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Lingbao Gold Group Company Ltd.

靈寶黃金集團股份有限公司

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

(Stock Code: 3330)

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

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The board of directors (the “**Board**”) of Lingbao Gold Group Company Ltd. (the “**Company**”), is pleased to present the consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2025 (“**Fiscal Year 2025**”), which have been reviewed by the audit committee of the Company (“**Audit Committee**”).

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2025

		2025	2024
	Notes	RMB'000	RMB'000
Revenue	3	13,143,397	11,866,628
Cost of sales		<u>(10,322,415)</u>	<u>(10,404,709)</u>
Gross profit		2,820,982	1,461,919
Other revenue	4	64,055	59,658
Other net loss	5	(155,424)	(34,546)
Selling and distribution expenses		(13,944)	(7,603)
Administrative expenses and other net operating expenses		<u>(503,534)</u>	<u>(432,132)</u>
Profit from operations		2,212,135	1,047,296
Finance costs		<u>(134,764)</u>	<u>(135,422)</u>
Profit before taxation		2,077,371	911,874
Income tax	6	<u>(522,302)</u>	<u>(212,742)</u>
Profit for the year		<u>1,555,069</u>	<u>699,132</u>
Attributable to:			
Owners of the Company		1,543,153	697,997
Non-controlling interest		<u>11,916</u>	<u>1,135</u>
Profit for the year		<u>1,555,069</u>	<u>699,132</u>
Basic and diluted earnings per share (<i>RMB cents</i>)	8	<u>120.76</u>	<u>56.75</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit for the year	<u>1,555,069</u>	<u>699,132</u>
Other comprehensive income for the year (after tax and reclassification adjustments)		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of overseas subsidiaries	10,628	(7,503)
Changes in fair value of equity instrument designated at fair value through other comprehensive income (“FVOCI”)	<u>43,523</u>	<u>(617)</u>
Other comprehensive income for the year	<u>54,151</u>	<u>(8,120)</u>
Total comprehensive income for the year	<u><u>1,609,220</u></u>	<u><u>691,012</u></u>
Attributable to:		
Equity shareholders of the Company	1,593,198	692,806
Non-controlling interests	<u>16,022</u>	<u>(1,794)</u>
Total comprehensive income for the year	<u><u>1,609,220</u></u>	<u><u>691,012</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
Non-current assets			
Property, plant and equipment		2,333,228	2,304,954
Construction in progress		971,832	404,065
Intangible assets		1,119,638	899,808
Goodwill		4,717	4,717
Right-of-use assets		189,499	206,750
Financial assets at fair value through profit or loss ("FVTPL")		9,785	30,337
Financial assets at FVOCI		129,610	13,536
Non-current prepayments		151,210	48,471
Deferred tax assets		322,291	293,713
		<u>5,231,810</u>	<u>4,206,351</u>
Current assets			
Inventories		2,469,797	1,632,965
Trade receivables, other receivables and prepayments	9	989,302	476,258
Financial assets at FVTPL		183,414	—
Pledged deposits		1,140,402	619,585
Cash and cash equivalents		819,357	279,985
		<u>5,602,272</u>	<u>3,008,793</u>
Current liabilities			
Bank and other borrowings	10	2,425,633	2,081,810
Convertible bonds	10	990,281	—
Trade payables, other payables and accruals	11	1,062,708	781,947
Contract liabilities		105,388	3,416
Lease liabilities		4,037	6,021
Financial liabilities at FVTPL	11	137,070	3,655
Current tax payable		92,400	148,464
		<u>4,817,517</u>	<u>3,025,313</u>
Net current assets/(liabilities)		<u>784,755</u>	<u>(16,520)</u>
Total assets less current liabilities		<u>6,016,565</u>	<u>4,189,831</u>

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
Non-current liabilities			
Bank and other borrowings	<i>10</i>	790,700	562,700
Other payables	<i>11</i>	543,476	451,993
Lease liabilities		5,118	16,675
Deferred tax liabilities		10,227	279
		<u>1,349,521</u>	<u>1,031,647</u>
NET ASSETS		<u>4,667,044</u>	<u>3,158,184</u>
Capital and reserves			
Share capital		257,395	248,695
Reserves		4,621,215	3,137,077
Total equity attributable to equity shareholders of the Company		4,878,610	3,385,772
Non-controlling interests		(211,566)	(227,588)
TOTAL EQUITY		<u>4,667,044</u>	<u>3,158,184</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. ORGANISATION AND OPERATIONS

Lingbao Gold Group Company Limited (the “**Company**”) was incorporated in People’s Republic of China as a joint stock company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and has its principal place of business at Room 1104, 11/F, Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong.

The Company is principally engaged in investment holdings and mining, processing, smelting and sales of gold products in the PRC.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS — ACCOUNTING STANDARDS

(a) Adoption of amendments to HKFRS Accounting Standards — effective on 1 January 2025

The Hong Kong Institute of Certified Public Accountant (“**HKICPA**”) has issued the below amendments to Hong Kong Financial Reporting Standards — Accounting Standards (“**HKFRS Accounting Standards**”) that are first effective for the current accounting period of the Company and its subsidiaries (collectively the “**Group**”)

Amendments to HKAS 21	Lack of Exchangeability
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As the currencies that the Group had transacted in and the functional currencies of overseas entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the Group’s financial statements.

The group has not applied any new standard or interpretation that is not yet effective for the current accounting period. These amendments to HKFRS Accounting standards had no material impact on the Group’s consolidated financial statements.

(b) New or amended HKFRS Accounting Standards that have been issued but are not yet effective and not early adopted

The following amended HKFRS Accounting Standards have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

HKFRS 18	Presentation and Disclosure in Financial Statements ²
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosure ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 21	Translation of a Hyperinflationary Presentation Currency ²
Annual Improvements to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 ¹

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual/reporting periods beginning on or after 1 January 2027

³ No mandatory effective date yet determined but available for adoption

HKFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the HKICPA in July 2024 supersedes HKAS 1 and will result in major consequential amendments to HKFRS Accounting Standards including HKAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though HKFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

Except for the above, these new and revised HKFRS Accounting Standards are preliminary assessed and are not expected to have any significant impact on the Group's financial statements.

3. REVENUE

The principal activities of the Group are mining, processing, smelting, sales of gold, other metallic products and jewellery in the PRC.

Revenue represents the sales value of goods sold to customers, net of sales tax and value added tax.

(i) Disaggregation of Revenue

Disaggregation of revenue by major products lines is as follow:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i> (Re-presented)
Revenue from contracts with customer within the scope of HKFRS 15:		
Disaggregated by major products lines		
— Sales of gold	13,281,141	11,894,876
— Sales of other metals	226,745	183,596
— Sales of jewellery	13,662	9,624
— Others	12,069	5,099
Less: Sales taxes and levies	<u>(390,950)</u>	<u>(229,202)</u>
	<u>13,142,694</u>	<u>11,863,993</u>
Revenue that not falling within scope of HKFRS 15		
Rental income	<u>703</u>	<u>2,635</u>
Total revenue	<u>13,143,397</u>	<u>11,866,628</u>

In 2025, revenue from sales of gold bullion to Shanghai Gold Exchange has exceeded 10% of the Group's revenues, amounting to RMB12,599,506,000 (2024: RMB11,630,769,000). The Shanghai Gold Exchange certified the Group as a standard gold bullion production enterprise and the Group has Shanghai Gold Exchange trading rights. The gold bullion was traded on or through Shanghai Gold Exchange, thus the Group is uncertain of the counterparty identity.

(ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its sales contracts for other metals such that the Group does not disclose information about revenue that the Group will be entitled to when it satisfied the remaining performance obligations under the contracts for sales of other metals that had an original expected duration of one year or less.

4. OTHER REVENUE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest income on financial assets measured at amortised cost	14,035	22,817
Government grants (<i>Note</i>)	12,627	10,375
Scrap sales	4,677	15,349
Sundry income	32,716	11,117
	<u>64,055</u>	<u>59,658</u>

Note: There are no unfulfilled conditions or other contingencies attaching to these grants, all government grants have been received during the year. The Group did not benefit directly from any other forms of government assistance.

5. OTHER NET LOSS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Net realised and unrealised loss on financial assets and financial liabilities at FVTPL	52,618	16,854
Net loss on fair value changes of conversion rights from convertible bonds	12,558	—
Net loss on fair value changes of early redemption rights from convertible bonds	733	—
Net losses/(gains) on disposal of property, plant and equipment, and intangible assets	12,811	(826)
Gain on disposal of subsidiaries	(15)	—
Gold trading deferment fee income, net (<i>Note</i>)	(15,490)	(16,041)
Net foreign exchange loss/(gain)	37,399	(9,981)
(Reversal)/provision of impairment loss of trade and other receivables	(633)	558
Penalties and provision for legal	15,120	15,051
Others	40,323	28,931
	<u>155,424</u>	<u>34,546</u>

Note: The gold trading deferment fee income arising from the deferral settlement of the gold T+D trading contracts. Gold T+D trading involves deferred settlement of gold contracts. Both buyer and seller of the gold T+D contract has right to defer the settlement of contracts with the compensation paid to counterparty. The amount represents net compensation received by the group from the buyer.

6. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) Taxation charged/(credited) to the consolidated income statement represents:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current taxation — PRC income tax		
— provision for the year	533,384	196,904
— under provision in respect of prior years	7,548	3,444
	<u>540,932</u>	<u>200,348</u>
Deferred tax		
Origination and reversal of temporary differences	(18,630)	12,394
	<u>522,302</u>	<u>212,742</u>

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit before taxation	<u>2,077,371</u>	<u>911,874</u>
Notional tax on profit before taxation calculated at the rates applicable to the jurisdictions concerned	481,143	229,296
Effect of tax concessions	—	(10,613)
Effect of non-deductible expenses	13,340	9,692
Effect of non-taxable income	(911)	(1,816)
Utilisation of temporary differences not recognised in previous years	(3,365)	(25,037)
Tax losses and temporary differences not recognised	24,547	7,776
Under provision in respect of prior years	7,548	3,444
Actual tax expense	<u>522,302</u>	<u>212,742</u>

(i) Under the Corporate Income Tax Law of the PRC (the “CIT Law”), which was passed by the Fifth Plenary Session of the Tenth National People’s Congress, effective from 1 January 2008, the Company and its PRC subsidiaries are subject to income tax at the statutory rate of 25%, unless otherwise specified.

One of the subsidiaries, Habahe Huatai Gold Company Limited (“**Huatai**”) was accredited as a “High and New Technology Enterprise” in December 2020 with 3-year validity period and renewed in December 2023 with additional 3-year validity period will expire in December 2026 and subject to next renewal review. Huatai was entitled to a preferential income tax rate of 15% since 1 January 2021.

As Huatai did not meet the continuous requirements to maintain the HNTE status, the tax liabilities were reported at the PRC corporate income tax rate of 25% since year ended 31 December 2025.

- (ii) Hong Kong Profits Tax rate for 2025 is 16.5% (2024: 16.5%). No provision for Hong Kong Profits Tax is made as the subsidiary located in Hong Kong did not earn any income which is subject to Hong Kong Profits Tax.
- (iii) Kyrgyzstan corporate income tax rate (“**KR CIT**”) in 2025 is 0% (2024: 0%).
- (iv) On 9 August 2012, the Parliament of Kyrgyz Republic passed the law on amendments and additions to the Tax Code of the Kyrgyz Republic (“**Amended Tax Code**”) which became effective from 1 January 2013. In accordance with the Amended Tax Code, starting from 1 January 2013 the KR CIT rate for gold mining companies is set at 0% and a revenue-based tax is introduced with progressive rate from 13.9% to 34.6% depends on the gold price at the payment date and the amounts of gold reserve owned by the Group. Such revenue-based tax is recognised in “sales taxes and levies”.

The Group is within the scope of the Pillar Two model rules. The Group has applied the exception to recognising and disclosing information, if any, about deferred tax assets and liabilities arising from Pillar Two income tax. From 1 January 2025, the Group is liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in Hong Kong. The Group will account for the Pillar Two income taxes as current tax when incurred. Pillar Two legislation has been enacted or substantively enacted but not yet in effect as at 31 December 2025 in certain jurisdictions, such as PRC, in which the Group operates.

7. DIVIDENDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interim — RMB0.164 (2024: Nil) per ordinary share	211,064	—
Proposed final: RMB0.05 (2024: RMB0.08) per ordinary share	67,619	102,958
Total	278,683	102,958

(a) Dividends payable to equity shareholders of the Company attributable to the year

An interim dividend for the period 30 June 2025 of RMB0.164 per share (2024: Nil), amounted to approximately RMB211,064,000 (2024: Nil) was paid during the year. The relevant dividend amount of approximately RMB211,064,000, based on 1,286,976,055 ordinary shares in issue (domestic + H shares) is charged to the consolidated statement of changes in equity.

The proposed final dividend for the year of RMB0.05 per share (2024: RMB0.08 per share), amounted to approximately RMB67,619,000 (2024: RMB102,958,000), which is approved by the Board of Directors of the Company at the date of approval of these consolidated financial statements and is subject to the approval of the Company's shareholders at the forthcoming annual general meeting, has not been reflected as dividend payable as at 31 December 2025.

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

A dividend in respect of the year ended 31 December 2024 of RMB0.08 per share, amounted to approximately RMB102,958,000, based on 1,286,976,055 ordinary shares in issue (domestic + H shares) by the Company on proposed date, has been approved by the board of directors has also been approved at the annual general meeting of the Company held in May 2025. The relevant dividend amount of approximately RMB102,958,000, based on 1,286,976,055 ordinary shares in issue (domestic + H shares) is charged to the consolidated statement of changes in equity.

8. EARNINGS PER SHARE

	2025	2024
	RMB'000	RMB'000
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	1,543,153	697,997
Add:		
Interest expenses on convertible bonds	9,967	—
Fair value loss on the early redemption rights of the convertible bonds	733	—
Fair value loss on the conversion rights of the convertible bonds	12,558	—
	<u>1,566,411</u>	<u>697,997</u>
Profit attributable to ordinary equity holders of the parent before interest on convertible bonds	1,566,411	697,997
	<u>1,566,411</u>	<u>697,997</u>
	Number of shares	
	2025	2024
Shares		
Weighted average number of shares used in basic earnings per share	1,277,918,521	1,229,935,839
Effect of dilution — weighted average number of ordinary shares:		
Share options	—	—
Convertible bonds	6,808,288	—
	<u>6,808,288</u>	<u>—</u>
Total	1,284,726,809	1,229,935,839
	<u>1,284,726,809</u>	<u>1,229,935,839</u>
	2025	2024
Basic earnings per share (<i>RMB Cents</i>)	120.76	56.75
Diluted earnings per share (<i>RMB Cents</i>)	120.76	56.75
Diluted earnings per share with impact of the convertible bonds (anti-dilutive) (<i>RMB Cents</i>)	121.93	56.75
	<u>121.93</u>	<u>56.75</u>

(a) Basic earnings per share

The calculation of the basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 1,277,918,521 (2024: 1,229,935,839) outstanding during the year.

(b) Diluted earnings per share

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, adjusted to reflect the interest on the convertible bonds, where applicable. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

During the year ended 31 December 2025, there were certain granted but unvested restricted share whose vesting is contingent upon the satisfaction of specified future performance conditions. As at the end of the reporting period, these performance conditions had not been met and, based on available information, there remained significant uncertainty regarding their achievement after the reporting period. Consequently, these shares were not considered dilutive potential ordinary shares for the current year. Accordingly, they were excluded from the calculation of diluted earnings per share for the year.

Because the diluted earnings per share amount is increased when taking convertible bonds into account, the convertible bonds had an anti-dilutive effect on the basic earnings per share for the year and were ignored in the calculation of diluted earnings per share. Therefore, the diluted earnings per share amounts are based on the profit for the year and the profit attributable to equity owner of the Company of RMB1,543,153,000, and the weighted average number of ordinary shares of 1,277,918,521 outstanding during the year.

Except for the above, there is no other dilutive potential shares during the current and prior years.

9. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables, net of loss allowance	151,620	190,841
Bills receivable	—	2,636
	<u>151,620</u>	<u>193,477</u>
Other receivables, net of loss allowance (<i>note (b)</i>)	66,484	102,970
Amounts due from related parties	2,230	1,461
	<u>68,714</u>	<u>104,431</u>
Financial assets measured at amortised cost	<u>220,334</u>	<u>297,908</u>
Prepayment for purchase of raw materials	562,360	131,872
Prepayment for acquisition of subsidiaries	146,967	—
	<u>709,327</u>	<u>131,872</u>
Purchase deposits (<i>note (c)</i>)	761,572	749,043
Less: Allowance for non-recoverability	(701,932)	(702,565)
	<u>59,640</u>	<u>46,478</u>
Amount due from Beijing Jiuyi (<i>note (d)</i>)	—	—
Total trade receivables, other receivables and prepayment	<u>989,302</u>	<u>476,258</u>

All of the trade and other receivables, deposits and prepayments are expected to be recovered within one year.

Transfers of financial assets

(i) *Transferred financial assets that are not derecognised in their entirety*

As at 31 December 2025, the Group endorsed certain bank acceptance bills with a carrying amount of RMB3,272,000 (31 December 2024: RMB6,048,000) to suppliers for settling trade payables of the same amount on a full recourse basis. As the Group has not transferred the substantial risks and rewards relating to these bank acceptance bills, the Group's management determined not to derecognise the carrying amounts of these bills receivable and the associated trade payables settled.

(ii) Transferred financial assets that are derecognised in their entirety

As at 31 December 2025 and 2024, the Group discounted certain bank acceptance bills to banks for cash proceeds and endorsed certain bank acceptance bills to suppliers for settling trade payables of the same amount on a full recourse basis. The Group has derecognised these bills receivable and the payables to suppliers in their entirety. These derecognised bank acceptance bills had a maturity date less than twelve months from the end of the reporting period. The Group's management determined that the Group has transferred substantially all the risks and rewards of ownership of these bills to its suppliers, and the Group has limited exposure in respect of the settlement obligation of these bills receivable under the relevant PRC rules and regulations should the issuing banks fail to settle the bills on maturity date. The Group considered the issuing banks of the bills are of good credit rating and the non-settlement of these bills by the issuing banks on maturity is not probable.

(a) Ageing analysis

As of the end of the reporting period, the ageing analysis of trade debtors and bills receivable (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows.

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within three months	144,670	184,937
Over three months but less than six months	1,913	410
Over six months but less than one year	—	575
Over one year but less than two years	10	275
Over two years but less than five years	5,027	7,280
	<hr/>	<hr/>
At 31 December	151,620	193,477
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For sales of gold jewellery, the Group requests customers to pay cash in full immediately upon the delivery. For sales of other metallic products, trade and bills receivables are due within one month to one year from the date of billing.

(b) Other receivables, net of loss allowance

The allowance for expected credit losses of other receivables as at 31 December is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Other receivables	88,942	124,659
Less: Allowance for expected credit losses	(20,228)	(20,228)
	<u>68,714</u>	<u>104,431</u>

During the year ended 31 December 2025, the Group did not provide for or reverse any expected credit losses on other receivables.

During the year ended 31 December 2024, the Group recognised the loss allowance for expected credit losses of other receivables of RMB558,000.

Where applicable, an impairment analysis is performed at each reporting date by considering the probability of default of comparable companies with published credit ratings. In the situation where no comparable companies with credit ratings can be identified, expected credit losses are estimated by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. The loss rate applied where there were no comparable companies as at 31 December was 22.7% (2024: 16.2%).

(c) Purchase deposits

Purchase deposits represent the amounts paid by the Group in advance to suppliers to secure timely and stable supply of mineral sand for the purposes of refining in future periods.

The movement in the allowance for non-recoverability of purchase deposits during the year is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
At 1 January	702,565	750,618
Reversal of impairment	(633)	—
Write-off of non-recoverable purchase deposit	—	(48,053)
	<u>701,932</u>	<u>702,565</u>

During the year ended 31 December 2025, the Group collected RMB633,000 from previously fully impaired purchase deposit and reversed RMB633,000 on purchase deposits.

During the year ended 31 December 2024, the Group wrote off the gross carrying amount of purchase deposits amounting to RMB48,053,000 and the corresponding allowance for expected credit losses of RMB44,951,000.

The management considered that appropriate procedures have been taken by the Group to assess the capabilities of the suppliers to supply mineral sand and expect that the remaining purchase deposits of RMB59,640,000 (2024: RMB46,478,000) as at 31 December 2025 would be recovered through purchases of mineral sand from the respective suppliers within 12 months.

(d) Amount due from Beijing Jiuyi

	2025 RMB'000	2024 <i>RMB'000</i>
Amount due from Beijing Jiuyi	30,800	30,800
Less: Impairment losses	(30,800)	(30,800)
	<u>—</u>	<u>—</u>
	<u><u>—</u></u>	<u><u>—</u></u>

The balance due from Beijing Jiuyi was relating to a compensation payment for a proposed acquisition in previous years, which was determined not to be recoverable.

10. BANK AND OTHER BORROWINGS, AND CONVERTIBLE BONDS

(a) Bank and other borrowings

The analysis of the carrying amount of bank and other borrowings is as follows:

	2025 RMB'000	2024 <i>RMB'000</i>
Short-term bank and other borrowings:		
— Bank and other borrowings	2,058,583	1,906,010
— Add: Current portion of long-term bank and other borrowings	367,050	175,800
	<u>2,425,633</u>	<u>2,081,810</u>
Long-term bank and other borrowings:		
— Bank and other borrowings	1,157,750	738,500
— Less: Current portion of long-term bank and other borrowings	(367,050)	(175,800)
	<u>790,700</u>	<u>562,700</u>
	<u><u>3,216,333</u></u>	<u><u>2,644,510</u></u>

The end of financial year, the bank and other borrowings were repayable as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within one year or on demand	2,425,633	2,081,810
Over one year but within two years	790,700	562,700
	<u>3,216,333</u>	<u>2,644,510</u>

The end of financial year, the bank and other borrowings were secured as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Bank and other borrowings		
— Secured	700,000	515,000
— Guaranteed	—	783,680
— Unsecured	2,516,333	1,345,830
	<u>3,216,333</u>	<u>2,644,510</u>

At 31 December 2025, bank and other borrowings of the Group amounting to RMB950,000,000 (2024: RMB725,000,000) were secured by pledged deposits with the carrying amount of RMB700,000,000 (2024: RMB475,000,000).

At 31 December 2024, bank and other borrowings of the Group amounting to RMB80,000,000 were secured by pledged deposits with the carrying amount of RMB40,000,000 and guaranteed by the D&R Asset Management Group Company Limited (“**D&R Investment**”) with maximum guarantees of RMB40,000,000. The amounts were fully repaid within the year.

At 31 December 2024, bank and other borrowings of the Group amounting to RMB594,030,000 were guaranteed by D&R Investment with maximum guarantees of RMB594,030,000. The amounts were fully repaid within the year.

Certain of the Group’s bank loan agreements were subject to the fulfilment of covenants imposing certain specific performance requirements on the Group. If the Group were to breach the covenants, bank loans drawn down would become payable on demand. The Group did not breach any of financial covenants during the year.

(b) Convertible bonds

On 1 December 2025, the Company issued zero coupon convertible bonds with a nominal value of HK\$1,166,000,000. The convertible bonds will be mature on or around 29 November 2026. The Company intends to use the net proceeds for mergers and acquisition opportunities for overseas high quality gold mining assets, replenishing the Company's working capital and refinancing existing indebtedness. The bonds are convertible at the option of the bond-holders into ordinary H shares of the Company of a nominal value of RMB0.20 each at an initial conversion price of HK\$17.83 per H share (subject to the adjustments in accordance with the terms of the convertible bonds) at any time during the period commencing from the date of issue of the convertible bonds (i.e. 1 December 2025) up to the date falling 10 days prior to the maturity date. Any convertible bonds not converted will be redeemed at 101.51 per cent of its outstanding principal amount on the maturity date (i.e. 29 November 2026). The Company may redeem, under specified situations as elaborated in the terms of the convertible bonds, all but no some only of the convertible bonds at their "Early Redemption Amount", which is an amount calculated with reference to the principal amount of the relevant convertible bonds generally representing for the bondholders a gross yield of 1.5 per cent per annum.

The convertible bonds that contain liability, redemption option and conversion option components were classified separately into their respective items on initial recognition. The fair value of various components are determined based on the valuation conducted by Jones Lang LaSalle ("JLL") at the Completion date (i.e. 1 December 2025). The fair value of the convertible bonds as a whole of HK\$1,098,946,000 (equivalent to RMB1,059,626,000) is determined by using the Binomial Option Pricing Model. The fair value of the liability component of the convertible bonds is calculated using cash flows discounted at a rate based on an equivalent market interest rate for equivalent non-convertible bonds. The fair value of the redemption option is determined by the difference between the fair value of equivalent convertible bonds with redemption option and without redemption option.

The effective interest rate of the liability component on initial recognition and the subsequent recognition of interest expense on the convertible bonds was calculated using effective interest rate of 9.72% per annum.

There was no redemption and conversion of the convertible bonds during the year.

The movements of the convertible bonds and its derivative components during the year are set out below:

	Convertible bonds RMB'000	Early redemption rights RMB'000	Conversion rights RMB'000	Total RMB'000
At 1 December 2025, initial recognition	<u>992,572</u>	<u>(3,261)</u>	<u>70,315</u>	<u>1,059,626</u>
Direct transaction costs	(12,258)	40	(868)	(13,086)
Effective imputed interest	9,967	—	—	9,967
Change in fair value	<u>—</u>	<u>733</u>	<u>12,558</u>	<u>13,291</u>
At 31 December 2025	<u><u>990,281</u></u>	<u><u>(2,488)</u></u>	<u><u>82,005</u></u>	<u><u>1,069,798</u></u>

The fair value measurement of the redemption option derivative component is a Level 3 fair value measurement.

The major inputs for the valuation of the fair value of the redemption option derivative component of the convertible bonds as at issue date and 31 December 2025 are as follows:

	At 31 December 2025	At issue date, 1 December 2025
Share price (<i>HKD</i>)	17.91	16.66
Conversion price (<i>HKD</i>)	17.83	17.83
Risk-free rate	2.33%	2.43%
Volatility	<u><u>40.04%</u></u>	<u><u>40.03%</u></u>

11. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS, AND FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current trade and other payables, and accruals		
Trade payables	618,065	464,901
Other payables and accruals	341,688	283,981
Interest payables	1,696	1,531
Payable for mining rights	62,547	8,460
Deferred income (<i>note (b)</i>)	10,339	16,462
Amounts due to related parties	—	112
Dividend payable	28,373	6,500
	<u>1,062,708</u>	<u>781,947</u>
Financial liabilities at FVTPL		
Gold future and forward	47,705	3,655
Silver future and forward	5,642	—
Copper future and forward	1,718	—
Conversion option from convertible bond	82,005	—
	<u>137,070</u>	<u>3,655</u>
Non-current other payables		
Payable for long-term assets (<i>note (a)</i>)	307,014	212,109
Deferred income (<i>note (b)</i>)	122,963	112,024
Decommissioning costs (<i>note (c)</i>)	113,499	127,860
	<u>543,476</u>	<u>451,993</u>

Notes:

- (a) Payable for long-term assets represents non-current payables in respect of procurement of property, plant and equipment, construction in progress and mining rights.
- (b) Deferred income represents grants received from the government for the exploration of mines and construction of mining related assets. When certain conditions are met, the government grants are recognised as income over the periods necessarily to match them with the related costs of assets constructed which they are intended to compensate over the periods and in the proportion in which depreciation on those assets is charged.
- (c) The decommissioning costs relate to reclamation and closure costs relating to the Group's mine operations. The decommissioning costs are calculated as the net present value of estimated future net cash flows of the reclamation and closure costs, discounted at 4.9% (2024: 4.9%), which amounted to RMB113,499,000 in total as at 31 December 2025 (2024: RMB127,860,000).

The ageing analysis of trade payables (which are included in trade and other payables), based on the invoice date, is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within three months	550,282	422,132
Over three months but less than six months	20,049	12,383
Over six months but less than one year	10,009	5,774
Over one year but less than two years	18,013	5,792
Over two years	19,712	18,820
	<u>618,065</u>	<u>464,901</u>

12. COMMITMENTS AND CONTINGENCIES

- (a) Capital commitments, representing purchase of property, plant and equipment and intangible assets outstanding at 31 December 2025 not provided for in the financial statements, were as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Authorised and contracted for	<u>32,890</u>	<u>17,571</u>

(b) Financial guarantees issued

As at 31 December 2025, the Company does not issue any financial guarantees to its subsidiaries or any third parties (2024: Nil).

(c) Financial guarantees received

As at 31 December 2025, the Company has not received any guarantees from its subsidiaries or any third parties.

As at 31 December 2024, the Company has received the following guarantees:

- (i) D&R Investment has issued a guarantee of RMB634,030,000 to the Company in respect of bank loans granted to the Company of RMB634,030,000.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF BUSINESS

In the Fiscal Year 2025, the Group produced approximately 16,943 kg (equivalent to approximately 544,733 ounces) of gold bullion, representing a decrease of approximately 3,910 kg (equivalent to approximately 125,706 ounces) or 18.75% as compared with the previous year. The decrease in the production volume of gold bullion was primarily due to the fact that the smelting segment optimized its resource allocation and adjusted the procurement and production efforts for compound gold, resulting in a decline in the output of compound gold. As of the Fiscal Year 2025, the Group continued to optimize production organization, strengthen production scheduling, and maintain a stable production rhythm, resulting in a sustained year-on-year increase in gold production of mining segment. At the same time, the Group persistently advanced the rigorous implementation of cost reduction and efficiency enhancement measures, leading to continuous improvements in operational efficiency. Coupled with the favorable factor of rising gold market prices, the Group recorded a net profit of approximately RMB1,555,069,000 for the Fiscal Year 2025 (for the year ended 31 December 2024 (“**Fiscal Year 2024**”): net profit of RMB699,132,000). The basic earnings per share of the Company for the Fiscal Year 2025 was RMB120.76 cents (Fiscal Year 2024: RMB56.75 cents).

The Group’s mineral resources are mainly scattered in the regions of Henan, Xinjiang, Inner Mongolia, Jiangxi and Gansu of the People’s Republic of China (the “**PRC**”) and Kyrgyz Republic (“**KR**”) with 34 mining and exploration rights as at 31 December 2025, covering 187.47 square kilometers. The total gold reserves and resources as at 31 December 2025 were approximately 148.48 tonnes (4,773,768 ounces).

1. Mining segment

Revenue and production

Our mining business mainly comprises the sales of gold concentrates and compound gold. Most of the gold concentrates and compound gold were sold to the Group’s smelting plant as intra-group sales.

The following table sets forth the analysis on the production and sales volume of the mining segment by product category:

	Unit	2025		2024	
		<i>Approximate production volume</i>	<i>Approximate sales volume</i>	<i>Approximate production volume</i>	<i>Approximate sales volume</i>
Gold concentrates					
(contained gold)	kg	5,439	5,526	4,317	4,318
Compound gold	kg	<u>502</u>	<u>487</u>	<u>847</u>	<u>866</u>
Total	kg	5,941	6,013	5,164	5,184
Total	Ounce	<u>191,002</u>	<u>193,311</u>	<u>160,628</u>	<u>161,248</u>

The total revenue of the mining segment of the Group for the Fiscal Year 2025 was approximately RMB4,168,674,000, representing an increase of approximately RMB1,596,987,000 or 62.1% from approximately RMB2,571,687,000 in the previous year. The increase in revenue of the mining segment was attributable to the Group's continuous optimization of production, improvement of operational efficiency and full release of production capacity, which drove the year-on-year growth in gold output, as well as the rise in gold prices. Among them, revenue from Mining — PRC was approximately RMB3,763,046,000 (Fiscal Year 2024: RMB2,314,365,000), and revenue from Mining — KR was approximately RMB405,628,000 (Fiscal Year 2024: RMB257,322,000). In the Fiscal Year 2025, revenue of gold mines in Henan, Xinjiang, KR and Inner Mongolia represented approximately 79.73%, 8.48%, 9.73% and 2.06% of the total revenue of the mining segment, respectively. Compared to the previous year, the production volume of compound gold in the mining segment decreased by approximately 345 kg to approximately 502 kg while the production volume of the gold concentrates increased by approximately 1,122 kg to approximately 5,439 kg.

Segment results

The Group's total profit of the mining segment for the Fiscal Year 2025 was approximately RMB2,555,477,000, representing an increase of approximately 130.77% as compared with that in the Fiscal Year 2024, among which, the profit from Mining — PRC was approximately RMB2,405,319,000 (Fiscal Year 2024: RMB1,096,868,000), and the profit from the Mining — KR was approximately RMB150,158,000 (Fiscal Year 2024: RMB10,515,000). The segment result to segment revenue ratio of the Group's mining business for the Fiscal Year 2025 was approximately 61.3%, as compared with approximately 43.06% for Fiscal Year 2024.

In the Fiscal Year 2025, the profit from the Mining — PRC segment increased by approximately 119.29% as compared with that in the Fiscal Year 2024, mainly benefiting from the continued optimisation of production organisation, enhanced production scheduling and the maintenance of a stable production pace across mining companies in the PRC, which led to sustained year-on-year growth in gold production, together with a continuous improvement in operational efficiency resulting from thorough implementation of cost-cutting and efficiency-enhancing measures. The Group completed the production of 5,941 kg of gold concentrates (contained gold) and compound gold throughout the year, representing a year-on-year increase of 777 kg or an increase of 15.05%.

In addition, Full Gold Mining Limited Liability Company (“**Full Gold**”), the mining division in KR, focused on production and operations, improved the operational efficiency of its processing plant, and achieved a sustained increase in output. At the same time, through refined management practices, it drove cost reductions and efficiency enhancement, resulting in sustained profit growth, and recorded a profit of approximately RMB150,158,000 in the Fiscal Year 2025 (Fiscal Year 2024: approximately RMB10,515,000).

Based on the above, the Group's mining segment saw an increase of approximately 15.05% in production output compared with the Fiscal Year 2024, and the segment's overall profit rose by approximately 130.77% compared with the Fiscal Year 2024.

2. Smelting Segment

The Group's melting plant is situated in Henan Province, and is capable of processing gold, silver, copper products and sulphuric acid. Its main products include gold bullion, silver, copper products and sulphuric acid. The following table sets forth the analysis on the production and sales volume of the smelting segment by product category:

Products	Unit	2025		2024	
		<i>Approximate production volume</i>	<i>Approximate sales volume</i>	<i>Approximate production volume</i>	<i>Approximate sales volume</i>
Gold bullion (processed from gold concentrates)	kg	8,762	8,863	9,784	9,776
	ounce	281,713	284,945	304,323	304,062
Gold bullion (processed from purchased compound gold)	kg	8,181	8,138	11,069	11,067
	ounce	263,020	261,656	344,278	344,234
Silver	kg	8,849	8,700	9,983	9,780
	ounce	284,502	279,713	310,494	304,190
Copper products	tonne	1,831	1,691	1,661	1,689
Sulphuric acid	tonne	80,548	81,024	90,764	90,561

Sales and production

The Group's total revenue in the smelting segment for the Fiscal Year 2025 was approximately RMB13,472,202,000, representing an increase of approximately 11.86% from approximately RMB12,043,436,000 in the previous year.

Segment results

In the Fiscal Year 2025, the smelting segment recorded a profit of approximately RMB123,074,000 (Fiscal Year 2024: approximately RMB48,269,000). The smelting segment completed its green transformation project, achieving a sustained reduction in processing costs. At the same time, it capitalised on market opportunities presented by rising prices for precious metals, silver, copper and sulphuric acid, thereby driving both cost reductions and revenue growth in tandem, resulting in a continuous improvement in operating performance.

2025 Work Review

Over the past year, in the face of a complex and ever-changing macro environment and increasingly intense competition for high-quality resources, the Group proactively capitalized on the favorable opportunity presented by gold prices remaining at high levels. By closely following the two main strategic lines of “cost control and efficiency enhancement” and “quality improvement and production expansion,” operational quality and management efficiency were comprehensively improved. At the same time, breakthroughs were achieved in resource growth through a dual approach of exploring existing mine resources and pursuing overseas resource acquisitions. The global footprint advanced steadily, enhancing the Group’s core competitiveness and growth potential within the global gold mining landscape. A review of the Group’s work in 2025 reveals ten key features:

- (1) **Key operating indicators reached historic highs.** In Fiscal Year 2025, (i) the Group’s annual gold sales exceeded 6 tonnes, representing a year-on-year increase of approximately 16%, (ii) the net profit of the Group reached around RMB1.555 billion, a year-on-year increase of approximately 122.43%, and (iii) the revenue of the Group amounted to about RMB13.143 billion, up approximately 10.76% year on year. All three core indicators achieved historic breakthroughs. This performance represents the concentrated results of the Group’s twin strategic lines of “cost control and efficiency enhancement” and “quality improvement and production expansion,” demonstrating solid intrinsic growth momentum and marking a new level in operational quality and value creation capability.
- (2) **Shareholder returns and value delivery advanced in tandem.** The Group has consistently maintained stable and sustainable dividend distributions to reward shareholder trust. In 2025, two rounds of dividend payments were completed. The year-end dividend payout ratio for 2024 (i.e., total dividends for the period/year divided by net profit for the period/year) was approximately 14.76%, while the mid-year dividend payout ratio for 2025 was around 31.55%. The increase in payout ratio shared development dividends with investors. Meanwhile, through high-quality performance briefings and on-site roadshows, the Group clearly and transparently communicated its strategic plans and long-term value to the market. Thanks to excellent operating performance and a transparent communication mechanism, the Group’s investment value received strong market recognition, with total market capitalization rising from approximately HKD4 billion at the beginning of the Fiscal Year 2025 to about HKD23 billion at year-end, an increase of nearly sixfold.

- (3) **Significant breakthroughs achieved in strategic investments and acquisitions.** In December 2025, the Group entered into an agreement on subscribing for 50% plus one share of an Australian target company at AUD 370 million, achieving a strategic acquisition of the Simberi producing gold mine in Papua New Guinea and simultaneously obtaining two exploration licenses. The Simberi gold mine contains abundant reserves, a solid operational foundation, and significant development potential. Once the sulfide ore system reaches full production, the annual gold output is expected to exceed 7 tonnes. In addition, the Group made a strategic investment in Titan Mining Limited (“**Titan Company**”), which holds 100% ownership of the Dynasty Gold Project in Ecuador. According to information disclosed by Titan on 18 March 2026, the project contains approximately 121.3 tonnes of gold and about 811.8 tonnes of silver. These two strategic investments and acquisitions mark a milestone achievement in the Group’s overseas resource acquisition strategy, further consolidating the resource base for sustainable development.
- (4) **Resource security capabilities significantly enhanced.** The Group advanced exploration of both deep and peripheral areas of its mines while fully applying three-dimensional digital technologies to simultaneously improve exploration outcomes and efficiency. Shenzhen Lingjin Geological Technology Co., Ltd. (“**GeoTech Company**”), a subsidiary of the Group, established a three-dimensional platform for “integrated exploration data,” promoting visualization of exploration results and collaborative geological research, effectively guiding exploration practices. The Group coordinated exploration efforts across existing mines’ deep and peripheral areas, investing approximately RMB109 million and drilling more than 120,000 meters over the year. Notably, Habahe Huatai Gold Company Ltd. (“**Huatai Company**”) achieved significant results in peripheral exploration at one of its mining areas and is currently allocating additional exploration resources and deploying new drilling operations. Tongbai Xingyuan Mining Company Ltd. (“**Xingyuan Company**”) released a report compliant with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 edition), indicating an addition of approximately 23 tonnes of gold in the deep areas within mining rights, substantially improving international-level resource management and market credibility.

- (5) **Internal management reforms made steady progress.** Through the establishment of a professional geological survey company, the Group further strengthened its resource exploration capability and resource security. A new project management team was formed to enhance full-cycle project oversight, effectively controlling investment costs and improving implementation outcomes. Organizationally, the Group promoted unified management of the organizational structures of major production units and improved the vertical management system, effectively reducing communication costs and operational inefficiencies, thereby continuously enhancing operational efficiency. Regarding incentive mechanism reform, in November 2025, under the first-phase share incentive plan, the Group granted 6.608 million shares to 89 mid- and senior-level managers, effectively aligning the interests of the management and core teams with the company’s long-term development and shareholder value, demonstrating a firm commitment to co-creating and sharing value with employees.
- (6) **Digital transformation accelerated comprehensively.** The Group’s asset management system, Lingbao Gold Group Co., Ltd. Smelting Branch (“**Smelting Branch**”) MES system Phase II, integrated safety management platform, and BI and data visualization platforms were successively launched, continuously improving management digitalization. Concurrently, the Group steadily advanced the construction of three-dimensional digital mines. Huatai Company achieved three-dimensional collaborative design across geology, surveying, and mining, with full application in key areas including geological exploration, resource assessment, roadway connectivity, mining plan design, and goaf area management. The full-scale promotion of this approach across Group mines accelerated overall intelligent transformation. Significant progress was made in AI applications: the Lingjin AI Laboratory was successfully launched, with standardized machine rooms upgraded to support localized deployment of large AI models. The enterprise intelligent assistant “Ling Xiao-i” was put into use, with multiple customized intelligent assistants developed for human resources, financial management, overseas operations, and other scenarios, effectively enabling professional and scenario-specific office work. Consensus on digital transformation throughout the company further strengthened, and organizational synergy in digitalization was significantly enhanced.

- (7) **Talent pipeline construction continued to be optimized, and lean management level enhanced.** The Group continued to advance targeted talent recruitment programs, successfully attracting 146 professionals across various fields during the year, with technical talents in key areas such as geology, surveying, and mining accounting for 49% of the total. Simultaneously, the Group strengthened the reserve of young talents through campus recruitment and management trainee programs, hiring 94 fresh graduates throughout the year, including 14 master’s degree holders, further optimizing the talent pipeline and professional structure. The Group continuously improved its institutional system, adhering to the principles of “simplicity, efficiency, and operability”. Ten key policies were successively revised and enhanced, focusing on engineering projects, metal balance, fixed assets, equipment management, and human resources and compensation, thereby strengthening risk prevention capabilities and improving standardized management. The service awareness and work efficiency of headquarters business lines were continuously enhanced. Departments such as Finance, Audit, Corporate Management, Performance Assessment, Procurement, and Safety conducted on-site visits in batches, focusing on production bottlenecks, process optimization, and risk control, accurately responding to operational needs and providing business guidance, effectively clearing the “last mile” of service support to production.
- (8) **Key tasks and engineering projects progressed smoothly.** The Baihua Processing Plant of Lingbao Gold Group Co., Ltd. Nanshan Branch (“**Nanshan Branch**”) was successfully completed and commenced trial operations, reaching designed production capacity and efficiency. The main party of the Longtougou Tailings Dam project was completed on schedule and is preliminarily ready for trial operation, providing strong support for continuous production at Nanshan Branch. The main infrastructure development works at the Qiangma mining area were basically completed, with the six major system facilities installed and commissioned simultaneously, creating favorable conditions for the next stage of permitting. Two key tasks at Xingyuan Company — mining license scale modification and major design changes of the Shangshanghe — Laowan mining section — progressed steadily, providing critical support for subsequent capacity expansion and optimized mining. Huatai made full efforts to complete shaft excavation, bench widening, and shotcrete works, while multi-mine curtain grouting projects progressed smoothly, laying a solid foundation for obtaining permits in the first quarter of 2026. Chifeng Jinchan Mining Company Ltd. (“**Jinchan Company**”) obtained construction commencement approval in September 2025, providing necessary conditions for underground technical improvements and capacity expansion. The Smelting Branch’s green upgrade project was successfully completed and put into operation, reducing per-ton ore cost by approximately RMB450 compared with the previous roasting process, achieving the expected goals of capacity expansion, quality optimization, and cost reduction with efficiency improvement.

- (9) **Operational quality and efficiency continued to improve.** The Group focused on technical upgrades, technological breakthroughs, and cost control to drive simultaneous improvements in both production capacity and profitability. In terms of unlocking potential through technical upgrades, Huatai significantly enhanced mining and processing capacity by introducing new mining equipment and optimizing the semi-autogenous grinding feeding system. In terms of technological breakthroughs, the Nanshan Branch collaborated with Central South University on the “Integrated Research on Safe and Efficient Mining Technology” project; once implemented, this project will effectively resolve key technical challenges — such as complex development systems and high risks in goaf areas — significantly enhancing mining efficiency and safety while elevating mining technology to an advanced level among domestic peers. In terms of cost reduction and efficiency enhancement, Huatai Company optimized its high-pressure water pump power distribution system, invested approximately RMB10 million in the equipment; the Smelting Branch reduced iron-silicon slag disposal costs and the achieved value-added resource utilization of tailings by expanding its out-of-province customer base, introducing competitive mechanisms, and optimizing pricing methods, resulting in a cumulative cost saving and income increase of RMB6.55 million; the Financial Management Department capitalized on market interest rate windows to replace high-interest loans, negotiate rate reductions, and utilize bill instruments, driving the comprehensive financing cost down by 0.5 percentage points year-on-year and saving approximately RMB10 million in financial expenses; the Group headquarters and subsidiaries comprehensively strengthened metal balance management, contributing to a continuous rise in metal recovery rates and further reinforcing cost reduction and efficiency.
- (10) **ESG governance levels were comprehensively elevated, ensuring stable operations in safety and environmental protection.** The Group adhered to the principle of “pilot programs first” to advance the high-quality construction of “Beautiful Mines.” Site upgrades and landscaping projects were implemented at Pit 12 and Pit 13 of the Yinxin Mining Area, striving to create a demonstration benchmark for the coordinated development of resource extraction and ecological protection. Meanwhile, the Group pushed forward with mine restoration, the construction of waste rock sheds, and integrated domestic sewage treatment in the Yinxin Mining Area, effectively improving the regional ecological environment. The Group focused on upgrading on-site protection, ventilation, noise reduction, and dust suppression facilities, comprehensively strengthening the development of occupational health monitoring and prevention systems. Simultaneously, the Group continued to improve the working and living conditions of its employees; the comprehensive living building of Fujin Limited Liability Company (“**Fujin Company**”) and the dormitory buildings at Nanshan Branch’s 1452 and Baihua Pit 16 have been successively put into use. The Group actively fulfilled its corporate social responsibilities, donating over RMB15 million to infrastructure, public welfare, culture, and education in the locations where its enterprises operate, achieving a positive interaction between corporate development and social value.

Anchoring the goal of “founding on intrinsic safety and empowering through technological development,” the Group accelerated the construction of a new safety management landscape driven by the three dimensions of “Technology + Science + Culture”. Throughout the year, a cumulative investment of over RMB70 million was made to continuously promote the upgrading of mine equipment, and a comprehensive upgrade of safety facilities for hoisting and transportation systems was completed through specialized rectification programs. The Lingjin Safety Control Platform was fully put into operation, achieving online safety training and monitoring. Experts from national-level associations were introduced to conduct “one-policy-for-one-mine” precision diagnoses, enhancing the level of professional safety management. The Group has established a mechanism directly linking safety assessments with remuneration and excellence awards, driving the layered consolidation of safety responsibilities. Through these systemic measures, no major safety or environmental accidents occurred throughout the year, and all work progressed in a stable and orderly manner.

2026 Outlook

2026 is a pivotal year for the Group to comprehensively advance the implementation of its 2030 strategic development goals and accelerate its internationalization process. We will continue to focus on our core mining business and steadily push forward our global strategic layout. We must persist in consolidating our foundation through lean management, driving development through technological innovation, and continuously optimizing our cost structure. Meanwhile, we will deeply integrate ESG into our corporate strategy, cultivating deep roots through the pursuit of common development, and comprehensively enhancing our resilience against industry cyclical fluctuations. We remain steadfast in following a development path characterized by high safety standards, strong technology, low costs, high efficiency, and high quality.

(1) Galvanizing efforts to unlock potential and enhance efficiency, driving a holistic leap in production and operational standards

In the coming year, the Group will continue to prioritize reserve appreciation and capacity expansion as core tasks, dedicated to transforming resource potential into output advantages.

First, existing mines will continue to unlock potential and expand capacity, focusing on breakthroughs in key projects. While advancing the “Integrated Research on Safe and Efficient Mining Technology” project in collaboration with Central South University, the Nanshan Branch will vigorously push forward the construction progress of the Qiangma infrastructure project and the licensing process for Lingjin No. 2 Mine, laying a solid foundation for capacity expansion. Xingyuan Company will fully promote the 800,000-tonne capacity expansion permit amendment and accelerate the infrastructure work and relevant licensing for Shaft No. 3. Huatai Company will speed up the 800,000 t/a underground renovation and expansion project of the Duolanasayi Gold Mine. Fujin Company will strengthen construction organization between Chinese and Kyrgyz parties in the mining areas, efficiently increasing drifting speed and the number of effective stopes to further boost daily ore output. Jinchan Company will accelerate its 60,000-tonne technical upgrade project. Through the implementation of these key projects, we are committed to achieving stable and high yields in producing mines, driving a leap in the overall scale of mined gold.

Second, the Group will solidly promote prospecting breakthroughs in key mines. Relying on geological survey company, it will strengthen independent exploration capabilities and deepen systematic research on metallogenic laws and integrated innovation of exploration technologies to effectively enhance prospecting results. The Group will further increase investment in independent exploration, actively introducing advanced concepts and technical equipment to improve prospecting efficiency and the quality of results. It will accelerate the implementation of key exploration engineering, systematically carry out deep-level exploration and planning layouts in mining areas, and strengthen the integration of metallogenic theory innovation with new technologies. With strict management of progress, quality, cost, and risk, the Group’s exploration budget for 2026 will increase to RMB339 million. The Group will continue to steadily advance and strive to realize the objective proposed in the “2024 Management Discussion and Analysis and 2025 Outlook”, which aims to “complete phased exploration results at various mining bases by the end of 2026, targeting the submission and filing of nearly 100 tonnes of gold metal reserves”, providing solid support for the Group’s resource succession and sustainable development.

(2) Strengthening overseas project management and steadily advancing the internationalization strategy

Currently, overseas layout has become the core driver for the leap-forward expansion of the Company's scale. The Group will promote its internationalization strategy with greater intensity and higher standards, ensuring that overseas projects truly become a new engine for the Company's development. First, acquired projects will be prioritized to achieve results. By drawing on advanced experience from similar mines domestically and abroad, technically feasible and economically reasonable mineral processing solutions will be formulated. Simultaneously, through management system innovation and process optimization, the Group will systematically enhance the development quality and operational efficiency of overseas projects, driving them to achieve expected returns promptly and striving to create a new growth curve for the Company. Second, resource mergers and acquisitions will continue to focus on precision. The Group will keep a close watch on overseas investment opportunities, focusing on producing gold projects with significant scale and healthy cash flows, to rapidly form a new globalization pattern characterized by "focus on key regions supplemented by diversified markets." Third, the Group will establish an efficient and collaborative operational mechanism. Benchmarking against the governance practices of multinational mining companies, the Group will strengthen the headquarters' functions in strategic coordination and resource allocation, streamlining management boundaries and control priorities between the headquarters and overseas projects to form a management model with clear powers and responsibilities, smooth operations, and controllable risks. Fourth, the Group will continue to build a management team adapted to multinational operations, persistently introducing and cultivating professional talents with a global vision and familiarity with international rules, focusing on forging a professional manager echelon that understands operations, excels in management, and is proficient in international affairs to provide a solid talent guarantee for international development.

(3) Breaking traditional paths to drive a transformation in the cost management system

We clearly recognize that the current cyclical tailwinds in the gold market must not obscure the deep-seated challenges of cost volatility. The entire Group must thoroughly abandon the "fixed cost" mindset and adopt a "starting from zero" approach to drive a transformation in cost system management, unswervingly pursuing a path of high-quality development characterized by low costs, high resilience, and sustainability.

Cost control stands as the most core fundamental management task for the Group over the next three years. The Group is accelerating the construction of an all-encompassing and systematic cost control system, firmly breaking through localized and fragmented cost-reduction thinking, and systematically reviewing cost structures across all dimensions — including production operations, investment and construction, technical innovation, and safety and environmental protection — to deeply analyze cost drivers, precisely identify key driving factors, and focus on achieving refined control of fixed costs and dynamic optimization of variable costs, driving a fundamental transition of cost management from an extensive to a lean model. Meanwhile, the Group has integrated cost control effectiveness into the key performance indicator system to truly ensure that “every necessary saving is made and every due revenue is collected.” Regarding cost control measures, the Group will actively promote the electrified, automated, and intelligent upgrading of equipment, solidly advance the construction of smart mines and intelligent factories, and continuously enhance operational efficiency through technological dividends; the Group will continue to strictly control non-productive expenditures and labor costs to ensure that the growth rate of labor costs does not exceed the growth rate of output and benefits of major products; by establishing engineering management teams, the Group will strengthen life-cycle cost management for engineering projects, and through standardized design, refined construction, and regulated acceptance, continuously improve the input-output ratio and solidify the enterprise’s cost competitiveness.

(4) Deepening digital transformation to drive operational upgrades through innovation

The Group will center on the objectives of “office efficiency, business empowerment, and management upgrades” to promote the deep integration of digital technology with production and operations, making digitalization a true new engine for corporate development. First, the Group will continuously promote the automated and intelligent upgrading of mining and smelting production links, focusing on quality and efficiency enhancement in key processes and accelerating the application of intelligent equipment and process flow optimization. Simultaneously, a supporting data acquisition platform will be built to bridge data links across production, equipment, and energy consumption, achieving unified data collection, real-time monitoring, and efficient linkage, thereby empowering safety control, production scheduling, and lean management through digitalization; second, leading business upgrades with intelligent applications. Leveraging the “Ling Xiao-i” platform to expand AI application scenarios in areas such as safety production, talent management, and operational decision-making, accelerating the construction of intelligent mine safety systems and promoting the optimization of smelting ore-blending models to continuously enhance business intelligence levels through technology integration; third, constructing an operational system with full-domain coverage. The Group will promote the comprehensive launch of new management systems for assets, human resources, and engineering projects, gradually achieving

digital connectivity across the entire “personnel, finance, materials, and projects” chain. Through data integration and business synergy, information silos will be broken and management blind spots eliminated, allowing the digital operational system to truly cover every corner of the Group and support the operation of every link.

(5) Fortifying the foundation of safety and environmental protection for sustainable development

Currently, the global mining industry is undergoing a value reshaping centered on ESG. The Group adheres to the ESG philosophy as a guide to promote the organic unity of economic, social, and ecological benefits. The Group will continuously increase investment in environmental protection, strengthen full-process environmental control, and promote the integrated utilization of tailings and ecological restoration of mining areas, ensuring the harmonious coexistence of mine development and nature conservation. Meanwhile, the Group will continue to focus on community demands and deepen communication with stakeholders, ensuring that resource development truly benefits local areas and people. The Group always places employee health and safety first, deepening the fundamental governance of safety production, strengthening the management of hidden disaster-causing factors, and driving a shift in safety management from “passive prevention” to “governance at the source.” Simultaneously, the Group will firmly implement the strategy of “Strengthening Safety through Science and Technology,” accelerating the upgrading of mechanized and automated equipment, and actively promoting the application of advanced technologies such as transport vehicle positioning and monitoring, online diagnostics for hoisting systems, and intelligent unmanned operations to empower precise risk prevention and control through technological innovation. In the future, the Group will continue to benchmark against international ESG standards and best practices, and will fully integrate ESG indicators into corporate governance and performance assessments to achieve a comprehensive elevation of environment, society, and governance, ensuring the enterprise’s steady and long-term progress and the realization of sustainable development.

FINANCIAL INFORMATION

1. Operating Results

Revenue

The Group's operating analysis by products is shown as follows:

	2025			2024		
	Amount (RMB'000)	Sales volume (kg/tonne)	Unit price (RMB per kg/ tonne)	Amount (RMB'000)	Sales volume (kg/tonne)	Unit price (RMB per kg/ tonne)
Gold bullion	12,599,506	17,001	741,093	11,713,064	20,983	558,211
Silver	73,166	8,700	8,410	62,799	9,780	6,421
Copper products	119,379	1,691	70,601	110,840	1,689	65,609
Sulphuric acid	34,200	81,024	422	9,957	90,561	110
Gold concentrates	681,635	—	—	181,812	—	—
Others	26,461	—	—	17,358	—	—
	<u>13,534,347</u>			12,095,830		
Revenue before tax						
Less: Sales taxes	<u>390,950</u>			<u>(229,202)</u>		
	<u>13,143,397</u>			<u>11,866,628</u>		

The Group's revenue for the Fiscal Year 2025 was approximately RMB13,143,397,000, representing an increase of approximately 10.76% as compared with the previous year.

Gross profit

The Group's gross profit for the Fiscal Year 2025 was RMB2,820,982,000 as compared with the gross profit of RMB1,461,919,000 in the previous year, representing a significant increase of approximately 92.96%. Through optimizing production organization and resource allocation, deepening technological innovation and implementing full-process cost reduction and efficiency enhancement measures, the Group has achieved remarkable results in cost control. Meanwhile, during the period, the Group's output increased year-on-year, production capacity utilization was effectively unlocked, the scale effect was further highlighted, and benefiting from a significant growth in the market selling prices of the Group's major products compared with the same period last year, the gross profit and gross profit margin increased substantially simultaneously.

Other net loss

The Group's other net loss for the Fiscal Year 2025 was approximately RMB155,424,000, representing an increase of approximately 349.9% as compared with approximately RMB34,546,000 in the previous year.

The significant increase in other net loss was mainly due to a foreign exchange loss of RMB37,399,000 recorded due to the appreciation of RMB against the US dollar and Hong Kong dollar at the end of the year, representing an increase of 474.7% compared with the same period last year, a fair value loss of RMB44,050,000 arising from the gold hedging positions held by the Group's smelting segment to hedge against risks associated with fluctuations in gold prices as the year-end gold market price exceeded the hedging price, representing an increase of 495.75% compared with the same period last year, as well as an additional fair value loss of RMB13,291,000 recognised in respect of the conversion right of the convertible bonds.

Among which, the management considers the profit or loss from revaluation of the conversion right of the Hong Kong dollar convertible bonds issued by the Group on 1 December 2025 as a one-off significant item that does not form part of the daily operating income and expenditure.

Other revenue

The Group's other revenue for the Fiscal Year 2025 was approximately RMB64,055,000, representing an increase of approximately 7.37% as compared with approximately RMB59,658,000 in the previous year.

Profit attributable to the Company's shareholders

For the Fiscal Year 2025, the Group recorded a profit of approximately RMB1,543,153,000 attributable to equity shareholders of the Company (Fiscal Year 2024: RMB697,997,000). The basic and diluted earnings per share for the Fiscal Year 2025 was RMB120.76 cents (Fiscal Year 2024: RMB56.75 cents).

2. Liquidity and Financial Resources

The Group generally finances its acquisition and operations with internally generated funds and bank loans. The cash and cash equivalents and pledged deposits as at 31 December 2025 amounted to RMB1,959,759,000 (31 December 2024: RMB899,570,000).

The total equity of the Group as at 31 December 2025 amounted to RMB4,667,044,000 (31 December 2024: RMB3,158,184,000). As at 31 December 2025, the Group had current assets of RMB5,602,272,000 (31 December 2024: RMB3,008,793,000) and current liabilities of RMB4,817,517,000 (31 December 2024: RMB3,025,313,000). The current ratio was 116.29% (31 December 2024: 99.45%).

As at 31 December 2025, the Group had total outstanding bank and other borrowings of approximately RMB3,216,333,000 with interest rates ranging from 1.1% to 4% per annum (approximately RMB2,425,633,000 and approximately RMB790,700,000 repayable within one year and over one year but within two years, respectively). The gearing ratio as at 31 December 2025 was 29.69% (31 December 2024: 36.65%), which was calculated by total borrowings divided by total assets.

As at 31 December 2025, the Group had unutilised bank facilities related to unsecured bank loans facilities of RMB1,015,800,000. These facilities could be drawn down by the Group to finance its operation. Based on the past experience and the communication with banks, the Board believes that the Company has the ability to renew or secure banking facilities upon maturity.

In order to effectively lower the debt ratio and improve the financing ability of the Group, the Group has taken the following measures:

- 1) Maintaining refined management on an ongoing basis, tapping internal potentials, and continuously improving the gross profit margin of products from own mines. Meanwhile, optimizing the layout and allocation of production capacity to enhance the ability to generate operating cash flow;
- 2) Improving the fund allocation mechanism, accelerating capital turnover and enhancing utilization efficiency. On such basis, continuously optimizing the scale of liabilities and maintaining a healthy capital structure;
- 3) Strengthening communication with banks and other financial institutions, deepen bank-enterprise mutual trust based on the continuous improvement of the Company's performance and cash flow, gradually replace external guaranteed financing with credit facilities, and effectively reduce financing costs;
- 4) Fully leveraging the advantages of strong liquidity and quick realization of inventories in the gold mining industry, rationally deploying low-cost supply chain financial products and broadening financing channels;
- 5) Optimizing the financing maturity structure, replacing part of short-term borrowings with medium and long-term loans to improve liability matching, effectively ease short-term repayment pressure and prevent liquidity risks;
- 6) Completing placing of new H shares under the general mandate to no less than six places (as detailed in the announcements dated 11 March 2025 and 18 March 2025, respectively). The net proceeds from the placing are intended to be used for potential merger and acquisition opportunities;

- 7) Completing the issue of HK\$1,166 million zero coupon convertible bonds due 2026 (the “**Convertible Bonds**”) under general mandate (as detailed in the announcements dated 25 November 2025 and 1 December 2025, respectively). The net proceeds from the placing are intended to be used for potential merger and acquisition opportunities in the gold industry, supplementing the working capital of the Company, and refinancing existing debts.

On 24 November 2025 (after trading hours), the Company and the Lead Manager entered into the Subscription Agreement, pursuant to which and subject to certain conditions contained therein, the Company has agreed to issue, and the Lead Manager has agreed to subscribe and pay for, or to procure subscribers to subscribe and pay for, the Convertible Bonds in a principal amount of HK\$1,166 million. Assuming full conversion of the Convertible Bonds at the initial Conversion Price of HK\$17.83 per H Share, the Convertible Bonds will be convertible into approximately 65,395,401 H Shares. The issue of the Convertible Bonds in an aggregate principal amount of HK\$1,166,000,000 was completed on 1 December 2025.

As at the date of this announcement, all of the Convertible Bonds in an aggregate principal amount of HK\$1,166 million have been fully converted into 65,395,378 H Shares at a conversion price of HK\$17.83 per H Share, with the conversion period commencing from 3 February 2026 to 19 March 2026.

3. Security and Guarantee

For details of securities and guarantees of the Group as at 31 December 2025, please refer to Note 10 “Bank and Other Borrowings, and Convertible Bonds” to these financial statements.

4. Material Acquisition or Disposal

Save as otherwise disclosed in this announcement, there were no material acquisitions or disposals subsequent to 31 December 2025 and up to the date of this announcement.

5. Market Risks

The Group is exposed to various types of market risks, including fluctuations in gold prices and other commodity prices, as well as changes in interest rates, foreign exchange rates and inflation.

Gold price and other commodities price risk

The Group's revenue and profit were affected by fluctuations in the gold prices and other commodities prices as all our products were sold at market prices and such fluctuations in prices were beyond our control. The Group does not use and strictly prohibits the use of commodity derivative instruments or futures for speculation purpose. All commodity derivative instruments are used to minimise the potential price fluctuation of gold and other commodities.

Interest rate risk

The Group is exposed to risks associated with the fluctuation in interest rates on our debt obligations. The Group undertakes debt obligations for general corporate purposes such as support of capital expenditure and working capital requirements. The Group's bank loans bear interest rates that are subject to adjustment made by our lenders in accordance with changes of the relevant regulations of the People's Bank of China. If the People's Bank of China increases the interest rates, our finance costs will increase accordingly. In addition, to the extent that we may need to raise our debt financing in the future, upward fluctuations in interest rates will increase the cost of new debt.

Exchange rate risk

The Group's transactions are mainly denominated in Renminbi. As such, fluctuations in exchange rates may affect the international and domestic gold prices, and our operational results may be affected.

In addition to the foregoing, the exchange rate risks to which the Group exposes are mainly caused by certain bank deposits, trade and other receivables, trade and other payables and bank loans, which are denominated in foreign currencies. The currency risk is primarily United States dollars.

Fluctuations in exchange rates may adversely affect the value of our net assets, earnings and any dividends we declare when they are being converted or translated into Hong Kong dollars.

6. Contractual Obligations

As at 31 December 2025, the Group's total capital commitments in respect of the contracted costs and the authorised but not contracted costs which were not provided for in the financial statements were approximately RMB32,890,000 (31 December 2024: RMB17,571,000) and nil (31 December 2024: nil), respectively.

7. Contingent Liabilities

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

8. Capital Expenditure

For the Fiscal Year 2025, the Group's capital expenditure was approximately RMB938,767,000, representing an increase of approximately 72.9% from approximately RMB542,954,000 for the previous year.

The Group's capital expenditure mainly relates to the construction of mining shafts and renewal of mining rights for other relevant subsidiaries, expansion of project equipment and upgrading of production equipment.

9. Employees

As at the end of the Fiscal Year 2025, the number of employees of the Group was 3,670. The Company highly treasures its human resources and provides its employees with competitive remuneration and training programs. The gender and type of employees will be disclosed in detail in the ESG report.

10. Share Option Scheme

The Company adopted a share award scheme on 5 August 2025, with the aim of, among others, providing incentives and/or rewards to eligible participants in recognition of their contributions to the development and achievements of the Group. The share award scheme took effect from the date of adoption and shall be valid for a term of ten years.

On 5 November 2025, the Company granted awards involving 6,608,000 H Shares to 89 selected employee participants in accordance with the terms of the share award scheme. Although such awards have been granted, no recognition was made in respect of this matter for the year ended 31 December 2025. Therefore, there was no shares that may be issued due to the grant of award, if any, for the year ended 31 December 2025.

ISSUE FOR CASH OF EQUITY SECURITIES

During the year under review and as at the date of this announcement, the Company has conducted/completed the following fund-raising activity(ies) for cash:

Date of announcement	Fund raising activity	Net proceeds raised (approximately)	Intended use of the net proceeds	Actual use of the net proceeds
11 March 2025 and 18 March 2025	Issue and allotment of 43,500,000 new H Shares under the General Mandate	HKD228.8 million	Possible mergers and acquisitions opportunities in gold industry	Approximately HKD77.8 million has been used for the acquisition of the gold mine in Ecuador according to the intended use and approximately HKD151.0 million is expected to be fully utilized on or before December 2026.
25 November 2025 and 1 December 2025	Issue of HKD1,166 million zero coupon convertible bonds due 2026 under General Mandate	HKD1,151.6 million	Possible mergers and acquisitions opportunities in gold industry; replenishment for the Company's working capital and refinancing for existing indebtedness	Approximately HKD230.3 million has been used for replenishment for the working capital and repaying existing loans according to the intended use, and approximately HKD921.3 million is expected to be fully utilized on or before December 2026.

EVENTS AFTER REPORTING PERIOD

On 28 January 2026, the Company announced that the board lot size of the H shares of RMB0.20 each for trading on main board of The Stock Exchange of Hong Kong Limited will be changed from 1,000 H Shares to 100 H Shares with effect from 9: 00 a.m. on Tuesday, 24 February 2026. The change in board lot size aimed to reduce the board lot value, thereby potentially improving the liquidity of the H Shares and broadening the shareholders base without affecting any of the relative rights of the shareholders.

All of the Convertible Bonds in an aggregate principal amount of HK\$1,166 million have been fully converted into 65,395,378 H Shares at a conversion price of HK\$17.83 per H Share, with the conversion period commencing from 3 February 2026 to 19 March 2026.

Save as disclosed above, there is no other significant event subsequent to 31 December 2025 and up to the date of this announcement.

FUTURE PLANS FOR MATERIAL INVESTMENT

The Group entered into a discloseable transaction to subscribe 50% + 1 share of the equity interest in St Barbara Mining Pty Ltd, whose core asset is the Simberi gold mine in operation located in Papua New Guinea, at a total consideration of AUD370 million (equivalent to approximately RMB1.735 billion). Upon completion, Simberi project is expected to help increase the Group's gold resource base, expand its production scale and overseas presence, and provide stable recurring income source through existing oxide ore production and development of sulfide ore resources for ten years in the future.

At of the latest practicable date, such transaction is subject to the fulfillment of conditions precedent under the equity placing agreement.

Save as disclosed above, the Group has no other plan for any material investments as at the date of this announcement.

CORPORATE GOVERNANCE

The Board is of the view that the Company has complied with the code provisions as set out in the Corporate Governance Code (the "Code") contained in Appendix C1 of the Listing Rules during the year ended 31 December 2025. None of the Directors is aware of any information that reasonably reveals that there was any non-compliance with the code provisions of the Code by the Company at any time during the year.

For details of the corporate governance report, please refer to the annual report to be despatched to shareholders in due course.

PURCHASE, SALES OR REDEMPTION OF SHARES OF THE COMPANY

As at 31 December 2025, there were no treasury shares (as defined in the Listing Rules) held by the Company.

For the Fiscal Year 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares (including sale of treasury shares).

DIVIDENDS

Relevant resolution was passed at the Board meeting held on 26 March 2026 to propose to distribute a final dividend of RMB0.05 per share (tax inclusive) for the year ended 31 December 2025 (Fiscal Year 2024: RMB0.08). Subject to the approval of the shareholders at the forthcoming annual shareholders' meeting of the Company, the final dividend is expected to be payable on or about 23 June 2026. According to the Law on Corporate Income Tax of the People's Republic of China and the relevant implementing rules which came into effect on 1 January 2008, the Company is required to withhold corporate income tax at the rate of 10% before distributing the final dividend to non-resident enterprise shareholders as appearing on the H share register of shareholders of the Company. Any shares registered in the name of non-individual registered shareholders, including HKSCC Nominees Limited, other nominees or trustees or other groups and organisations will be treated as being held by non-resident enterprise shareholders and therefore the dividend payable therein will be subject to the withholding of the corporate income tax.

Pursuant to the applicable provisions of the Individual Income Tax Law of the PRC (《中華人民共和國個人所得稅法》) and its implementing rules as well as the Tax Notice (《稅收通知》), the Company will implement the following arrangements in relation to the withholding and payment of individual income tax on behalf of individual holders of H Shares:

- for the H share individual shareholders who are Hong Kong or Macau residents or whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of such shareholders in the distribution of final dividend;
- for the H share individual shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of such shareholders in the distribution of final dividend, while such shareholders may apply for rebate of the additional payment to the tax authorities in accordance with the actual tax rate under such tax treaties;
- for the H share individual shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the effective tax rate stipulated in the relevant tax treaty in the distribution of final dividend;
- for the H share individual shareholders whose country (region) of domicile is a country (region) which has not entered into any tax treaties with the PRC, or a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 20%, the Company will withhold and pay individual income tax at the rate of 20% on behalf of such shareholders in the distribution of final dividend.

If a H share individual shareholder considers that his/her individual income tax withheld by the Company does not comply with the tax rate stipulated by the tax treaties between country(ies) or region(s) in which he/she is domiciled and the PRC, he/she should file a timely authorisation letter together with the reporting materials relating to him/her being a resident of the related country or region, to Computershare Hong Kong Investor Services Limited, the Company's H Share Registrar in Hong Kong by no later than 4:30 p.m. on Friday, 22 May 2026. The materials will be submitted to the competent tax authority by the Company, for subsequent taxation handling.

Non-resident enterprise shareholders or overseas resident individual shareholders of the Company may seek advice from their tax advisor in relation to the tax impact of the Chinese mainland, Hong Kong and other countries (regions) involved in owning and disposing of H shares of the Company if they have any doubts on the above arrangements.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Based on the Consultation Conclusions of the "Consultation Paper on Proposals to Further Expand the Paperless Listing Regime and Other Rule Amendments" published by the Stock Exchange in January 2025, it is proposed for issuers to ensure their constitutional documents enable them to hold hybrid general meetings and provide E-voting. In this regard, the articles amendments will also further clarify the manner of electronic meetings.

In addition, all of the Convertible Bonds in an aggregate principal amount of HK\$1,166 million were fully converted into 65,395,378 H Shares at a conversion price of HK\$17.83 per H Share by 19 March 2026. As a result, the Company's share capital structure was updated to a total of 1,352,371,433 shares (comprising 181,397,058 Domestic Shares and 1,170,974,375 H Shares), and the registered capital of the Company increased to RMB270,474,286.60.

On 26 March 2026, the Board considered and approved the resolution on proposed amendments (the "**Proposed Amendments**") to the articles of association of the Company (the "**Articles of Association**"). Having regard to the actual situation of the Company, the Board proposed to amend the Articles of Association to (a) clarification of constitutional documents in enabling hybrid shareholders' meeting and E-voting according to the law; and (b) make other miscellaneous amendments to reflect the updated capital structure and other administrative updates.

The Proposed Amendments shall be subject to the approval by the shareholders of the Company at the forthcoming annual shareholders' meeting of the Company ("**AGM**") by way of a special resolution. A circular containing, among others, the details of the Proposed Amendments, together with a notice convening the AGM, will be dispatched by the Company to the shareholders in due course in accordance with the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

Subject to the approval of the shareholders at the AGM which will be held on Tuesday, 19 May 2026, the final dividend will be distributed to shareholders on or about Tuesday, 23 June 2026.

In order to determine the holders of H shares of the Company (the “**H Shareholders**”) who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 14 May 2026 to Tuesday, 19 May 2026 (both days inclusive), during which no transfer of shares of the Company will be registered. To be entitled to attend and vote at the AGM, all transfer documents of shares accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited at shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong before 4:30 pm on Wednesday, 13 May 2026. All H Shareholders whose names appear on the register of members of the Company on Tuesday, 19 May 2026 are entitled to attend and vote at the AGM.

In order to determine the H Shareholders who are qualify for the final dividend, the register of members of the Company will be closed from Tuesday, 26 May 2026 to Friday, 29 May 2026 (both days inclusive), during which no transfer of shares of the Company will be registered. To be qualify for the final dividend, all transfer documents of shares accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited at shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong on or before 4:30 pm on Friday, 22 May 2026. Subject to the approval of the shareholders at the AGM, the final dividend will be paid to the H Shareholders whose names appear on the register of members of the Company at close of business on Friday, 29 May 2026.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) as set out in Appendix C3 of the Listing Rules as the Company’s code of conduct for dealings in securities by directors and supervisors of the Company. Having made specific enquiries of all the Company’s directors and supervisors, all directors and supervisors of the Company have confirmed that they had fully complied with the required standard set out in the Model Code throughout the Fiscal Year 2025.

AUDIT COMMITTEE AND REVIEW OF RESULTS ANNOUNCEMENT FOR FISCAL YEAR 2025

The Audit Committee comprises four independent non-executive directors and one non-executive director, namely, Mr. Yeung Chi Tat (Chairman), Mr. Bo Shao Chuan, Mr. Guo Michael Xinsheng, Mr. Zhang Feihu and Mr. Huang Hui.

The Audit Committee has reviewed and discussed with the management the accounting principles and practices adopted by the Group, audit, internal control, and financial reports, as well as the policies and practices of the Company in respect of corporate governance. The Audit Committee has reviewed and confirmed annual results. There is no disagreement by the Audit Committee with the accounting treatment adopted by the Company.

THE SCOPE OF WORK OF BDO

Financial figures in respect of the consolidated statement of financial position, consolidated income statement, and the consolidated statement of comprehensive income of the Group and related notes thereto for the year ended 31 December 2025 as set out in this announcement have been compared by the auditor of the Company, BDO Limited (“**BDO**”) (Certified Public Accountants), with the amounts as contained in the audited consolidated financial statements of the Group for the year, and the amounts were found to be in agreement. The work performed by BDO in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by BDO on this announcement.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement has been published on the website of The Hong Kong Exchanges and Clearing Limited (the “**HK Exchange**”), www.hkexnews.hk, and the website of the Company, www.irasia.com/listco/hk/lingbao. The 2025 Annual Report will be made available to shareholders in due course and published on the websites of HK Exchange and the Company.

By order of the Board
Lingbao Gold Group Company Ltd.
Chen Jianzheng
Chairman

Lingbao City, Henan Province, the PRC
26 March 2026

As at the date of this announcement, the Board comprises five executive directors, namely Mr. Chen Jianzheng, Mr. Wang Pinran, Mr. Xing Jiangze, Mr. He Chengqun and Ms. Zhao Li; two non-executive directors, namely Mr. Zhang Feihu and Mr. Wang Guanran; and four independent non-executive directors, namely Mr. Yeung Chi Tat, Mr. Bo Shao Chuan, Mr. Guo Michael Xinsheng and Mr. Huang Hui.