training project on the Party’s innovative theories, and promote the deep internalization of the Party’s innovative theories in the minds of our people. We will continuously build a strong contingent of cadres and talented individuals, make coordinated use of cadres of all ages, improve the talent introduction, cultivation, and evaluation system, carry out targeted introduction of high-end talents, smooth multi-channel development paths, and build a high-quality echelon of cadres and talents. We will continuously and rigorously enforce discipline and fight corruption, consolidate the achievements of the Central Eight-Point Regulations, create a model of a “clean and honest state-owned enterprise”, improve the “grand supervision” system, and strengthen disciplinary warning and education. We will continuously consolidate the synergy for unity and progress, improve the employee care and incentive system, and enhance employees’ sense of gain and happiness.

- (6) *Focusing on corporate governance, achieving new leaps in continuously improving the quality of the listed company*

Adhering to standardized operations as the core guiding principle, we will continue to improve the corporate governance system, continuously enhance the Company's level of standardized operation and the quality of information disclosure, strictly adhere to the baseline of compliant operations, and consolidate the foundation for the high-quality development of the listed company. We will deepen investor relations management, proactively strengthen positive interaction with investors, regulatory authorities, and all parties in the capital market, promptly respond to market concerns, convey confidence in the Company's development, and build market consensus. We will deeply practice the concept of sustainable development across multiple dimensions, continuously improve the ESG governance system, strengthen control across all dimensions of environment, society and governance, promote sustainable development practices with high standards, and comprehensively enhance the Company's future-oriented sustainable development capabilities and core competitiveness. We will attach great importance to shareholder returns, systematically advance market value management work, and strive to actively reward all shareholders with the achievements of high-quality development, achieving coordinated development and mutual benefit and symbiosis among the Company, its Shareholders, and society.

#### **4. *POSSIBLE RISKS***

The Company has strengthened its organizational leadership, clearly defining the risk management responsibilities of the Board of Directors, management, and various departments and positions. Adhering to the standards of "standardization and prudence", it has established a whole-process, full-chain risk prevention and control work system and mechanism to effectively prevent and resolve various risks.

Investors are reminded to note: The Company has identified the principal risks and adopted response measures. However, due to limitations imposed by various factors, it cannot absolutely guarantee the elimination of all adverse influences.

(1) *Energy Conservation and Environmental Protection Management Risk*

Against the backdrop of increasingly stringent policies, regulations, and regulatory oversight in the realm of ecological and environmental protection-particularly the higher demands for accelerating the green and low-carbon transition under the “dual carbon” policy, the Company’s capacity for green and high-quality development still requires further enhancement. Should any major environmental pollution incident, violation of energy conservation and environmental protection laws or regulations, or exposure as a typical negative case occur, it would have a significant impact on the Company’s healthy and sustainable development as well as its social image.

Countermeasures: Guided by the principle of “Party and government sharing the same responsibility and each holding dual responsibilities for their duties”, we strictly implemented the ecological and environmental protection responsibility system and the full-staff ecological and environmental protection responsibility agreements. We established and improved a comprehensive, practical, and effective ecological and environmental protection institutional system, responsibility system, and assessment and evaluation system. We strengthened the ecological and environmental protection organizational structure and talent team, enhanced personnel education and training, and built a professional technical and management team. We increased environmental protection investment and strengthened the whole-process management of environmental protection projects to ensure their effective implementation. We fully implemented precise, science-based, and lawful pollution control, and collaboratively promoted carbon reduction, pollution reduction, green expansion, and economic growth. We enhanced the investigation and management of ecological and environmental hidden dangers and implemented special activities for the standardized whole-process management and comprehensive utilization of solid waste. We strengthened scientific and technological innovation in the environmental protection field, focusing precisely on areas such as the whole-process reduction and green resource utilization of tailings and cyanide residues, mine water treatment and utilization, non-cyanide and low-cyanide green gold extraction, and refined control of fugitive dust emissions. We strengthened energy conservation and consumption reduction management, carried out enterprise energy consumption benchmarking evaluation and verification work, and promoted the informatization of enterprise energy management. We strengthened the construction of an emergency response system for environmental incidents, organizing all enterprises to timely formulate (or revise) emergency response plans for environmental incidents, strengthened drills, stockpiled adequate emergency supplies, and enhanced our capacity for emergency prevention.

(2) *Production Safety Accident Risk*

With the continuously increasing regulatory requirements from governments at all levels, higher demands are placed on the enterprise's safety management. Since the Company's mines are primarily underground operations, they are affected by factors such as natural conditions, deep well mining, the level of technology, personnel quality, and industry objective conditions. The Company still has certain deficiencies in areas such as the implementation of safety production responsibilities, investigation and governance of hidden dangers, upgrading of equipment and facilities, and safety education and training. This results in a risk of production safety accidents, which hinders the Company's goal of achieving intrinsic safety. If an incident involving personal injury, death, or property damage occurs, it would have a serious impact on the Company's production and operation, brand and social reputation.

Countermeasures: We enhanced our political stance and persisted in prioritizing safety above all else. We revised various safety production management systems, solidified the full-staff safety responsibility system by signing safety production responsibility agreements at all levels, and improved the safety competence of safety management personnel and operators to lay a solid foundation for safety management. We strengthened source prevention, solidified the construction of standardized safety production, deepened and consolidated the achievements of the three-year "addressing root causes to consolidate gains" action, and improved the safety production management system centred on the dual prevention mechanism of safety risk classification and control and hidden danger investigation and management. We accelerated the advancement of risk prevention and control for deep well mining, carried out systematic rectification of hidden dangers in key areas such as hoisting transportation and electromechanical equipment, strengthened the investigation and management of hidden disaster-causing factors, and promoted the construction of intelligent mines through "replacing manual operations with mechanization, reducing manpower through automation, and achieving unmanned operations via intelligence", continuously enhancing the intrinsic safety level of our mines.

(3) *Resource Acquisition Risk*

As competition for global mineral resources intensifies, coupled with increasingly stringent resource control and industry regulatory policies in certain countries, and changes in the market environment that have pushed asset valuations to high levels, transaction costs and the complexity of M&A implementation have risen further. This presents certain challenges for the Company in terms of resource acquisition and M&A integration, which may have an adverse impact on the replenishment of the Company's resource reserves and the sustained expansion of its production capacity.

Countermeasures: We continued to intensify exploration efforts on self-owned mining rights, and closely focused on the deep and surrounding parts of mines to consistently enhance resource confidence, expanded our advantages in production capacity and resource scale. We accelerated the mineral exploration process of primary mining rights and constantly achieved breakthroughs in mineral discovery. By strengthening the leading role in science and technology, we achieved new breakthroughs in theories of ore formation and prospecting and regional exploration. We strengthened the mergers and acquisitions of mining rights in important mineralization belts, aligned with national resource strategies, accelerated our global expansion efforts, and continuously increased the proportion of resource reserves outside the province and abroad.

(4) *Risks of Fluctuation in Product Prices*

The Company's main product is gold, and its price fluctuation directly affects the operating performance. Persistent uncertainties in the global policy environment, the prolonged nature of geopolitical conflicts, coupled with adjustments in national monetary, fiscal, industrial regulatory, and regional development policies of major economies may all trigger fluctuations in gold prices. Furthermore, exchange rate fluctuations – particularly changes in the US dollar exchange rate – exhibit a strong correlation with gold pricing, directly influencing its valuation. The interplay of these factors contributes to more complex gold price dynamics, posing ongoing challenges to the stability of the Company's profitability.

Countermeasures: We continuously refined and optimized our research framework for gold prices, further enhancing our analysis and judgment capabilities. We engaged in regular in-depth exchanges with external institutions to comprehensively improve our ability to analyze and judge price trends. By closely monitoring market developments, we explored the use of appropriate hedging instruments and formulated diversified strategies and reduced the risk of adverse impacts on the Company caused by price fluctuations.

## (VI) ANALYSIS ON BUSINESS OPERATING INFORMATION OF THE INDUSTRY

### *1. Major industry policy changes during the Reporting Period*

- (1) On 12 March 2025, to thoroughly implement Xi Jinping Thought on Ecological Civilization and the important directives of General Secretary Xi Jinping on safeguarding national energy and resource security, the Office of the New Round of Strategic Actions for Mineral Exploration Breakthroughs under the Ministry of Natural Resources, in accordance with the Guiding Opinions on Strengthening Equipment Development for the New Round of Strategic Actions for Mineral Exploration Breakthroughs, has formulated the First List of Upgraded, Developed, Promoted and Replaced Mineral Exploration Equipment, encouraging relevant entities to accelerate the upgrading, development, promotion and replacement of mineral exploration equipment.
- (2) On 13 March 2025, the National Mine Safety Administration issued the Specifications for the Access of Perceptual Data in Metal and Non-metal Underground Mines (Trial) to strengthen and regulate the networking of perceptual data in metal and non-metal underground mines.
- (3) In April 2025, the Central Committee of the Communist Party of China and the State Council issued the Regulations on the Work of Ecological and Environmental Protection Inspections to uphold and strengthen the Party's overall leadership over the development of an ecological civilization and ecological and environmental protection, and to further advance the inspection work of ecological and environmental protection.
- (4) On 4 March 2025, the Notice of the Department of Natural Resources of Shandong Province, the Shandong Provincial Department of Finance, the Department of Ecology and Environment of Shandong Province, the Department of Emergency Management of Shandong Province, the ShanDong Administration for Market Regulation, the Energy Administration of Shandong Province, the Shandong Bureau of the National Financial Regulatory Administration, and the Shandong Bureau of the China Securities Regulatory Commission on Issuing the Measures for the Administration of Green Mine Construction in Shandong Province (Lu Zi Ran Zi Gui [2025] No. 4) was issued, which came into effect on 1 April 2025 and shall be valid until 31 March 2030.

- (5) On 26 March 2025, to promote the high-quality development of the gold industry, nine departments, including the Ministry of Industry and Information Technology, the National Development and Reform Commission, the Ministry of Natural Resources, the Ministry of Commerce, the Ministry of Emergency Management, the State-owned Assets Supervision and Administration Commission of the State Council, the General Administration of Customs, the State Administration for Market Regulation, and the National Mine Safety Administration, issued the Implementation Plan for the High-Quality Development of the Gold Industry (2025-2027). The overall requirements of this plan are to coordinate high-quality development with high-level safety, strengthen protective development, high-quality utilization, and standardized management. It is based on resource security guarantees, driven by technological innovation, and guided by standards enhancement to accelerate the advancement of high-end, intelligent, green, and secure industrial development, thereby promoting the high-quality development of the gold industry.
- (6) On 6 June 2025, to fully leverage the supporting and leading role of technological innovation in mineral resources exploration and to promote the widespread application of green and advanced exploration technologies in the new round of strategic action for mineral exploration breakthroughs, the General Office of the Ministry of Natural Resources issued the notice on the Promotion List of Advanced and Applicable Exploration Technologies for the New Round of Strategic Actions for Mineral Exploration Breakthroughs (First Batch) (Natural Resources Office Letter [2025] No. 1340).
- (7) On 29 October 2025, the Ministry of Finance and the State Taxation Administration issued the Announcement on Tax Policies Related to Gold (Ministry of Finance and State Taxation Administration Announcement 2025 No. 11), which took effect on 1 November 2025 and will be implemented until 31 December 2027.
- (8) In accordance with the provisions of the Announcement on Tax Policies Related to Gold (2025 No. 11) issued by the Ministry of Finance and the State Taxation Administration, the State Taxation Administration issued the Announcement on Matters Concerning the Administration of Tax Collection for Gold (Announcement 2025 No. 23 of the State Taxation Administration) on 29 October 2025. This announcement took effect on 1 November 2025.

- (9) To thoroughly implement Xi Jinping Thought on Ecological Civilization and actively promote the conservation, intensive use and efficient utilization of land resources, the General Office of the Shandong Provincial People's Government issued the Implementation Opinions on Strengthening the Intensive and Efficient Use of Land Resources to Support the Province's Green and Low-carbon High-quality Development (Lu Zheng Ban Fa [2025] No. 10) on 27 November 2025.
- (10) In order to thoroughly implement the guiding principles from the 20th National Congress of the Communist Party of China and its previous plenary sessions, we must ground ourselves in the new stage of development, fully and faithfully apply the new development philosophy on all fronts, accelerate efforts to foster a new pattern of development, and coordinate high-quality development with a high level of safety. As at 31 December 2025, in accordance with the Implementation Plan for the High-Quality Development of the Gold Industry (2025-2027) issued by nine departments including the Ministry of Industry and Information Technology, and taking into account the actual development situation of the gold industry in Shandong Province, the Department of Industry and Information Technology of Shandong Province, the Shandong Development and Reform Commission, the Department of Natural Resources of Shandong Province, the Department of Ecology and Environment of Shandong Province, the Department of Commerce of Shandong Province, the Department of Emergency Management of Shandong Province, the State-owned Assets Supervision and Administration Commission of Shandong Province, the Shandong Administration for Market Regulation, Qingdao Customs, and Jinan Customs jointly formulated the Implementation Plan for the High-Quality Development of the Gold Industry in Shandong Province (2025-2027).

## ***2. Significant changes in tax policy during the Reporting Period***

There are no major changes in tax policy in 2025.

## ***3. Resource tax and environmental protection tax***

The subsidiary of the Company had resource tax payable for 2025 amounting to RMB2,022,007,200, with an actual payment of RMB1,857,187,600. The environmental protection tax payable amounted to RMB3,497,500, with an actual payment of RMB3,460,300.

#### **4. Resource tax rate and tax incentives**

According to the Notice on Clarifying the Applicable Rates of Resource Tax in Our Province and Other Related Matters (Min Cai Shui [2020] No. 14) jointly promulgated by the Finance Department of Fujian Province and the Fujian Provincial Taxation Bureau of the State Administration of Taxation, for the extraction of associated minerals, when the sales revenue of associated minerals and the main mineral products are accounted separately, a 30% reduction in the payable resource tax for associated minerals is applied. Fujian Zhenghe County Yuanxin Mining Co., Ltd. (福建省政和縣源鑫礦業有限公司), a subsidiary of the Company, enjoys the aforementioned preferential policy.

In accordance with the provisions of Article 6, Paragraph 2, Item (4) of the Resource Tax Law of the People's Republic of China (Order of the President of the People's Republic of China (No. 33)), which stipulates a reduced resource tax for mineral products mined from depleted mines, Shandong Gold Guilaizhuang Mining Co., Ltd. (山東黃金歸來莊礦業有限公司), a subsidiary of the Company, is eligible for the aforementioned preferential policy.

In accordance with the provisions of Article 7, Item (2) of the Resource Tax Law of the People's Republic of China (Order of the President of the People's Republic of China (No. 33)), which stipulates that resource tax shall be exempted from the exploitation of tailings, Shandong Gold Mining (Xinhui) Co., Ltd., a subsidiary of the Company enjoys the aforementioned preferential policy. According to the Specific Measures for Reduction and Exemption of Resource Tax in Jilin Province under Specific Circumstances jointly promulgated by the Jilin Provincial Department of Finance, the Jilin Provincial Taxation Bureau of the State Administration of Taxation, and the Jilin Provincial Department of Natural Resources, where an enterprise mines co-associated ore and the sales of co-associated ore and main mineral products are accounted for separately, the resource tax shall be reduced by 50% of the tax payable on the silver of co-associated ore. Jilin Banmiaozi Mining Co., Ltd., a subsidiary of the Company, enjoys the aforementioned preferential policy.

According to the Decision of the Standing Committee of the People's Congress of Heilongjiang Province on the Implementation of Authorized Matters of the Resource Tax Law promulgated by the Standing Committee of the People's Congress of Heilongjiang Province, the resource tax shall be levied by taxpayers on the exploitation of co-associated ore and low-grade ore at a reduced rate of 50%, and the resource tax shall be exempted from the exploitation of tailings. Heihe Locke Mining Development Co., Ltd. (黑河洛克礦業開發有限責任公司), a subsidiary of the Company, enjoys the aforementioned preferential policy.

According to the Implementation Plan of Resource Tax Item Tax Rate and Preferential Policy of Qinghai Province jointly issued by Qinghai Provincial Department of Finance and Qinghai Provincial Tax Bureau of the State Administration of Taxation, where taxpayers mine and sell co-associated ore products, the sales of co-associated ore and main mineral products are accounted for separately, and the sales of co-associated ore products account for less than 20% (excluding) of the total sales of taxable mineral products in the current period, the resource tax shall be reduced by 50%. Qinghai Dachaidan Mining Co., Ltd., a subsidiary of the Company, enjoys the aforementioned preferential policy.

## **(VII) ANALYSIS OF OPERATING INFORMATION OF THE NON-FERROUS METALS INDUSTRY**

### ***1. Reserves and resources of self-owned mines***

In March 2020, the State released a new national standard for the Classification of Solid Mineral Resources and Reserves (GB/T17766-2020), which was officially implemented on 1 May 2020 and is basically the same as the resource/reserve classification standard of the Committee for Mineral Reserves International Reporting Standards (CRIRSCO). However, it is slightly different in the estimation method of resources and reserves, the application of 3D ore body model, and the application of mining analysis and simulation software. The 2020 classification standard is applicable to the statistics and release of domestic solid mineral resources, the formulation of relevant technical standards for mineral resource exploration and development, the estimation, evaluation and information disclosure of resources and reserves. NI43-101 and JORC code are internationally accepted codes and standards for resource reserve and project disclosure.

Combined with the national standard for the Classification of Solid Mineral Resources and Reserves (GB/T17766-2020) and in accordance with the internationally accepted NI43-101 standard, the Company's mineral resources and mineral reserves as of 31 December 2025 are summarized as follows:

(1) Table of Gold Resource Reserve

Name of mine	Major type	Resources				Reserves				Gold Remaining resources mining year (year)	Validity period of permits/ mining rights		
		Measured and Indicated (Mt)	Inferred	Total	Grade (g/t)	Gold content (100% basis) (t)	Proven	Probable	Total			Grade (g/t)	Gold content (100% basis) (t)
Sanshandao Gold Mine	Gold	96.75	83.29	180.04	3.81	686.62	-	89.92	3.78	340.29	340.29	18.16	Mining right (2039.5.27)
Jiaojia Gold Mine	Gold	44.47	50.25	94.72	3.34	316.78	-	19.11	3.81	72.74	72.74	4.00	Mining right (2027.8.3)
Xincheng Gold Mine	Gold	18.02	39.98	58.00	3.37	195.72	-	17.06	3.31	56.37	56.37	6.46	Mining right (2032.4.21)

Name of mine	Major type	Resources				Reserves				Gold Remaining resources mining year (year)	Validity period of permits/ mining rights				
		Measured	Indicated	Inferred	Total	Proven	Probable	Total	Gold content (100% basis)			Gold content (equity basis)			
		(Mt)	(Mt)	(Mt)	(g/t)	(g/t)	(g/t)	(Mt)	(g/t)	(g/t)	(t)	(t)	(year)		
Linglong Gold Mine	Gold	-	6.39	6.39	47.77	54.16	2.86	154.65	154.65	-	5.79	2.14	12.39	5.16	Mining right (2028.6.30)
															Mining right (2030.1.20)
															Mining right (2034.9.30)
															Exploration right (2030.4.9)
															Exploration right (2018.5.6) in the process of renewal
Guitaizhuang Gold Mine	Gold	-	0.52	0.52	1.73	2.25	3.46	7.79	5.50	-	0.26	4.01	0.75	0.66	Mining right (2035.4.30)
															Exploration right (2027.3.31)

Name of mine	Major type	Resources				Reserves				Gold Remaining resources (equity mining year) (year)	Validity period of permits/ mining rights			
		Measured	Indicated	Inferred	Total	Proven	Probable	Total	Gold content (100% basis) (t)					
Jimzhou Gold Mine	Gold	1.06	1.06	2.16	2.82	4.88	13.76	13.76	1.16	1.16	3.11	3.60	5.05	Mining right (2033.3.16)
		-	5.86	5.86	3.44	9.29	33.47	33.47	-	5.88	5.88	19.90	17.80	Mining right (2026.1.12)
Xinhui Company	Gold	0.98	0.98	1.49	2.47	2.00	4.96	4.96	0.98	0.98	1.73	1.69	2.96	Mining right (2031.8.3)
Laixi Company	Gold	1.70	1.70	2.86	4.56	6.02	27.44	27.44	1.48	1.48	4.83	7.15	2.99	Mining right (2031.11.29)
Penglai Gold Mine	Gold	1.75	1.75	4.05	5.80	1.54	8.90	8.90	1.65	1.65	1.33	2.20	2.79	Mining right (2029.7.9)
Yinan Gold Mine	Gold	-	1.75	1.75	5.80	1.54	8.90	8.90	-	1.65	1.33	2.20	2.79	Mining right (2034.7.9)
		-	1.75	1.75	4.05	5.80	8.90	8.90	-	1.65	1.33	2.20	2.79	Mining right (2031.7.15)

Name of mine	Major type	Resources				Reserves				Gold Remaining resources mining year (year)	Validity period of permits/ mining rights					
		Measured	and Indicated	Inferred	Total	Proven	Probable	Total	Grade							
		Measured	Indicated	Inferred	Total	Gold content (100% basis) (t)	Gold content (equity basis) (t)	Gold content (100% basis) (t)	Gold content (equity basis) (t)	Grade (g/t)	Proven (Mt)	Probable (Mt)	Total (g/t)	Gold content (equity basis) (t)	Remaining resources mining year (year)	Validity period of permits/ mining rights
Chifengchai Mine	Gold	0.97	0.97	0.74	1.70	5.14	3.78	1.02	2.77	2.84	2.08	1.71	2.84	2.08	1.71	Mining right (2028.12.8)
		-	0.97	0.74	1.70	5.14	3.78	1.02	2.77	2.84	2.08	1.71	2.84	2.08	1.71	Mining right (2030.3.26)
		-	0.97	0.74	1.70	5.14	3.78	1.02	2.77	2.84	2.08	1.71	2.84	2.08	1.71	Mining right (2030.12.13)
		-	0.97	0.74	1.70	5.14	3.78	1.02	2.77	2.84	2.08	1.71	2.84	2.08	1.71	Exploration right (2026.2.14)
		-	0.97	0.74	1.70	5.14	3.78	1.02	2.77	2.84	2.08	1.71	2.84	2.08	1.71	Exploration right (2027.12.9)
		-	0.97	0.74	1.70	5.14	3.78	1.02	2.77	2.84	2.08	1.71	2.84	2.08	1.71	Exploration right (2028.2.14)
		-	0.97	0.74	1.70	5.14	3.78	1.02	2.77	2.84	2.08	1.71	2.84	2.08	1.71	Exploration right (2029.4.2)
		-	0.97	0.74	1.70	5.14	3.78	1.02	2.77	2.84	2.08	1.71	2.84	2.08	1.71	Exploration right (2030.12.29)
Fujian Yuanxin Gold Mine	Gold	0.19	0.19	0.19	0.38	2.44	2.20	0.18	4.60	0.84	0.76	1.00	0.84	0.76	1.00	Mining right (2028.9.14)
		-	0.19	0.19	0.38	2.44	2.20	0.18	4.60	0.84	0.76	1.00	0.84	0.76	1.00	Mining right (2029.6.21)
		-	0.19	0.19	0.38	2.44	2.20	0.18	4.60	0.84	0.76	1.00	0.84	0.76	1.00	Exploration right (2026.4.16)

Name of mine	Major type	Resources				Reserves				Gold Remaining resources	Validity period of permits/ mining year	Remaining resources (year)			
		Measured	Indicated	Inferred	Total	Proven	Probable	Total	Grade						
		(Mt)	(Mt)	(Mt)	(Mt)	(100% basis)	(100% basis)	(100% basis)	(100% basis)	(100% basis)	(g/t)	(g/t)	(t)	(year)	(t)
Xihe-Zhongbao Gold Mine	Gold	6.11	6.11	7.04	13.14	29.55	20.69	5.34	5.34	2.21	11.82	8.27	20.22	Mining right (2034.4.28)	
Xinjiang Jinchuan	Gold	6.56	25.31	31.88	4.64	33.78	33.78	3.07	13.35	16.42	0.75	12.27	3.32	Mining right (2039.8.30)	
Gansu Jinshun	Gold	-	8.46	8.46	17.33	3.17	54.85	0.00	3.95	2.61	10.29	6.17	-	Mining right (2029.5.31)	Exploration right (2029.4.22)
Inner Mongolia Changtai Gold Mine	Gold	-	2.43	2.43	4.91	4.46	21.92	15.34	1.05	1.05	3.40	2.49	5.82	Mining right (2027.1.12)	Exploration right (2025.09.03)
Veladero Mine	Gold	54.38	145.71	200.09	28.60	129.08	64.54	49.54	75.12	124.66	0.69	86.16	43.08	8 mining rights are leased until 2028, and self-owned 5 mining rights are indefinite	

Name of mine	Major type	Resources				Reserves				Gold Remaining resources	Validity period of permits/ mining year						
		Measured	Indicated	Inferred	Total	Proven	Probable	Total	Grade								
		(Mt)	(Mt)	(Mt)	(g/t)	(100% basis)	(equity basis)	(100% basis)	(equity basis)	(t)	(g/t)	(year)					
Cardinal	Gold	12.39	221.39	233.78	24.91	258.69	0.93	240.05	204.04	2.23	186.74	189.17	0.91	170.85	145.22	-	Mining right (2035.2.11)
																	Exploration right (2026.2.5)
																	Exploration right (2026.2.5)
																	Exploration right (2026.2.5)
																	Exploration right (2026.2.5)
																	Exploration right (2026.2.5)
																	Exploration right (2026.2.5)
																	Exploration right (2027.1.3)
																	Mining right (2035.11.16)
Laizhou Huijin Shaling Gold Mine	Gold						2.77	372.06	145.10								-
Sub-total		73.33	588.07	661.40	314.48	975.46	2.40	2,338.96	1,979.33	54.84	430.03	485.07	1.68	816.02	737.43	-	

Name of mine	Major type	Resources				Reserves				Gold Remaining resources mining year (year)	Validity period of permits/ mining rights						
		Measured	Indicated	Inferred	Total	Proven	Probable	Total	Grade								
		(Mt)	(Mt)	(Mt)	(Mt)	(100% basis)	(equity basis)	(100% basis)	(equity basis)	(g/t)	(g/t)	(t)	(t)	(year)			
Shanjin International	Jilin	4.99	0.92	5.91	0.63	6.54	3.26	21.32	20.26	2.72	0.36	3.08	3.13	9.66	2.65	-	Mining right (2034.1.17)
	Banmiaozhi																Exploration right (2030.7.25)
Huasheng Gold Mine	Gold	5.12	11.02	16.14	0.57	16.71	1.71	28.49	17.09	13.27	1.84	24.36	4.22				Exploration right (2029.11.17)
																	Mining right (2035.7.11)
Heihe Luoke Gold	Gold	2.11	0.47	2.58	0.45	3.03	4.55	13.79	13.79	0.34	1.40	1.74	3.54	6.17	1.78		Exploration right (2026.8.6)
																	Exploration right (2027.3.25)
																	Mining right (2033.5.18)
																	Exploration right (expired on 2025.8.2; currently being in process of renewal)

Name of mine	Major type	Resources				Reserves				Validity period of permits/ mining rights								
		Measured	Indicated	Inferred	Total	Proven	Probable	Total	Grade									
		(Mt)	(Mt)	(Mt)	(Mt)	(100% basis)	(equity basis)	(100% basis)	(equity basis)	(g/t)	(g/t)	(year)						
Qinghai	Gold	5.11	10.67	15.78	3.7	19.48	4.33	84.36	75.92	3.69	5.77	9.46	4.45	42.09	10.94	-	Mining right (2036.1.18)	
	Dachaidan																	Mining right (2028.9.5)
																		Exploration right (2030.10.15)
																		Exploration right (2027.3.16)
																		Exploration right (2026.6.23)
																		Exploration right (2026.6.19)
																		Exploration right (2030.10.15)

Name of mine	Major type	Resources				Reserves				Gold Remaining resources (equity mining year) (year)	Validity period of permits/ mining rights			
		Measured and Indicated (Mt)	Inferred	Total Grade (g/t)	Gold content (100% basis) (equity basis) (t)	Proven	Probable	Total Grade (g/t)	Gold content (100% basis) (equity basis) (t)					
Shanjin	Gold		0.9	1.94	1.75	1.34					-	Mining right (2037.11.11)		
International	Mining											Mining right (2038.5.16)		
												Mining right (2052.9.14)		
												Exploration right (2029.11.8)		
												Exploration right (2029.11.8)		
												Exploration right (2029.1.20)		
												Exploration right (2029.1.20)		
												Exploration right (2027.5.17)		
												Exploration right (2027.5.17)		
												Mining right (2042.11.2)		
Osino	Gold	0.71	83.64	84.35	38.22	122.57	1.07	131.22	131.22	0.7	65.02	1.02	67.2	19.41
Sub-total	Gold	18.04	106.72	124.76	44.47	169.23	1.66	280.93	259.62	7.45	85.82	1.60	149.48	39.01
Total	Gold	91.37	694.79	786.16	358.95	1,144.69	2.29	2,619.89	2,054.33	62.29	515.85	1.67	965.50	776.44

(2) *Table of Resource and Reserve of Non-ferrous Metals*

Name of mine	Resources					Reserves								
	Measured (Mt)	Indicated (Mt)	Indicated and Inferred (Mt)	Total (Mt)	Lead content (100% basis) (t)	Zinc content (100% basis) (t)	Silver content (100% basis) (t)	Copper content (100% basis) (t)	Proven (Mt)	Probable (Mt)	Total (Mt)	Lead content (100% basis) (Mt)	Zinc content (100% basis) (t)	Silver content (100% basis) (t)
Heihe Luoke	2.11	0.47	2.58	3.03	-	-	160.57	-	0.34	1.4	1.74	-	-	90.25
Yulong Mining	11.1	32.95	44.04	73.67	636,409.86	1,241,266.22	7,860.81	137,794.15	8.07	18.89	26.96	216,925.45	417,566.1	2,701.48
Total	13.21	33.42	46.63	76.7	636,409.86	1,241,266.22	8,021.39	137,794.15	8.41	20.29	28.7	216,925.45	417,566.1	2,791.73
Total attributable metals of Shandong Gold	-	-	-	-	140,964.55	274,940.01	1,787.56	30,521.35	-	-	-	48,048.91	92,490.74	624.45

*Notes:*

1. Mineral resources tonnage and metal are reported as in-situ data and do not take into account mining losses and dilution resulting from mining activities.
2. Mineral resources are inclusive of mineral reserves; Mineral Reserves are derived from measured and indicated resources estimated by conversion factors, and inferred resources are not subject to conversion to ore reserves.
3. Two decimal places have been retained and rounding of numbers has been applied, so the total may not be equal to the sum of the numbers.
4. As of 31 December 2025, the Company owned 70.65%, 73.52%, 90.31%, 70%, 70%, 60% and 50% of equity interests of Guilaizhuang Gold Mine, Chifengchai Mine, Fujian Yuanxin Gold Mine, Xihe Zhongbao Gold Mine, Changtai Mining, Gansu Jinshun, Veladero Gold Mine, respectively; the Company owns 100% equity interests in Cardinal, which in turn owns 85% equity interest of subsidiaries Cardinal Namdini Mining Limited and Cardinal Ghana Limited; the Company held 39% equity interests of Laizhou Huijin Shaling Gold Mine; the Company held 28.89% equity interests of Shanjin International, and Shanjin International held 95%, 60%, 100%, 90%, 76.67% and 100% of equity interests of Jilin Banmiaozhi, Huasheng Gold Mine, Heihe Luoke, Qinghai Dachaidan, Yulong Mining and Namibia Osino, respectively; the Company owned 100% equity interests of other mines.
5. The remaining resources mining year is calculated based on the reserves and production scale of each mine as of 31 December 2025. Given the annual conversion of resources into reserves and the increase of reserves by exploration activities, the remaining mining year listed in the above table should not be equated to the actual mine service life, which generally exceeds the remaining resources mining year presented therein.
6. Mineral reserves:  
  
Reserves in Sanshandao Gold Mine were based on a cut-off grade of 0.99 g/t.  
  
Reserves in Jiaojia Gold Mine were based on a cut-off grade of 1.24 g/t.  
  
Reserves in Linglong Gold Mine were based on a cut-off grade of 1.37 g/t.  
  
Reserves in Xincheng Gold Mine were based on a cut-off grade of 1.01 g/t.  
  
Reserves in Yinan Gold Mine were based on a cut-off grade of 1.71 g/t.  
  
Reserves in Xinhui Gold Mine, Laixi Gold Mine were based on a cut-off grade of 1.38 g/t.

Reserves in Jinzhou Gold Mine were based on the following cut-off grade: 1.99 g/t for Jinqingding mine area and Songjiazhuang mine area, 1.19 g/t for Yinggezhuang mine area and Yinggezhuang exploration area, and 1.31 g/t for Sanjia exploration area.

Reserves in Guilaizhuang Gold Mine were based on the cut-off grade of 1.70 g/t.

Reserves in Penglai Gold Mine were based on a cut-off grade of 1.33 g/t.

Reserves in Chifengchai Mine were based on a cut-off grade of 1.34 g/t.

Reserves in Fujian Yuanxin Gold Mine were based on a cut-off grade of 1.40 g/t.

Reserves in Xihe Zhongbao Gold Mine were based on a cut-off grade of 1.55 g/t.

Reserves in Xinjiang Jinchuan were based on a cut-off grade: 0.3 g/t open pit mining and 0.9 g/t underground mining.

7. The resources data of Laizhou Huijin Shaling Gold Mine is sourced from the 2024 annual report of Zhongjin Gold Corporation Limited.
8. Mineral reserve in Veladero Gold Mine was estimated based on cut-off grade: 0.29 g/t for Type 1 ore and 0.52 g/t for Type 2 ore; Mineral resource was estimated based on cut-off grade: 0.21 g/t for Type 1 ore and 0.39 g/t for Type 2 ore.
9. Mineral reserve in Namdini Gold Mine of Cardinal was estimated based on a cut-off grade of 0.45 g/t; mineral resource was estimated based on a cut-off grade of 0.45 g/t.
10. Cut-off grade of mines of Shanjin International assumed:

Resources in Jilin Banmiaozi were based on a cut-off grade of Au 0.9 g/t, and reserves were based on a cut-off grade of Au 1.1 g/t.

Resources in Huasheng Gold Mine were based on a cut-off grade of Au 1.3 g/t (underground and 0.36 g/t (open-pit)), and reserves were based on a cut-off grade of Au 0.5 g/t;

Resources in Heihe Luoke were based on a cut-off grade of  $\Sigma$  Au 1.0 g/t, and reserves were based on a cut-off grade of  $\Sigma$  Au 1.2 g/t;

Resources in Qinghai Dachaidan were based on cut-off grades of Au 1.0 g/t (underground) and Au 0.4 g/t (open-pit), and reserves were based on cut-off grades of Au 1.6 g/t (underground) and Au 0.5 g/t (open-pit).

Resources in Yulong Mining were based on a cut-off grade of  $\Sigma$  Ag65 g/t, and reserves were based on a cut-off grade of  $\Sigma$  Ag85 g/t. Resources in Namibia Osino were based on a cut-off grade of Au 0.3 g/t, and reserves were based on a cut-off grade of Au 0.35 g/t.

## (VIII) OVERVIEW OF CORPORATE BONDS

Name of Bonds	Abbreviation	Code	Date of Issuance	Date of Initial Interest Accrued	The Latest Putback Date after 30 April 2026	Outstanding Balance of Bonds	Coupon Rate (%)	Payment of Principal and Interest	Place of Trading	Lead Underwriter	Trustee	Appropriate Arrangement of Investors	Mechanism of Trading	Whether there is a risk of delisting or cancellation of listing	
The 2023 Public Issuance of Technology Innovation Renewable Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the First Tranche) (See Note 1 for details)	Lujin KY01	240265	2023/11/15	2023/11/17	-	2026/11/17	20	3.19	Interest to be paid annually, principal to be repaid at maturity	Shanghai Stock Exchange	GF Securities Co., Ltd., Zhongtai Securities Co., Ltd., China International Capital Corporation Limited	GF Securities Co., Ltd., Zhongtai Securities Co., Ltd., China International Capital Corporation Limited	Professional institutional investors	Match transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
The 2023 Public Issuance of Technology Innovation Renewable Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche) (See Note 2 for details)	Lujin KY02	240334	2023/11/23	2023/11/27	-	2026/11/27	20	3.22	Interest to be paid annually, principal to be repaid at maturity	Shanghai Stock Exchange	GF Securities Co., Ltd., Zhongtai Securities Co., Ltd., China International Capital Corporation Limited	GF Securities Co., Ltd., Zhongtai Securities Co., Ltd., China International Capital Corporation Limited	Professional institutional investors	Match transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

Name of Bonds	Abbreviation	Code	Date of Issuance	Date of Initial Interest Accrued	The Latest Putback Date after 30 April 2026	Outstanding Balance of Bonds	Coupon Rate (%)	Payment of Principal and Interest	Place of Trading	Lead Underwriter	Trustee	Appropriate Arrangement of Investors	Mechanism of Trading	Whether there is a risk of delisting or cancellation of listing

The 2024 Public Issuance of Technology Innovation Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the First Tranche) (Type 1)	24 Lujin K1	240785	2024/03/25	2024/03/27	- 2029/03/27	20	2.80	Interest to be paid annually, principal to be repaid at maturity	Shanghai Stock Exchange	GF Securities Co., Ltd., Zhongtai Securities Co., Ltd., China International Capital Corporation Limited	GF Securities Co., Co., Ltd.	Professional institutional investors	Match transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
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The 2024 Public Issuance of Technology Innovation Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche) (Type 1)	24 Lujin K3	241624	2024/9/10	2024/09/12	- 2027/09/12	10	2.12	Interest to be paid annually, principal to be repaid at maturity	Shanghai Stock Exchange	GF Securities Co., Ltd., Zhongtai Securities Co., Ltd., China International Capital Corporation Limited	GF Securities Co., Co., Ltd.	Professional institutional investors	Match transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
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The 2024 Public Issuance of Technology Innovation Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche) (Type 2)	24 Lujin K4	241625	2024/9/10	2024/09/12	- 2034/09/12	10	2.50	Interest to be paid annually, principal to be repaid at maturity	Shanghai Stock Exchange	GF Securities Co., Ltd., Zhongtai Securities Co., Ltd., China International Capital Corporation Limited	GF Securities Co., Co., Ltd.	Professional institutional investors	Match transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
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**Note 1:** The 2023 Public Issuance of Technology Innovation Renewable Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the First Tranche) takes every three interest-bearing years as one cycle, and at the end of each cycle, the Company has the right to choose to extend the bond term by one cycle (i.e. extend three years), or choose to settle the bond in full when it matures at the end of the cycle.

**Note 2:** The 2023 Public Issuance of Technology Innovation Renewable Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche) takes every three interest-bearing years as one cycle, and at the end of each cycle, the Company has the right to choose to extend the bond term by one cycle (i.e. extend three years), or choose to settle the bond in full when it matures at the end of the cycle.

## *Settlement of interests and principals of the bonds during the Reporting Period*

<b>Name of Bonds</b>	<b>Description of Interest Payment Status</b>
The 2023 Public Issuance of Technology Innovation Renewable Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the First Tranche)	The Company paid interest on 18 November 2025 for the period from 17 November 2024 to 16 November 2025. For details, please refer to the Announcement on the 2025 Interest Payment of the 2023 Public Issuance of Technology Innovation Renewable Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the First Tranche) disclosed on the website of the Shanghai Stock Exchange ( <a href="http://www.sse.com.cn">http://www.sse.com.cn</a> )
The 2023 Public Issuance of Technology Innovation Renewable Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche)	The Company paid interest on 27 November 2025 for the period from 27 November 2024 to 26 November 2025. For details, please refer to the Announcement on the 2025 Interest Payment of the 2023 Public Issuance of Technology Innovation Renewable Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche) disclosed on the website of the Shanghai Stock Exchange ( <a href="http://www.sse.com.cn">http://www.sse.com.cn</a> )
The 2024 Public Issuance of Technology Innovation Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the First Tranche) (Type 1)	The Company paid the interest for the period from 27 March 2024 to 26 March 2025 on 27 March 2025. For details, please refer to the Announcement on the 2025 Interest Payment of the 2024 Public Issuance of Technology Innovation Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the First Tranche) (Type 1) disclosed on the website of the Shanghai Stock Exchange ( <a href="http://www.sse.com.cn">http://www.sse.com.cn</a> )
The 2024 Public Issuance of Technology Innovation Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche) (Type 1)	The Company paid the interest for the period from 10 September 2024 to 9 September 2025 on 10 September 2025. For details, please refer to the Announcement on the 2025 Interest Payment of the 2024 Public Issuance of Technology Innovation Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche) (Type 1) disclosed on the website of the Shanghai Stock Exchange ( <a href="http://www.sse.com.cn">http://www.sse.com.cn</a> )

<b>Name of Bonds</b>	<b>Description of Interest Payment Status</b>
The 2024 Public Issuance of Technology Innovation Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche) (Type 2)	The Company paid the interest for the period from 10 September 2024 to 9 September 2025 on 10 September 2025. For details, please refer to the Announcement on the 2025 Interest Payment of the 2024 Public Issuance of Technology Innovation Corporate Bonds to Professional Investors by Shandong Gold Mining Co., Ltd. (the Second Tranche) (Type 2) disclosed on the website of the Shanghai Stock Exchange ( <a href="http://www.sse.com.cn">http://www.sse.com.cn</a> )

## **(IX) OTHER INFORMATION**

### ***1. STAFF OF THE GROUP***

As at December 31 2025, the Group had a total of 29,282 full-time employees. During the Reporting Period, the staff cost (including Directors' remuneration in the form of salaries and other benefits) was RMB6,687.58 million.

The Company is strategically oriented, and based on the principle of market-oriented allocation, has established a post-performance salary system that is competitive, fair, and motivating internally, and offering competitive salary in line with the external market rate to enhance the performance of employees. The annual salary standard of senior management is determined according to the market rate of his/her respective position and fulfillment of one's target responsibility signed by the senior management annually.

The Group ensured that the remuneration packages of employees are competitive and the remuneration level of its employees was determined on the basis of work performance, with reference to the profitability of the Group, industry remuneration standards and market conditions within the general framework of the Group's remuneration system.

In 2025, the Company continuously strengthened exchanges and cooperation with external institutions in employee training, and it carried out the “Training Delivered to Enterprises” initiative, thereby effectively enhancing the overall capabilities of the talent team. Regarding management personnel training, the Company cooperated with renowned domestic and foreign research institutes and universities to conduct training for management personnel at various levels. The training covered multiple areas, including production operations, human resources, engineering management, financial auditing, financial management, and resource mergers and acquisitions. Regarding professional and technical personnel training, the Company established a continuing education system for professional and technical personnel covering 13 specialties, including geology, surveying, mining, mineral processing, machinery, and electrical engineering, as well as a learning system for the expert committee covering 5 specialties, including geology, surveying, mining, mineral processing, and machinery and electrical engineering. These systems effectively improved the professional competence of technical personnel. Regarding skilled worker training, the Company leveraged skills competitions and skill level evaluations as key drivers, and it solidly carried out vocational skill level recognition and independent evaluation of unique gold mining occupations, which provided strong support for the development of a high-skilled talent pipeline.

## **2. *FINAL DIVIDEND AND ANNUAL GENERAL MEETING***

The Company proposes to distribute a cash dividend of RMB1.80 (tax inclusive) per 10 shares to all Shareholders. Based on the Company’s total share capital of 4,609,929,525 Shares as at 26 March 2026, the proposed cash dividend amounts to approximately RMB829,787,314.50 (tax inclusive), with the remaining undistributed profits to be carried forward for distribution in subsequent years. The Company implemented the semi-annual profit distribution for 2025 on 23 October 2025, distributing a cash dividend of RMB1.7467 per 10 shares to all shareholders. The Company’s cash dividend for 2025 is RMB3.5467 per 10 shares, amounting to a total of RMB1,635,003,704.63, representing 38.63% of the net profit attributable to ordinary shareholders of the listed company after deducting perpetual bond interest from the consolidated financial statements for the year 2025. The above proposal will be submitted for consideration and approval at the forthcoming annual general meeting of the Company.

Details regarding the specific arrangements for the final dividend and its distribution, as well as the relevant timing for the closure of the register of members for the H Shares, will be disclosed separately in the circular of the annual general meeting. If approved at the annual general meeting, the Company will distribute the dividend within two months after the date of the annual general meeting, i.e., on or before 10 August 2026.

## **3. *MATERIAL CHANGE***

Save as disclosed herein, there has been no material change in respect of the future developments in the business of the Group since the publication of the Company’s 2025 interim report.

#### **4. CORPORATE GOVERNANCE**

The Company, being a company listed in Hong Kong and Shanghai, strictly complies with the laws, regulations and regulatory documents of the places where its Shares are listed, and strives to protect and enhance its corporate image. The Company continues to improve its corporate governance structure in compliance with the PRC Company Law and the regulations and requirements of the CSRC, the SFC, the Shanghai Stock Exchange and the Hong Kong Stock Exchange.

The Company is committed to the maintenance of good corporate governance practices. The Board is of the opinion that the Company had complied with all the applicable code provisions as set out in the CG Code during the Reporting Period.

#### **5. MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS**

The Company has adopted the Model Code as its own code of conduct regarding securities transactions by Directors and Supervisors (all Supervisors resigned on 14 August 2025 due to the abolition of the Company's Supervisory Committee). Having made specific enquiries with all the Directors and Supervisors, each of the Directors has confirmed that he/she has complied with the Model Code during the Reporting Period, and each of the Supervisors has confirmed that he/she has complied with the Model Code during the period in which he/she held the position of the Supervisor in 2025.

#### **6. AUDIT COMMITTEE**

The audit committee currently comprises two non-executive Directors, Mr. Han Yaodong and Mr. Liu Qin and three independent non-executive Directors, Mr. Zhan Kai, Mr. Liew Fui Kiang and Ms. Zhao Feng. The chairman of the audit committee is Ms. Zhao Feng. The audit committee has reviewed the audited annual results of the Group for the year ended 31 December 2025 and further discussed the auditing, internal control and financial reporting matters. The audit committee considers that the annual results of the Group for the year ended 31 December 2025 (which have been agreed by the Company's auditor) are in compliance with the applicable accounting standards and relevant laws and regulations and sufficient disclosure have been made.

#### **7. PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares, if any).

As at 31 December 2025, the Company did not hold any treasury shares.

## 8. *SIGNIFICANT EVENTS DURING THE REPORTING PERIOD*

In view of the fact that the issuance of A Shares to target subscribers by the Company has not yet been completed, the Company proposed to extend the validity period of the Shareholders' resolution in relation to the issuance of A Shares to target subscribers and the validity period of the authorization by the Shareholders' meeting to the Board and its authorized persons with full discretion to deal with the relevant matters relating to the issuance of A Shares to target subscribers, in order to ensure the smooth progress of the relevant work. The Company convened the 73rd meeting of the sixth session of the Board and the 45th meeting of the sixth session of the Supervisory Committee on 30 June 2025, which considered and approved (1) the "Resolution on the Extension of the Validity Period of the Shareholders' Resolution in relation to the Issuance of A Shares of the Company to Target Subscribers", which proposed to extend the validity period of the Shareholders' resolution in relation to the issuance of A Shares to target subscribers to 29 July 2026; and (2) the "Resolution on the Extension of the Validity Period of the Authorization by the Shareholders' Meeting to the Board and its Authorized Persons with Full Discretion to Deal with the Relevant Matters relating to the Issuance of A Shares to Target Subscribers", which proposed to extend the validity period of the authorization by the Shareholders' meeting of the Company to the Board and its authorized persons with full discretion to handle matters related to the issuance of A Shares to target subscribers. As for the authorization, if it involves specific implementations after the approval of the issuance from the regulatory authority and the stock exchange, the validity period of the authorization shall be from the date of consideration and approval by the general meeting of the Company to the date of completion of such specific implementations, while the validity period of remaining authorization shall be extended to 29 July 2026. The relevant resolutions were considered and approved at the 2025 second extraordinary general meeting, the 2025 first A Shares class meeting and the 2025 first H Shares class meeting of the Company held on 24 July 2025. For details, please refer to the Company's announcement dated 24 July 2025 and the circular dated 7 July 2025 published on the website of the Hong Kong Stock Exchange.

To improve the work efficiency, on 28 July 2025, the Board has passed a resolution to propose alignment in preparation of the financial reports in accordance with the China Accounting Standards for Business Enterprises and disclosing corresponding financial information by the Company commencing from 2025 interim financial report, and passed a resolution to terminate the re-appointment of SHINEWING (HK) CPA Limited (the "SHINEWING (HK)") as the Company's H-share financial report auditor, and ShineWing Certified Public Accountants (Special General Partnership) will be the sole audit firm of the Company to audit the financial reports of the Company in accordance with China Accounting Standards for Business Enterprises, and will concurrently undertake the responsibilities of the financial report audit firm for both A Shares and H Shares. The relevant resolution has been considered and approved at the 2025 third extraordinary general meeting of the Company held on 14 August

2025 (the “EGM”). For details, please refer to the Company’s announcements dated 28 July 2025 and 14 August 2025, and the circular dated 29 July 2025 published on the website of the Hong Kong Stock Exchange.

According to the PRC Company Law implemented on 1 July 2024, the Transitional Arrangements for the Implementation of Supporting Rules and Regulations under the New Company Law and the Guidelines on the Articles of Association of Listed Companies (revised in March 2025) promulgated by CSRC, as well as the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (revised in April 2025) and the No. 1 Self-regulatory Guidelines for Listed Companies of the Shanghai Stock Exchange – Regulation of Operation (revised in May 2025), along with other relevant laws, regulations, rules and other normative documents, and taking into account the actual situation of the Company, the Company intended to abolish the Supervisory Committee and amend the Articles of Association, the Rules of Procedure for the Shareholders’ Meeting and the Rules of Procedure for the Board of Directors. The relevant resolutions have been considered and approved at the EGM. For details, please refer to the Company’s announcements dated 28 July 2025 and 14 August 2025, as well as the circular dated 29 July 2025 published on the website of the Hong Kong Stock Exchange.

The “Resolutions regarding the Consideration and Approval of the Election of New Session of the Board for Election of the Non-independent Directors to the Seventh Session of the Board of Directors” and the “Resolutions regarding the Consideration and Approval of the Election of New Session of the Board for Election of the Independent Directors to the Seventh Session of the Board of Directors” have been considered and approved by way of cumulative voting at the EGM. Mr. Han Yaodong, Mr. Liu Qin, Mr. Xiu Guolin, Mr. Xu Jianxin and Mr. Tang Qi were elected as non-independent Directors of the seventh session of the Board of Directors at the EGM, and Mr. Zhan Kai, Mr. Liew Fui Kiang and Ms. Zhao Feng were elected as independent Directors of the seventh session of the Board of Directors at the EGM. In addition, according to the provisions of the Articles of Association, Ms. Liu Yanfen has been elected as an employee Director at the Company’s employees’ representative meeting held on 14 August 2025. The term of office of each Director is three years, from the date of the EGM to the expiration of the term of office of the seventh session of Board of Directors. After the conclusion of the EGM, Mr. Li Hang (Chairman, non-executive Director), Mr. Wang Shuhai (executive Director), Ms. Wang Xiaoling (non-executive Director) and Mr. Wang Yunmin (independent non-executive Director) retired as Directors of the sixth session of the Board of Directors. For details, please refer to the Company’s announcements dated 28 July 2025 and 14 August 2025, as well as the circular dated 29 July 2025 published on the website of the Hong Kong Stock Exchange.

On 2 September 2025 (before trading hours of the Hong Kong Stock Exchange), the Company entered into a placing agreement (the “**Placing Agreement**”) with China International Capital Corporation Hong Kong Securities Limited and CLSA Limited (the “**Placing Agents**”), pursuant to which the Placing Agents have conditionally and severally, but not jointly nor jointly and severally, agreed to act as the Company’s placing agents to use their best efforts to procure not less than six placees to subscribe for an aggregate of 136,500,000 new H shares (the “**Placing Shares**”) at a placing price of HK\$28.58 per Placing Share, with total consideration of approximately HK\$3,901.17 million (the “**Placing**”). The net proceeds from the Placing amounted to approximately HK\$3,892.42 million. The Placing was completed on 9 September 2025. For details, please refer to the Company’s announcements dated 2 September 2025 and 9 September 2025 published on the website of the Hong Kong Stock Exchange.

On 12 September 2025, in order to further adjust and optimize its financing methods, and in light of the overall operation of the capital market and the successful completion of the placing of H Shares, the Company convened the fourth meeting of the seventh session of the Board of Directors on 12 September 2025, which considered and approved the “Resolution on the Company’s Termination of the Issuance of A Shares to Target Subscribers and the Withdrawal of the Application Documents”. The Company has decided to terminate the issuance of A Shares to target subscribers and applied to the Shanghai Stock Exchange to withdraw the relevant application documents. For details, please refer to the Company’s announcements dated 12 September 2025 and 19 September 2025 published on the website of Hong Kong Stock Exchange.

## **9. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

Save as disclosed in this announcement, the Group had no material events after the Reporting Period.

## **10. PUBLICATION OF AUDITED ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This audited annual results announcement is published on the websites of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.sdhjgf.com.cn](http://www.sdhjgf.com.cn)), and the 2025 annual report of the Company containing all the information required by the Hong Kong Listing Rules will be published on the above websites in due course.

## DEFINITIONS

In this announcement, unless otherwise indicated in the context, the following expressions have the meanings set out below:

“A Share(s)”	the domestic share(s) issued by the Company to domestic investors with a nominal value of RMB1.0 each, which are listed on the Shanghai Stock Exchange;
“Articles of Association”	the articles of association of the Company;
“Board” or “Board of Directors”	the board of Directors of the Company;
“Cardinal”	Cardinal Resources Limited;
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules;
“Changtai Mining”	Inner Mongolia Shanjin Changtai Mining Co., Ltd. (內蒙古山金昶泰礦業有限責任公司);
“Chifengchai Mine”	Chifeng Chaihulanzi Gold Mining Co., Ltd. (赤峰柴胡欄子黃金礦業有限公司);
“China” or the “PRC” or “State”	the People’s Republic of China, excluding, for the purpose of this announcement, Hong Kong, Macau Special Administrative Region and Taiwan;
“CSRC”	China Securities Regulatory Commission;
“Director(s)”	the director(s) of the Company;

“Fujian Yuanxin”	Fujian Province Zhenghe County Yuanxin Mining Co., Ltd. (福建省政和縣源鑫礦業有限公司);
“Gold Geological Exploration”	Shandong Gold Geological Mine Exploration Co., Ltd. (山東黃金地質礦產勘查有限公司);
“Group” or “we”	the Company and all of its subsidiaries;
“Guilaizhuang Company”	Shandong Gold Guilaizhuang Mining Co., Ltd. (山東黃金歸來莊礦業有限公司);
“H Share(s)”	the overseas-listed foreign invested share(s) in the Company’s share capital, with a nominal value of RMB1.0 each, which are listed on the Hong Kong Stock Exchange;
“Heihe Luoke”	Heihe Luoke Mining Development Co., Ltd. (黑河洛克礦業開發有限責任公司);
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Hong Kong 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;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Jiaojia Gold Mine”	Jiaojia Gold Mine, Shandong Gold Mining (Laizhou) Co., Ltd. (山東黃金礦業(萊州)有限公司焦家金礦);
“Jilin Banmiaozi”	Jilin Banmiaozi Mining Co., Ltd. (吉林板廟子礦業有限公司);
“Jinmao Mining”	Yantai Jinmao Mining Co., Ltd. (煙台市金茂礦業有限公司);
“Jinzhou Company”	Shandong Jinzhou Mine Group Co., Ltd. (山東金洲礦業集團有限公司);
“Laixi Company”	Shandong Gold Mining (Laixi) Co., Ltd. (山東黃金礦業(萊西)有限公司);

“Linglong Gold Mine”	Shandong Gold Mining (Linglong) Co., Ltd. (山東黃金礦業(玲瓏)有限公司);
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules;
“Penglai Mining”	Shandong Gold Group Penglai Mining Co., Ltd. (山東黃金集團蓬萊礦業有限公司);
“PRC Company Law”	the Company Law of the PRC (中華人民共和國公司法), as amended, supplemented or otherwise modified from time to time;
“Prospectus”	the prospectus issued by the Company in connection with the Hong Kong public offering dated 14 September 2018;
“Qinghai Dachaidan”	Qinghai Dachaidan Mining Co., Ltd. (青海大柴旦礦業有限公司);
“Reporting Period”	the period from 1 January 2025 to 31 December 2025;
“RMB”	Renminbi, the lawful currency of China;
“Sanshandao Gold Mine”	Shandong Gold Mining (Laizhou) Co., Ltd., Sanshandao Gold Mine (山東黃金礦業(萊州)有限公司三山島金礦);
“SDG Capital Management”	SDG Capital Management Co., Ltd. (山金金控資本管理有限公司);
“SDG Group”	SDG Group Co. and all of its subsidiaries;

“SDG Group Co.” or “controlling shareholder(s)”	Shandong Gold Group Co., Ltd. (山東黃金集團有限公司), a limited liability company incorporated in the PRC on 16 July 1996, the controlling Shareholder of the Company; as of the date of this announcement, SDG Group Co. is held as to 70%, 20% and 10% by the State-owned Assets Supervision and Administration Commission of Shandong Provincial People’s Government (山東省人民政府國有資產監督管理委員會), Shandong Guohui Investment Holding Group Co., Ltd. (山東國惠投資控股集團有限公司) and Shandong Caixin Assets Management Co., Ltd. (山東省財欣資產運營有限公司), respectively. Shandong Guohui Investment Holding Group Co., Ltd. is a limited liability company established in the PRC and is owned as to 100% by the State-owned Assets Supervision and Administration Commission of Shandong Provincial People’s Government;
“SFC”	The Securities and Futures Commission of Hong Kong;
“Shandong Gold” or “Company”	Shandong Gold Mining Co., Ltd. (山東黃金礦業股份有限公司), a joint stock company incorporated in the PRC under the laws of the People’s Republic of China with limited liability on 31 January 2000, the H Shares and A Shares of which are listed on the main board of the Hong Kong Stock Exchange (stock code: 1787) and the Shanghai Stock Exchange (stock code: 600547), respectively;
“Shanghai Gold Exchange”	Shanghai Gold Exchange (上海黃金交易所);
“Shanghai Stock Exchange” or “SSE”	Shanghai Stock Exchange (上海證券交易所);
“Shanjin International”	Shanjin International Gold Co., Ltd. (山金國際黃金股份有限公司) (formerly “Yintai Gold Co., Ltd. (銀泰黃金股份有限公司)”), a joint stock company established in the PRC with limited liability on 18 June 1999, the shares of which are listed on the Shenzhen Stock Exchange (stock code: 000975), and a controlling subsidiary of the Company;
“Share(s)”	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising our A Share(s) and our H Share(s);

“Shareholder(s)”	holder(s) of the Share(s);
“Supervisor(s)”	the supervisor(s) of the Company;
“Supervisory Committee”	the supervisory committee of the Company;
“USD”	United States dollar, the lawful currency of the United States;
“Veladero Gold Mine”	Veladero Gold Mine, Argentina;
“Xihe Zhongbao”	Xihe Zhongbao Mining Co., Ltd. (西和縣中寶礦業有限公司);
“Xincheng Gold Mine”	Xincheng Gold Mine, Shandong Gold Mining Co., Ltd. (山東黃金礦業股份有限公司新城金礦);
“Xinhui Company”	Shandong Gold Mining (Xinhui) Co., Ltd. (山東黃金礦業(鑫匯)有限公司);
“Xinjiang Jinchuan Mining” or “Jinchuan Mining”	Xinjiang Jinchuan Mining Co., Ltd. (新疆金川礦業有限公司); and
“Yinan Gold Mine”	Shandong Gold Mining (Yinan) Co., Ltd. (山東黃金礦業(沂南)有限公司).

By order of the Board  
**Shandong Gold Mining Co., Ltd.**  
**Han Yaodong**  
*Chairman*

Jinan, the PRC, 26 March 2026

*As at the date of this announcement, the executive Directors are Mr. Xiu Guolin, Mr. Xu Jianxin, Mr. Tang Qi and Ms. Liu Yanfen; the non-executive Directors are Mr. Han Yaodong and Mr. Liu Qin; and the independent non-executive Directors are Mr. Zhan Kai, Mr. Liew Fui Kiang and Ms. Zhao Feng.*