Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

ZHAOJIN MINING INDUSTRY COMPANY LIMITED*
招金礦業股份有限公司

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

(Stock Code: 1818)

ANNOUNCEMENT

MAJOR TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS RENEWAL OF FINANCIAL SERVICES AGREEMENTS

References are made to the announcement dated 29 December 2023 and the circular dated 15 January 2024 published by the Company in respect of, among other things, the 2023 Group Financial Services Agreement and the 2023 Parent Group Financial Services Agreement.

The 2023 Group Financial Services Agreement and the 2023 Parent Group Financial Services Agreement will expire on 31 December 2026.

As the parties intend to continue to enter into transactions of a similar nature from time to time after 31 December 2026, on 23 November 2026, the Company and Finance Company entered into the 2026 Group Financial Services Agreement, and Shandong Zhaojin and Finance Company entered into the 2026 Parent Group Financial Services Agreement, on terms which are similar to that of the 2023 Group Financial Services Agreement and the 2023 Parent Group Financial Services Agreement, respectively.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Shandong Zhaojin is the Controlling Shareholder of the Company and is therefore a connected person of the Company pursuant to Rule 14A.07 of the Listing Rules. Finance Company is a non-wholly-owned subsidiary of the Company and is directly held as to 51% by the Company and as to 40% by Shandong Zhaojin, respectively. Pursuant to Rules 14A.07 and 14A.16 of the Listing Rules, Finance Company is a connected subsidiary and connected person of the Company. Accordingly, the transactions contemplated under the 2026 Group Financial Services Agreement and the 2026 Parent Group Financial Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

2026 Group Financial Services Agreement

Deposit Services

Given that the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the maximum daily outstanding balance of deposits (including interest accrued thereon) in relation to the provision of deposit services by Finance Company to the Qualified Entities (as defined below) under the 2026 Group Financial Services Agreement is more than 25%, the provision of deposit services under the 2026 Group Financial Services Agreement constitutes (i) major transactions subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules; and (ii) non-exempt continuing connected transactions subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Bill Discounting Services

Given that the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the Qualified Entities (as defined below) under the 2026 Group Financial Services Agreement is more than 0.1% but less than 5%, the provision of bill discounting services under the 2026 Group Financial Services Agreement constitutes partially-exempt continuing connected transactions subject to the reporting, annual review and announcement requirements, but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Loan Services

The provision of loan services by Finance Company to the Qualified Entities (as defined below) under the 2026 Group Financial Services Agreement constitutes a form of financial assistance under the Listing Rules. Given that the loan interest rates charged by Finance Company shall not be higher than that charged by other major independent commercial banks for providing comparable loans in the PRC, such financial assistance is on normal commercial terms similar to or even more favourable than those offered by independent third parties for comparable services in the PRC which is not secured by the assets of the Qualified Entities (as defined below), it is exempt from the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Other Group Financial Services

Given that each of the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the estimated aggregate amount of the service fees in connection with Other Group Financial Services (as defined below) on an annual basis is less than 0.1%, the Other Group Financial Services (as defined below) under the 2026 Group Financial Services Agreement will be fully exempt under Rule 14A.76(1) of the Listing Rules.

2026 Parent Group Financial Services Agreement

Deposit Services and Loan Services

Given that the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of each of (i) the maximum daily outstanding balance of deposits (including interest accrued thereon) in relation to the provision of deposit services by Finance Company to the Zhaojin Qualified Entities (as defined below); and (ii) the maximum outstanding loan amount (including interest accrued thereon) at any one point in time that may be provided by Finance Company to the Zhaojin Qualified Entities (as defined below) under the 2026 Parent Group Financial Services Agreement is more than 25%, respectively, the provision of deposit services and loan services under the 2026 Parent Group Financial Services Agreement constitutes (i) major transactions subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules; and (ii) non-exempt continuing connected transactions subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Bill Discounting Services

Given that the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the Zhaojin Qualified Entities (as defined below) under the 2026 Parent Group Financial Services Agreement is more than 0.1% but less than 5%, the provision of bill discounting services under the 2026 Parent Group Financial Services Agreement constitutes partially-exempt continuing connected transactions subject to the reporting, annual review and announcement requirements, but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Other Parent Group Financial Services

Given that each of the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the estimated aggregate amount of the service fees in connection with Other Parent Group Financial Services (as defined below) on an annual basis is less than 0.1%, the Other Parent Group Financial Services (as defined below) under the 2026 Parent Group Financial Services Agreement will be fully exempt under Rule 14A.76(1) of the Listing Rules.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee has been formed to advise the Independent Shareholders in relation to the provision of deposit services under the 2026 Group Financial Services Agreement (including the relevant proposed annual caps) and deposit services and loan services under the 2026 Parent Group Financial Services Agreement (including the relevant proposed annual caps).

Maxa Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the provision of deposit services under the 2026 Group Financial Services Agreement (including the relevant proposed annual caps) and deposit services and loan services under the 2026 Parent Group Financial Services Agreement (including the relevant proposed annual caps).

DESPATCH OF CIRCULAR

A circular containing, among other matters, (i) further information on the provision of deposit services under the 2026 Group Financial Services Agreement (including the relevant proposed annual caps) and deposit services and loan services under the 2026 Parent Group Financial Services Agreement (including the relevant proposed annual caps); (ii) a letter of recommendation from the Independent Board Committee; (iii) a letter of advice from the Independent Financial Adviser; and (iv) a notice of the EGM, is expected to be despatched to the Shareholders within 15 business days after the publication of this announcement.

INTRODUCTION

References are made to the announcement dated 29 December 2023 and the circular dated 15 January 2024 published by the Company in respect of, among other things, the 2023 Group Financial Services Agreement and the 2023 Parent Group Financial Services Agreement.

The 2023 Group Financial Services Agreement and the 2023 Parent Group Financial Services Agreement will expire on 31 December 2026.

As the parties intend to continue to enter into transactions of a similar nature from time to time after 31 December 2026, on 23 November 2026, the Company and Finance Company entered into the 2026 Group Financial Services Agreement, and Shandong Zhaojin and Finance Company entered into the 2026 Parent Group Financial Services Agreement, on terms which are similar to that of the 2023 Group Financial Services Agreement and the 2023 Parent Group Financial Services Agreement, respectively.

Set out below are the details of the 2026 Group Financial Services Agreement and the 2026 Parent Group Financial Services Agreement.

(I) 2026 GROUP FINANCIAL SERVICES AGREEMENT

On 23 November 2026, the Company and Finance Company entered into the 2026 Group Financial Services Agreement, pursuant to which Finance Company agreed to provide financial services to the Qualified Entities (as defined below), including but not limited to deposit services, loan services and bill discounting services.

PRINCIPAL TERMS

The principal terms of the 2026 Group Financial Services Agreement are set out below:

Date:

23 November 2026

Parties:

(1) The Company; and

(2) Finance Company.

Term:

From 1 January 2027 to 31 December 2029.

Major Terms:

(1) Finance Company agreed to provide the following major services to the Company and corporations which satisfy the following qualifications: (i) any companies controlled by the Company (the "**Controlled Corporations**"); (ii) any companies which the Company and the Controlled Corporations, individually or collectively, directly or indirectly, hold(s) more than 20% equity interest; (iii) any companies which the Company and the Controlled Corporations directly hold less than 20% but being the single largest shareholder of such companies; and (iv) the institutional entity or social organization legal persons of the Company and the Controlled Corporations (collectively, the "**Qualified Entities**"):

i. deposit services;

ii. bill discounting services;

iii. loan services; and

iv. other financial services including (a) entrusted loans, bond underwriting, non-finance guarantees, financial consultation, credit certification and other relevant advisory and agency services; (b) acceptance services; (c) fund settlement and payment services; (d) interbank lending; (e) fixed-income portfolio investment; and (f) other services ("**Other Group Financial Services**") as approved or filed with the banking regulatory authorities or other institutions vested with administrative licensing powers in the PRC (collectively, the "**Financial Regulatory Authorities**").

(2) The Company shall choose Finance Company to provide deposit services to the Qualified Entities provided that: (i) the deposit services and deposit products to be provided by Finance Company shall comply with the requirements of the PBOC *(Note 1)*; and (ii) the interest rates for the deposit paid by Finance Company shall not be lower than the interest rates paid by other major independent commercial banks for the provision of the same or similar deposit services in the PRC.

Note:

1 According to the requirements under the "Measures for the Administration of Finance Companies of Enterprise Groups (《企業集團財務公司管理辦法》) issued by the China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會) (the "**CBIRC**"), finance companies shall abide by the provisions on administration of interest rates of the PBOC. Accordingly, the interest rate on the deposit services provided by Finance Company under the 2026 Group Financial Services Agreement shall be based on the benchmark interest rate promulgated by the PBOC and such interest rate shall not exceed the range of deposit interest rate promulgated by the PBOC from time to time, which means any adjustment on the deposit interest rate offered by Finance Company under the 2026 Group Financial Services Agreement shall be within the interest rate offered by the PBOC on comparable deposit.

(3) The Company shall choose Finance Company to provide bill discounting services to the Qualified Entities provided that the interest rates for the provision of bill discounting services to be charged by Finance Company shall not be higher than the interest rates charged by other major independent commercial banks for the provision of same or similar level of bill discounting services in the PRC.

(4) The Company shall choose Finance Company to provide loan services to the Qualified Entities provided that the loan interest rates charged by Finance Company shall not be higher than the interest rates charged by other major independent commercial banks for providing comparable loans in the PRC.

(5) The 2026 Group Financial Services Agreement is only a framework agreement and the parties shall enter into specific contracts setting out specific terms about the service arrangements in relation to the financial services to be provided under the 2026 Group Financial Services Agreement and such specific contracts shall be consistent with the principles and terms of the 2026 Group Financial Services Agreement.

(6) The Company and/or Finance Company will undertake the following capital risks control measures in respect of the 2026 Group Financial Services Agreement:

i. Finance Company will ensure the safe and stable operation of the funds management system, which has undergone the security test in respect of connection to online commercial banking system and has reached the national security standards for commercial banks to ensure the security of the funds of the Qualified Entities.

ii. The Company will ensure that it is in strict compliance with the risk monitoring indicators for financial institutions issued by the Financial Regulatory Authorities and that its major regulatory indicators such as gearing ratio, interbank borrowing ratio and liquidity ratio will also comply with the requirements of the Financial Regulatory Authorities.

iii. The Company will monitor the transactions under the 2026 Group Financial Services Agreement and ensure that the transaction amount will not exceed the relevant annual caps under the 2026 Group Financial Services Agreement.

iv. A monthly report of Finance Company and a "comprehensive table of continuing connected transactions" of the preceding month will be delivered by Finance Company to the Company before the tenth day of each month so that the Company can monitor and ensure the relevant transaction amounts will not exceed its respective annual caps under the 2026 Group Financial Services Agreement.

INTERNAL CONTROL ON PRICING

The interest rates for deposit, loan and bill discounting services will be determined after considering the interest rates charged by/offered by other independent commercial banks in the PRC for the provision of same or similar loans, deposit and bill discounting services: (i) for deposit and loan services, the departments of the Company responsible for carrying out specific business will conduct interest rate research on a regular basis (quarterly for deposit services and semi-annually for loan services) in accordance with internal regulations. Specifically, for each type of the deposit services and loan services, the departments of the Company responsible for carrying out specific business will obtain quotations from at least 10 independent commercial banks (mainly include state-owned commercial banks and joint-stock banks) in the PRC, through onsite consultation and online inquiry. The interest rate quotations obtained through the interest rate research will be recorded and kept in writing, and will be used as the basis for determining the interest rates for the deposit and loan services to be provided by Finance Company to the Qualified Entities; and (ii) for bill discounting services, the departments of the Company responsible for carrying out specific business will check the bill discounting rates published by Shanghai Commercial Paper Exchange Corporation Ltd. (the "**SHCPE**") on the pricing dates stipulated in the specific contracts under the 2026 Group Financial Services Agreement, which will be used as the basis for determining the interest rates for the bill discounting services to be provided by Finance Company to the Qualified Entities. The interest rates published by the SHCPE for bill discounting are also commonly used as references by other independent commercial banks in the PRC. Prior to the entering into specific contracts under the 2026 Group Financial Services Agreement, the finance department of the Company will evaluate and compare the above quotations with the interest rates for deposit, loan and bill discounting services provided by Finance Company taking into account the actual situations and the relevant transactions will be reported to and approved by the head of the finance department of the Company, so as to ensure that the interest rates charged/offered by Finance Company are on normal commercial terms and shall not be less favourable to the Qualified Entities than the interest rates charged/offered by other independent major commercial banks for providing the same or similar services.

In addition, the management of the Company will regularly review and conduct spot checks on the execution of the specific contracts under the 2026 Group Financial Services Agreement to ensure that (i) the staff of the finance department of the Company have compared the terms provided by Finance Company with the terms from other independent third parties; and (ii) the terms offered by Finance Company are no less favorable than those offered by major commercial banks in the PRC.

By adopting the policies set out above, the Directors are of the view that the Company can ensure (i) the interest rates payable for the Qualified Entities' deposits shall not be lower than the interest rates offered by other major independent commercial banks for comparable deposit services in the PRC; (ii) the loan and bill discounting interest rates charged by Finance Company shall not be higher than that charged by other major independent commercial banks for providing comparable loans and bill discounting services in the PRC; and (iii) the terms of the 2026 Group Financial Services Agreement are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

HISTORICAL TRANSACTION AMOUNTS

Deposit Services

The table below sets forth the maximum daily outstanding balance of deposits (including interest accrued thereon) in relation to the provision of deposit services by Finance Company to the qualified entities which satisfy the members qualifications under the 2023 Group Financial Services Agreement (the "**2023 Qualified Entities**") for each of the two years ended 31 December 2024 and 2025 and the ten months ended 31 October 2026:

	For the year ended 31 December		**For the ten months ended 31 October**
	2024	**2025**	**2026**
	(RMB' million)		
			(Unaudited)
Maximum daily outstanding balance of deposits (including interest accrued thereon) placed by the 2023 Qualified Entities with Finance Company	2,968	4,721	3,182

Reference is made to the 2023 Group Financial Services Agreement which stated that, for each of the three financial years ending 31 December 2024, 2025 and 2026, the maximum daily outstanding balance of deposits (including interest accrued thereon) placed by the 2023 Qualified Entities with Finance Company under the 2023 Group Financial Services Agreement shall not exceed RMB5,000 million, RMB5,500 million and RMB6,000 million.

The Directors have been monitoring the maximum daily outstanding balance of deposits (including interest accrued thereon) placed by the 2023 Qualified Entities with Finance Company under the 2023 Group Financial Services Agreement, and such amounts did not exceed the caps for the two years ended 31 December 2024 and 2025 and the ten months ended 31 October 2026. As of the date of this announcement, the annual cap in relation to the provision of deposit services for the year ending 31 December 2026 under the 2023 Group Financial Services Agreement had not been exceeded.

Bill Discounting Services

The table below sets forth the maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the 2023 Qualified Entities under the 2023 Group Financial Services Agreement for each of the two years ended 31 December 2024 and 2025 and the ten months ended 31 October 2026:

	For the year ended 31 December		For the ten months ended 31 October
	2024	**2025**	**2026**
	(RMB' million)		*(Unaudited)*
Maximum daily outstanding balance of funds (including interest accrued thereon) provided by Finance Company to the 2023 Qualified Entities for bill discounting services	nil	20	nil

Reference is made to the 2023 Group Financial Services Agreement which stated that, for each of the three financial years ending 31 December 2024, 2025 and 2026, the maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the 2023 Qualified Entities under the 2023 Group Financial Services Agreement shall not exceed RMB1,000 million, RMB1,500 million and RMB2,000 million.

The Directors have been monitoring the maximum daily outstanding balance of funds (including interest accrued thereon) provided by Finance Company to the 2023 Qualified Entities for bill discounting services under the 2023 Group Financial Services Agreement, and such amounts did not exceed the caps for the two years ended 31 December 2024 and 2025 and the ten months ended 31 October 2026. As of the date of this announcement, the annual cap in relation to the provision of bill discounting services for the year ending 31 December 2026 under the 2023 Group Financial Services Agreement had not been exceeded.

The actual utilisation of the bill discounting services under the 2023 Group Financial Services Agreement was significantly lower than the respective annual caps, primarily for the following reasons:

(a) As part of the Group's continuous efforts to promote centralised fund management, the 2023 Qualified Entities no longer adopt bills for settlement among themselves, and bills are now primarily used as trade settlement tools with external counterparties. This reflects a change in settlement methods brought about by the optimisation of the Group's fund management, rather than a decrease in the potential demand for bill discounting. The Qualified Entities continue to receive substantial bank acceptance bills from external customers in the ordinary course of business, which remain the primary source of discountable assets.

(b) Bill discounting requires the provision of supporting documents such as contracts and invoices to verify the underlying trade background. During periods when the Qualified Entities have abundant working capital, working capital loans involve relatively simpler procedures and serve as more convenient short-term financing channels. Pursuant to the Group's internal fund policies, the Qualified Entities generally prefer to hold electronic bills until maturity for direct settlement with downstream customers. Such financing preferences are formed in a capital-abundant environment and will be dynamically reviewed based on changes in liquidity conditions and relative financing costs.

(c) The regulatory framework applicable to the industrial chain discounting business of Finance Company was adjusted during the historical period, restricting the scope for Finance Company to conduct such business. Such adjustments are industry-wide and have not affected the electronic commercial draft discounting licence granted to Finance Company by the PBOC in May 2017, and Finance Company still possesses the relevant licences, systems and operational capabilities.

Loan Services

The table below sets forth the maximum outstanding loan amount (including interest accrued thereon) at any one point in time provided by Finance Company to the 2023 Qualified Entities under the 2023 Group Financial Services Agreement for each of the two years ended 31 December 2024 and 2025 and the ten months ended 31 October 2026:

	For the year ended 31 December		For the ten months ended 31 October
	2024	**2025**	**2026**
	(RMB' million)		*(Unaudited)*
Maximum outstanding loan amount (including interest accrued thereon) provided by Finance Company to the 2023 Qualified Entities	1,612	1,612	2,176

Reference is made to the 2023 Group Financial Services Agreement which stated that, for each of the three financial years ending 31 December 2024, 2025 and 2026, the maximum outstanding loan amount (including interest accrued thereon) provided by Finance Company to the 2023 Qualified Entities under the 2023 Group Financial Services Agreement shall not exceed RMB4,500 million, RMB5,000 million and RMB5,500 million.

The Directors have been monitoring the maximum outstanding loan amount (including interest accrued thereon) provided by Finance Company to the 2023 Qualified Entities under the 2023 Group Financial Services Agreement, and such amounts did not exceed the caps for the two years ended 31 December 2024 and 2025 and the ten months ended 31 October 2026. As of the date of this announcement, the annual cap in relation to the provision of loan services for the year ending 31 December 2026 under the 2023 Group Financial Services Agreement had not been exceeded.

PROPOSED ANNUAL CAPS

Deposit Services

The maximum daily outstanding balance of deposits (including interest accrued thereon) in relation to the provision of deposit services by Finance Company to the Qualified Entities pursuant to the 2026 Group Financial Services Agreement for each of the three years ending 31 December 2027, 2028 and 2029 are as follows:

	For the year ended 31 December		
	2027	**2028**	**2029**
	(RMB' million)		
Maximum daily outstanding balance of deposits (including interest accrued thereon) placed by the Qualified Entities with Finance Company	6,000	6,500	7,000

The above amounts are arrived at after considering the following factors:

(1) The level of cash flow of the Group in the past three financial years: the cash and cash equivalent of the Group as at 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026 were approximately RMB2,916 million, RMB2,030 million, RMB1,825 million and RMB4,609 million, respectively. The average level of cash flow for the past three financial years ended 31 December 2023, 2024, 2025 and six months ended 30 June 2026 was approximately RMB2,845 million.

(2) The expected increase in deposit of the Group in the three years ending 31 December 2027, 2028 and 2029 resulting from the expected increase in cash flow of the Group resulting from the possible implementation of financing plan of the Group in the ensuing three years, including but not limited to, the loans obtained from commercial banks other than Finance Company, the possible issue of corporate bonds, medium-term notes, perpetual medium-term notes, renewable corporate bonds and/or super-short-term notes (the "**Group Financing Plan**").

According to the Group Financing Plan, the additional capital to be raised by the Group is expected to be RMB4.0 billion, RMB4.0 billion and RMB4.0 billion for each of the three financial years ending 31 December 2027, 2028 and 2029, which is expected to bring an increase in cash inflow for the Group.

(3) The expected increasing level of deposit of the Group every year as a result of the increasing scale of assets of the Group in the ensuing three years.

(4) Revenue growth arising from the continuous development and release of production capacity of the Group's major gold mining projects. On one hand, the production capacity of the projects previously acquired by the Group has been gradually enhanced and contributed stable cash flows; on the other hand, the Group is fully promoting the construction and development of its major gold mining projects, which is expected to increase the Group's revenue upon commencement of production, leading to the expected increase in cash flow of the Group and the amount of deposit to be placed with Finance Company.

(5) Drawing upon its past business experience and ongoing monitoring of gold market dynamics and macroeconomic policy trends, the Company considers that gold prices will continue to trade at medium-to-high levels in the future, which would increase the Group's revenue and the amount of deposits to be placed with Finance Company.

(6) To guard against external financial market volatility risks and establish sufficient capital reserves, the Group will further strengthen the role of Finance Company as an internal cash pool. Based on the business objective of Finance Company to centralize the management and unify the allocation of the Group's funds in order to enhance the fund utilization efficiency and reduce financial risks, the Group will make adjustments to increase the concentration of capital of the Group in Finance Company, which will result in an expected increase in the amount of deposit to be placed with Finance Company.

As a result of the factors set out in (2) to (6) above, there is an increasing trend for the maximum daily outstanding balance of deposit for the three years ending 31 December 2027, 2028 and 2029.

Bill Discounting Services

The maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the Qualified Entities pursuant to the 2026 Group Financial Services Agreement for the three years ending 31 December 2027, 2028 and 2029 are as follows:

	For the year ended 31 December		
	2027	**2028**	**2029**
	(RMB' million)		
Maximum daily outstanding balance of funds (including interest accrued thereon) provided by Finance Company to the Qualified Entities for bill discounting services	300	300	300

The above amounts are arrived at after considering the following factors:

(1) The actual maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the 2023 Qualified Entities under the 2023 Group Financial Services Agreement for each of the three years ended 31 December 2024, 31 December 2025 and 31 December 2026 were lower than the annual caps under the 2023 Group Financial Services Agreement. Accordingly, the proposed maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the Qualified Entities pursuant to the 2026 Group Financial Services Agreement for the three years ending 31 December 2027, 2028 and 2029 has been adjusted downwards, with a view to better aligning with the actual demand of the Qualified Entities' business for bill discounting services.

(2) In determining the proposed cap levels, the Board has considered the continuing role of bills as a settlement method for the Group. Despite the low utilisation rate, the Company notes that the Group has continuously conducted bill discounting business through other channels during the historical period. The Company and its subsidiaries conducted bill discounting through other channels amounting to approximately RMB606 million, RMB951 million and RMB860 million in 2024 and 2025 and the ten months ended 31 October 2026, respectively, demonstrating the continuous and genuine business demand of the Qualified Entities for bill discounting. Bill settlement is one of the major settlement methods vigorously promoted by the PBOC and will continue to be adopted by the Qualified Entities in their ordinary course of business. Furthermore, the Qualified Entities continue to receive substantial bank acceptance bills from external suppliers and customers in their ordinary course of business. Finance Company can provide discounting and re-discounting services for such bills to continue providing financing services to the Qualified Entities, which constitutes a continuous source of demand independent of the internal settlement arrangements. Therefore, under appropriate conditions, bill discounting will become a more attractive short-term financing method relative to other financing channels.

The Board also notes that the China National Association of Finance Companies is actively promoting the development of the industrial chain bill discounting business. Therefore, the regulatory restrictions applicable to Finance Company's industrial chain discounting business may be relaxed within the term of the 2026 Group Financial Services Agreement. Once the regulatory restrictions are relaxed, Finance Company will be able to effectively internalise the bill discounting demand currently outflowing to external banks, providing the Company with a highly cost-effective financing channel.

In addition, bill discounting serves as a contingent financing tool for the Group. When the Qualified Entities encounter unexpected funding gaps, large-scale procurement requirements or temporary liquidity tightness, they may require rapid and efficient financing. The use of electronic bill discounting enables Finance Company to obtain lower interest rates during re-discounting or forward-discounting, thereby lowering its financing costs. Compared to external commercial banks, Finance Company can provide such funds to the Qualified Entities more flexibly and cost-effectively.

Taking into account (i) the historical actual utilisation of the bill discounting services which was significantly below the previous caps, (ii) the downward adjustment of the proposed annual caps to better reflect actual business needs, and (iii) the retention of sufficient contingency headroom for potential occasional financing requirements, it is expected that the maximum daily outstanding balance of funds (including interest accrued thereon) to be provided by Finance Company to the Qualified Entities for bill discounting services for the three years ending 31 December 2027, 2028 and 2029 are reasonable.

Loan Services

The provision of loan services by Finance Company to the Qualified Entities under the 2026 Group Financial Services Agreement constitutes a form of financial assistance under the Listing Rules. Given that the loan interest rates charged by Finance Company shall not be higher than that charged by other major independent commercial banks for providing comparable loans in the PRC, such financial assistance is on normal commercial terms similar to or even more favourable than those offered by independent third parties for comparable services in the PRC which is not secured by the assets of the Qualified Entities, it is exempt from the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company expects that the maximum outstanding loan amount (including interest accrued thereon) at any one point in time provided by Finance Company to the Qualified Entities under the 2026 Group Financial Services Agreement for each of the three years ending 31 December 2027, 2028 and 2029 shall not exceed RMB4,500 million, RMB5,000 million and RMB5,500 million, respectively.

(II) 2026 PARENT GROUP FINANCIAL SERVICES AGREEMENT

On 23 November 2026, Shandong Zhaojin and Finance Company entered into the 2026 Parent Group Financial Services Agreement, pursuant to which Finance Company agreed to provide financial services to the Zhaojin Qualified Entities (as defined below), including but not limited to deposit services, loan services and bill discounting services.

PRINCIPAL TERMS

The principal terms of the 2026 Parent Group Financial Services Agreement are set out below:

Date:

23 November 2026

Parties:

(1) Shandong Zhaojin; and

(2) Finance Company.

Term:

From 1 January 2027 to 31 December 2029.

Major Terms:

(1) Finance Company agreed to provide the following major services to Shandong Zhaojin and its subsidiaries (other than the Company and its subsidiaries) which satisfy the following members qualifications: (i) any companies controlled by Shandong Zhaojin (the "**Zhaojin Controlled Corporations**"); (ii) any companies which Shandong Zhaojin and the Zhaojin Controlled Corporations individually or collectively, directly or indirectly, hold(s) more than 20% equity interest; (iii) any companies which Shandong Zhaojin and the Zhaojin Controlled Corporations directly hold less than 20% but being the single largest shareholder of such companies; and (iv) the institutional entity or social organization legal persons of Shandong Zhaojin and the Zhaojin Controlled Corporations (collectively, the "**Zhaojin Qualified Entities**"):

(i) deposit services;

(ii) bill discounting services;

(iii) loan services; and

(iv) other financial services including (a) entrusted loans, bond underwriting, non-finance guarantees, financial consultation, credit certification and other relevant advisory and agency services; (b) acceptance services; (c) fund settlement and payment services; (d) interbank lending; (e) fixed-income portfolio investment; and (f) other services ("**Other Parent Group Financial Services**") as approved or filed with the Financial Regulatory Authorities.

(2) Shandong Zhaojin shall choose Finance Company to provide deposit services to the Zhaojin Qualified Entities provided that: (i) the deposit services and deposit products to be provided shall comply with the requirements of the PBOC *(Note 2)*; and (ii) the interest rates for the deposit paid by Finance Company shall be determined according to the negotiation between the parties with reference to the interest rates offered by other major independent commercial banks for the provision of same or similar deposit services in the PRC and shall not be higher than the interest rates paid by Finance Company for the provision of the same deposit services to other parties.

Note:

2 According to the requirements under the "Measures for the Administration of Finance Companies of Enterprise Groups"(《企業集團財務公司管理辦法》) issued by the CBIRC, finance companies shall abide by the provisions on administration of interest rates of the PBOC. Accordingly, the interest rate on the deposit services provided by Finance Company under the 2026 Parent Group Financial Services Agreement shall be based on the benchmark interest rate promulgated by the PBOC and such interest rate shall not exceed the range of deposit interest rate promulgated by the PBOC from time to time, which means any adjustment on the interest rate offered by Finance Company under the 2026 Parent Group Financial Services Agreement shall be within the interest rate offered by the PBOC on comparable deposit.

(3) Shandong Zhaojin shall choose Finance Company to provide bill discounting services to the Zhaojin Qualified Entities provided that the interest rates for the bill discounting services provided by Finance Company shall be determined according to the negotiation between the parties with reference to the interest rates offered by other major independent commercial banks for the provision of same or similar bill discounting services in the PRC and shall not be lower than the interest rates charged by Finance Company for the provision of same level of bill discounting services to other parties.

(4) Shandong Zhaojin shall choose Finance Company to provide loan services to the Zhaojin Qualified Entities provided that the interest rates for the loan services charged by Finance Company shall be determined according to the negotiation between the parties with reference to the interest rates charged by other major independent commercial banks for the provision of same or similar loan services in the PRC and shall not be lower than the interest rates charged by Finance Company for the provision of the same loan services to other parties.

(5) The 2026 Parent Group Financial Services Agreement is only a framework agreement and the parties shall enter into specific contracts setting out specific terms about the service arrangements in relation to the financial services to be provided under the 2026 Parent Group Financial Services Agreement and such specific contracts shall be consistent with the principles and terms of the 2026 Parent Group Financial Services Agreement.

(6) The Company and/or Finance Company will undertake the following capital risks control measures in respect of the 2026 Parent Group Financial Services Agreement:

i. Finance Company will ensure the safe and stable operation of the funds management system, which has undergone the security test in respect of connection to online commercial banking system and has reached the national security standards for commercial banks to ensure the security of the funds of the Zhaojin Qualified Entities.

ii. The Company will ensure that it is in strict compliance with the risk monitoring indicators for financial institutions issued by the Financial Regulatory Authorities and that its major regulatory indicators such as gearing ratio, interbank borrowing ratio and liquidity ratio will also comply with the requirements of the Financial Regulatory Authorities.

iii. The Company will monitor the transactions under the 2026 Parent Group Financial Services Agreement and ensure that the transaction amounts will not exceed the relevant annual caps under the 2026 Parent Group Financial Services Agreement.

iv. A monthly report of Finance Company and a "comprehensive table of continuing connected transactions" of the preceding month will be delivered by Finance Company to the Company and Shandong Zhaojin before the tenth day of each month so that the Company and Shandong Zhaojin can monitor and ensure the relevant transaction amounts will not exceed its respective annual caps under the 2026 Parent Group Financial Services Agreement.

INTERNAL CONTROL ON PRICING

The interest rates for deposit, loan and bill discounting services will be determined after taking into account the interest rates charged by/offered by other major independent commercial banks in the PRC for the provision of same or similar loan, deposit and bill discounting services: (i) for deposit and loan services, the departments of Finance Company responsible for carrying out specific business will conduct interest rate research on a regular basis (quarterly for deposit services and semi-annually for loan services) in accordance with internal regulations. Specifically, for each type of the deposit services and loan services, the departments of the Finance Company responsible for carrying out specific business will obtain quotations from at least 10 independent commercial banks (mainly include state-owned commercial banks and joint-stock banks) in the PRC, through onsite consultation and online inquiry. The interest rate quotations obtained through the interest rate research will be recorded and kept in writing, and will be used as the basis for determining the interest rates for the deposit and loan services to be provided by Finance Company to the Zhaojin Qualified Entities; and (ii) for bill discounting services, the departments of Finance Company responsible for carrying out specific business will check the bill discounting rates published by SHCPE on the pricing dates stipulated in the specific contracts under the 2026 Parent Group Financial Services Agreement, which will be used as the basis for determining the interest rates for the bill discounting services to be provided by Finance Company to the Zhaojin Qualified Entities. The interest rates published by the SHCPE for bill discounting are also commonly used as references by other independent commercial banks in the PRC. Prior to the entering into specific contracts under the 2026 Parent Group Financial Services Agreement, Finance Company will evaluate and compare the above quotations with the interest rates quoted for deposit, loan and bill discounting services provided to the Zhaojin Qualified Entities taking into account the actual situations, so as to ensure that the interest rates charged/offered by Finance Company are on normal commercial terms and shall not be less favourable to Finance Company than the interest rates charged/offered by other independent major commercial banks for providing the same or similar services.

There are stringent internal control policies implemented by the Company with regard to financial services transactions under the 2026 Parent Group Financial Services Agreement. The finance department of the Company will compare the interest rates on deposits, loans and bill discounting offered by Finance Company to the Zhaojin Qualified Entities with those offered by Finance Company to other parties.

The Company's finance department will review the relevant interest rates on a regular basis to ensure due observance and performance of the 2026 Parent Group Financial Services Agreement.

By adopting the above measures, the Directors are of the view that the Company can ensure (i) the interest rates provided on deposits placed by the Zhaojin Qualified Entities will not be higher than those to be provided by Finance Company to other parties for comparable deposits; (ii) the interest rates on loans and bill discounting charged by Finance Company will not be lower than those to be charged by Finance Company to other parties for the provision of comparable loans and services; (iii) the interest rates charged/offered by Finance Company will not be less favourable to Finance Company than the interest rates charged/offered by other independent major commercial banks for providing the same or similar services; and (iv) the terms of the 2026 Parent Group Financial Services Agreement are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

HISTORICAL TRANSACTION AMOUNTS

Deposit Services

The table below sets forth the maximum daily outstanding balance of deposits (including interest accrued thereon) in relation to the provision of deposit services by Finance Company to the qualified entities which satisfy the members qualifications under the 2023 Parent Group Financial Services Agreement (the "**2023 Zhaojin Qualified Entities**") for each of the two years ended 31 December 2024 and 2025 and the ten months ended 31 October 2026:

	For the year ended 31 December		**For the ten months ended 31 October**
	2024	**2025**	**2026**
	(RMB' million)		
			(Unaudited)
Maximum daily outstanding balance of deposits (including interest accrued thereon) placed by the 2023 Zhaojin Qualified Entities with Finance Company	1,821	3,225	3,876

Reference is made to the 2023 Parent Group Financial Services Agreement which stated that, for each of the three financial years ending 31 December 2024, 2025 and 2026, the maximum daily outstanding balance of deposits (including interest accrued thereon) placed by the 2023 Zhaojin Qualified Entities with Finance Company under the 2023 Parent Group Financial Services Agreement shall not exceed RMB5,000 million, RMB5,500 million and RMB6,000 million.

The Directors have been monitoring the maximum daily outstanding balance of deposits (including interest accrued thereon) placed by the 2023 Zhaojin Qualified Entities with Finance Company under the 2023 Parent Group Financial Services Agreement, and such amounts did not exceed the caps for the two years ended 31 December 2024 and 2025 and the ten months ended 31 October 2026. As of the date of this announcement, the annual cap in relation to the provision of deposit services for the year ending 31 December 2026 under the 2023 Parent Group Financial Services Agreement had not been exceeded.

Bill Discounting Services

The table below sets forth the maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the 2023 Zhaojin Qualified Entities under the 2023 Parent Group Financial Services Agreement for each of the two years ended 31 December 2024 and 2025 and the ten months ended 31 October 2026:

	For the year ended 31 December		For the ten months ended 31 October
	2024	**2025**	**2026**
	(RMB' million)		*(Unaudited)*
Maximum daily outstanding balance of funds (including interest accrued thereon) provided by Finance Company to the 2023 Zhaojin Qualified Entities for bill discounting services	240	240	nil

Reference is made to the 2023 Parent Group Financial Services Agreement which stated that, for each of the three financial years ending 31 December 2024, 2025 and 2026, the maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the 2023 Zhaojin Qualified Entities under the 2023 Parent Group Financial Services Agreement shall not exceed RMB1,500 million, RMB2,000 million and RMB2,000 million.

The Directors have been monitoring the maximum daily outstanding balance of funds provided by Finance Company to the 2023 Zhaojin Qualified Entities for bill discounting services (including interest accrued thereon) under the 2023 Parent Group Financial Services Agreement, and such amounts did not exceed the caps for the two years ended 31 December 2024 and 2025 and the ten months ended 31 October 2026. As of the date of this announcement, the annual cap in relation to the provision of bill discounting services for the year ending 31 December 2026 under the 2023 Parent Group Financial Services Agreement had not been exceeded.

The actual utilisation of the bill discounting services under the 2023 Parent Group Financial Services Agreement was significantly lower than the respective annual caps, primarily for the following reasons:

(a) As part of Shandong Zhaojin Group's continuous efforts to promote centralised fund management, the Zhaojin Qualified Entities no longer adopt bills for settlement among themselves, and bills are now primarily used as trade settlement tools with external counterparties. This reflects a change in settlement methods brought about by the optimisation of fund management, rather than a decrease in the potential demand for bill discounting. The Zhaojin Qualified Entities continue to receive substantial bank acceptance bills from external customers in the ordinary course of business, which remain the primary source of discountable assets.

(b) Bill discounting requires the provision of supporting documents such as contracts and invoices to verify the underlying trade background. During periods when the Zhaojin Qualified Entities have abundant working capital, working capital loans involve relatively simpler procedures and serve as more convenient short-term financing channels. Pursuant to the internal fund policies of the Shandong Zhaojin Group, the Zhaojin Qualified Entities generally prefer to hold electronic bills until maturity for direct settlement with downstream customers, rather than applying for early discounting. Such financing preferences are formed in a capital-abundant environment and will be dynamically reviewed based on changes in liquidity conditions and relative financing costs.

(c) The regulatory framework applicable to the industrial chain discounting business of Finance Company was adjusted during the historical period, restricting the scope for Finance Company to conduct such business. Such adjustments are industry-wide and have not affected the electronic commercial draft discounting licence granted to Finance Company by the PBOC in May 2017, and Finance Company still possesses the relevant licences, systems and operational capabilities.

Loan Services

The table below sets forth the maximum outstanding loan amount (including interest accrued thereon) at any one point in time provided by Finance Company to the 2023 Zhaojin Qualified Entities under the 2023 Parent Group Financial Services Agreement for each of the two years ended 31 December 2024 and 2025 and the ten months ended 31 October 2026:

	For the year ended 31 December		For the ten months ended 31 October
	2024	2025	2026
	(RMB' million)		
			(Unaudited)
Maximum outstanding loan amount (including interest accrued thereon) provided by Finance Company to the 2023 Zhaojin Qualified Entities	2,534	2,901	2,876

Reference is made to the 2023 Parent Group Financial Services Agreement which stated that, for each of the three financial years ending 31 December 2024, 2025 and 2026, the maximum outstanding loan amount (including interest accrued thereon) provided by Finance Company to the 2023 Zhaojin Qualified Entities under the 2023 Parent Group Financial Services Agreement shall not exceed RMB4,000 million, RMB4,500 million and RMB5,000 million.

The Directors have been monitoring the maximum outstanding loan amount (including interest accrued thereon) provided by Finance Company to the 2023 Zhaojin Qualified Entities under the 2023 Parent Group Financial Services Agreement, and such amounts did not exceed the caps for the two years ended 31 December 2024 and 2025 and the ten months ended 31 October 2026. As of the date of this announcement, the annual cap in relation to the provision of loan services for the year ending 31 December 2026 under the 2023 Parent Group Financial Services Agreement had not been exceeded.

PROPOSED ANNUAL CAPS

Deposit Services

The maximum daily outstanding balance of deposits (including interest accrued thereon) in relation to the provision of deposit services by Finance Company to the Zhaojin Qualified Entities pursuant to the 2026 Parent Group Financial Services Agreement for the three years ending 31 December 2027, 2028 and 2029 are as follows:

	For the year ended 31 December		
	2027	**2028**	**2029**
	(RMB' million)		
Maximum daily outstanding balance of deposits (including interest accrued thereon) placed by Zhaojin Qualified Entities with Finance Company	6,000	6,500	7,000

The above amounts are arrived at after considering the following factors:

(1) The level of cash flow of Shandong Zhaojin Group in the past three financial years: the cash and cash equivalent of Shandong Zhaojin Group as at 31 December 2023, 31 December 2024 and 31 December 2025 were approximately RMB3,390 million, RMB4,101 million and RMB3,426 million, respectively. The average level of cash flow for the past three financial years ended 31 December 2023, 2024 and 2025 was approximately RMB3,639 million.

(2) The expected increase in deposit of Shandong Zhaojin Group in the three years ending 31 December 2027, 2028 and 2029 resulting from the expected increase in cash flow of Shandong Zhaojin Group resulting from the possible implementation of financing plan of Shandong Zhaojin Group in the ensuing three years, including but not limited to, the loans obtained from commercial banks other than Finance Company, the possible issue of corporate bonds, medium-term notes and/or super-short-term notes (the "**Zhaojin Financing Plan**").

According to the Zhaojin Financing Plan, the additional capital to be raised by Shandong Zhaojin Group is expected to be RMB4.0 billion, RMB4.0 billion and RMB4.0 billion, for each of the three financial years ending 31 December 2027, 2028 and 2029, which is expected to bring an increase in cash inflow to Shandong Zhaojin Group.

(3) The expected increasing level of deposit of Shandong Zhaojin Group every year as a result of the increasing scale of assets of Shandong Zhaojin Group in the ensuing three years.

(4) Drawing upon its past business experience and ongoing monitoring of gold market dynamics and macroeconomic policy trends, the Company considers that gold prices will continue to trade at medium-to-high levels in the future, which would increase the Shandong Zhaojin Group's revenue and the amount of deposits placed with Finance Company.

(5) To guard against external financial market volatility risks and establish sufficient capital reserves, the Shandong Zhaojin Group will further strengthen the role of Finance Company as an internal cash pool. Based on the business objective of Finance Company to centralize the management and unify the allocation of Shandong Zhaojin Group's funds in order to enhance the fund utilization efficiency and reduce financial risks, Shandong Zhaojin Group will make adjustments to increase the concentration of capital of Shandong Zhaojin Group in Finance Company, which will result in an expected increase in the amount of deposit to be placed with Finance Company.

As a result of the factors set out in (2) to (5) above, there is an increasing trend for the maximum daily outstanding balance of deposit for the three years ending 31 December 2027, 2028 and 2029.

Bill Discounting Services

The maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the Zhaojin Qualified Entities pursuant to the 2026 Parent Group Financial Services Agreement for the three years ending 31 December 2027, 2028 and 2029 are as follows:

	For the year ended 31 December		
	2027	**2028**	**2029**
	(RMB' million)		
Maximum daily outstanding balance of funds (including interest accrued thereon) provided by Finance Company to the Zhaojin Qualified Entities for bill discounting services	300	300	300

The above amounts are determined after taking into account the following factors:

(1) The actual maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the 2023 Zhaojin Qualified Entities under the 2023 Parent Group Financial Services Agreement for each of the three years ended 31 December 2024, 31 December 2025 and 31 December 2026 were lower than the annual caps under the 2023 Parent Group Financial Services Agreement. Accordingly, the proposed maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the Zhaojin Qualified Entities pursuant to the 2026 Parent Group Financial Services Agreement for the three years ending 31 December 2027, 2028 and 2029 has been adjusted downwards, with a view to better aligning with the actual demand of the Zhaojin Qualified Entities' business for bill discounting services.

(2) In determining the proposed cap levels, the Board has considered the continuing role of bills as a settlement method for the Shandong Zhaojin Group. Despite the low utilisation rate, Shandong Zhaojin and its subsidiaries have continuously conducted substantial bill discounting through other channels in the past years. Shandong Zhaojin and its subsidiaries conducted bill discounting through other channels amounting to approximately RMB230 million, RMB350 million and RMB500 million in 2024 and 2025 and the ten months ended 31 October 2026, respectively, demonstrating the continuous and genuine business demand of the Zhaojin Qualified Entities for bill discounting. As bill settlement is one of the major settlement methods vigorously promoted by the PBOC, the Zhaojin Qualified Entities will continue to adopt it in their ordinary course of business, and discounting demand will arise from time to time. As an established financial services provider within the Zhaojin system, Finance Company, with its familiarity with their operations and bill profiles, is well-positioned to provide discounting and re-discounting services to continue providing financing services to the Zhaojin Qualified Entities. This constitutes a continuous source of demand independent of the internal settlement arrangements.

    The Board also notes that the China National Association of Finance Companies is actively promoting the development of the industrial chain bill discounting business. Therefore, the regulatory restrictions applicable to Finance Company's industrial chain discounting business may be relaxed within the term of the 2026 Parent Group Financial Services Agreement, at which point the relevant demand can be met by Finance Company.

    In addition, bill discounting also serves as a contingent financing tool for the Shandong Zhaojin Group. When the Zhaojin Qualified Entities encounter unexpected funding gaps, large-scale procurement requirements or temporary liquidity tightness, Finance Company, being familiar with their operations and bill profiles, can provide bill discounting services to the Zhaojin Qualified Entities more flexibly than external commercial banks.

Taking into account (i) the historical actual utilisation of bill discounting services which was significantly below the previous caps, (ii) the downward adjustment of the proposed annual caps to better align with the actual business needs of the Zhaojin Qualified Entities, and (iii) the retention of sufficient contingency headroom for potential occasional financing requirements, it is expected that the maximum daily outstanding balance of funds to be provided by Finance Company to the Zhaojin Qualified Entities for bill discounting services for the three years ending 31 December 2027, 2028 and 2029 are reasonable.

Loan Services

The maximum outstanding loan amount (including interest accrued thereon) at any one point in time to be provided by Finance Company to the Zhaojin Qualified Entities pursuant to the 2026 Parent Group Financial Services Agreement for the three years ending 31 December 2027, 2028 and 2029 are as follows:

	For the year ended 31 December		
	2027	**2028**	**2029**
	(RMB' million)		
Maximum outstanding loan amount provided by Finance Company to the Zhaojin Qualified Entities (including interest accrued thereon)	4,500	4,500	5,000

The above amounts are arrived at after considering the maximum outstanding loan amount provided by Finance Company to the 2023 Zhaojin Qualified Entities in the past three years, and the level of loan and financing services required by the Zhaojin Qualified Entities in view of the development and operation plan of the Zhaojin Qualified Entities in the three years ending 31 December 2027, 2028 and 2029.

In 2027, the maximum outstanding amount of loan to be obtained by the Zhaojin Qualified Entities from Finance Company shall be not more than RMB4,500 million. It is expected that Zhaojin Qualified Entities will use (i) no more than RMB2,000 million to repay the maturing loans; (ii) no more than RMB500 million for gold imports and gold processing; (iii) no more than RMB500 million for the replacement of external borrowings; (iv) no more than RMB500 million for the construction of mining enterprises; (v) no more than RMB500 million for the construction of the Phase II project of the Golden Vocational College; and (vi) no more than RMB500 million to supplement working capital.

In 2028, the maximum outstanding amount of loan to be obtained by the Zhaojin Qualified Entities from Finance Company shall be not more than RMB4,500 million. It is expected that Zhaojin Qualified Entities will use (i) no more than RMB1,000 million for gold imports and gold processing; (ii) no more than RMB1,000 million as equity investment funds for the acquisition of domestic and foreign mining investment projects; (iii) no more than RMB2,000 million to repay the maturing loans; and (iv) no more than RMB500 million to supplement working capital.

In 2029, the maximum outstanding amount of loan to be obtained by the Zhaojin Qualified Entities from Finance Company shall be not more than RMB5,000 million. It is expected that Zhaojin Qualified Entities will use (i) no more than RMB500 million as funds for the construction of domestic and overseas mining enterprises; (ii) no more than RMB500 million for gold imports and gold processing; (iii) no more than RMB500 million as investment funds for the equity acquisition and the construction of overseas mining projects; (iv) no more than RMB3,000 million to repay the maturing loans; and (v) no more than RMB500 million to supplement working capital.

REASONS FOR AND BENEFITS OF ENTERING INTO THE 2026 GROUP FINANCIAL SERVICES AGREEMENT AND THE 2026 PARENT GROUP FINANCIAL SERVICES AGREEMENT

1. The interest rate to be charged by/offered by Finance Company for the provision of deposit, bill discounting and loans to the Qualified Entities will be similar to or even more favourable than those charged by/offered by other major commercial banks in the PRC.

2. With the entry into the 2026 Group Financial Services Agreement and the 2026 Parent Group Financial Services Agreement, the Qualified Entities and the Zhaojin Qualified Entities will be able to centralize control and management of their financial resources, promote wider uses and use efficiency of capital and accelerate capital turnover, so as to reduce the transaction costs and financial expenses, and further enhance the amount and utilization of capital. Meanwhile, diverse services can be provided under the 2026 Group Financial Services Agreement and the 2026 Parent Group Financial Services Agreement to satisfy the business needs of the Qualified Entities and the Zhaojin Qualified Entities.

3. Finance Company is a non-wholly-owned subsidiary of the Company and the financial services it provided under the 2026 Group Financial Services Agreement and the 2026 Parent Group Financial Services Agreement will contribute to the Group in terms of revenue increase and new profit growth points.

4. Subject to supervision and regulation of the PBOC and the NFRA, Finance Company is a non-bank financial institute and provides services in accordance with rules and operation provisions of such regulatory bodies. In addition, capital risks may be reduced through risk control measures as stipulated in the 2026 Group Financial Services Agreement and the 2026 Parent Group Financial Services Agreement.

DIRECTORS' VIEW

The Directors (including independent non-executive Directors) are of the view that: (i) the terms of the 2026 Group Financial Services Agreement and the 2026 Parent Group Financial Services Agreement are fair and reasonable, have been entered into after arm's length negotiation between all parties thereto and determined on normal commercial terms in ordinary and usual course of business and are in the interests of the Company and its Shareholders as a whole; and (ii) the relevant annual cap amounts are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

BOARD'S APPROVAL

The Board has approved the 2026 Group Financial Services Agreement and the 2026 Parent Group Financial Services Agreement. None of the Directors has any material interests in the proposed transactions under the 2026 Group Financial Services Agreement and the 2026 Parent Group Financial Services Agreement.

Mr. Wang Leyi and Mr. Luan Wenjing, being directors or management personnel of Shandong Zhaojin, had abstained from voting at the Board meeting for approving the 2026 Group Financial Services Agreement and the 2026 Parent Group Financial Services Agreement.

INFORMATION ON THE PARTIES

The Company is a joint stock limited company incorporated in the PRC on 16 April 2004 and the H Shares of which are listed on the Main Board of Hong Kong Stock Exchange. The Company is principally engaged in gold exploration, mining, ore processing and smelting, as well as processing and sale of by-products in the PRC.

Shandong Zhaojin is a limited liability company established in the PRC on 28 June 1992 and is principally engaged in gold exploration, mining and refinery business, as well as investing in gold exploration, mining, smelting and refinery, and other gold-related businesses. Shandong Zhaojin is the Controlling Shareholder of the Company, directly holding 33.27% of the Shares of the Company as at the date of this announcement. The ultimate beneficial owner of Shandong Zhaojin is the People's Government of Zhaoyuan City (招遠市人民政府) which holds 90% of the equity interest of Shandong Zhaojin.

Finance Company is a non-wholly-owned subsidiary of the Company and is directly held as to 51% by the Company and as to 40% by Shandong Zhaojin, respectively. Finance Company is a limited liability company established in the PRC on 1 July 2015 and is operating in accordance with the Measures for the Administration of Finance Companies of Enterprise Groups as well as other applicable PRC laws and regulations. It is principally engaged in, among others, providing internal financial services to the Group and the Shandong Zhaojin Group. The Finance Company is a PRC non-bank financial institution and is regulated by the NFRA.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Shandong Zhaojin is the Controlling Shareholder of the Company and is therefore a connected person of the Company pursuant to Rules 14A.07 of the Listing Rules. Finance Company is a non-wholly-owned subsidiary of the Company and is directly held as to 51% by the Company and as to 40% by Shandong Zhaojin, respectively. Pursuant to Rules 14A.07 and 14A.16 of the Listing Rules, Finance Company is a connected subsidiary and connected person of the Company. Accordingly, the transactions contemplated under the 2026 Group Financial Services Agreement and the 2026 Parent Group Financial Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

2026 Group Financial Services Agreement

Deposit Services

Given that the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the maximum daily outstanding balance of deposits (including interest accrued thereon) in relation to the provision of deposit services by Finance Company to the Qualified Entities under the 2026 Group Financial Services Agreement is more than 25%, the provision of deposit services under the 2026 Group Financial Services Agreement constitutes (i) major transactions subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules; and (ii) non-exempt continuing connected transactions subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Bill Discounting Services

Given that the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the Qualified Entities under the 2026 Group Financial Services Agreement is more than 0.1% but less than 5%, the provision of bill discounting services under the 2026 Group Financial Services Agreement constitutes partially-exempt continuing connected transactions subject to the reporting, annual review and announcement requirements, but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Loan Services

The provision of loan services by Finance Company to the Qualified Entities under the 2026 Group Financial Services Agreement constitutes a form of financial assistance under the Listing Rules. Given that the loan interest rates charged by Finance Company shall not be higher than that charged by other major independent commercial banks for providing comparable loans in the PRC, such financial assistance is on normal commercial terms similar to or even more favourable than those offered by independent third parties for comparable services in the PRC which is not secured by the assets of the Qualified Entities, it is exempt from the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Other Group Financial Services

Given that each of the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the estimated aggregate amount of the service fees in connection with Other Group Financial Services on an annual basis is less than 0.1%, the Other Group Financial Services under the 2026 Group Financial Services Agreement will be fully exempt under Rule 14A.76(1) of the Listing Rules.

2026 Parent Group Financial Services Agreement

Deposit Services and Loan Services

Given that the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of each of (i) the maximum daily outstanding balance of deposits (including interest accrued thereon) in relation to the provision of deposit services by Finance Company to the Zhaojin Qualified Entities; and (ii) the maximum outstanding loan amount (including interest accrued thereon) at any one point in time that may be provided by Finance Company to the Zhaojin Qualified Entities under the 2026 Parent Group Financial Services Agreement is more than 25%, respectively, the provision of deposit services and loan services under the 2026 Parent Group Financial Services Agreement constitutes (i) major transactions subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules; and (ii) non-exempt continuing connected transactions subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Bill Discounting Services

Given that the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the maximum daily outstanding balance of funds (including interest accrued thereon) in relation to the provision of bill discounting services by Finance Company to the Zhaojin Qualified Entities under the 2026 Parent Group Financial Services Agreement is more than 0.1% but less than 5%, the provision of bill discounting services under the 2026 Parent Group Financial Services Agreement constitutes partially-exempt continuing connected transactions subject to the reporting, annual review and announcement requirements, but exempt from the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

Other Parent Group Financial Services

Given that each of the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) in respect of the estimated aggregate amount of the service fees in connection with Other Parent Group Financial Services on an annual basis is less than 0.1%, the Other Parent Group Financial Services under the 2026 Parent Group Financial Services Agreement will be fully exempt under Rule 14A.76(1) of the Listing Rules.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee has been formed to advise the Independent Shareholders in relation to the provision of deposit services under the 2026 Group Financial Services Agreement (including the relevant proposed annual caps) and deposit services and loan services under the 2026 Parent Group Financial Services Agreement (including the relevant proposed annual caps).

Maxa Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the provision of deposit services under the 2026 Group Financial Services Agreement (including the relevant proposed annual caps) and deposit services and loan services under the 2026 Parent Group Financial Services Agreement (including the relevant proposed annual caps).

DESPATCH OF CIRCULAR

A circular containing, among other matters, (i) further information on the provision of deposit services under the 2026 Group Financial Services Agreement (including the relevant proposed annual caps) and deposit services and loan services under the 2026 Parent Group Financial Services Agreement (including the relevant proposed annual caps); (ii) a letter of recommendation from the Independent Board Committee; (iii) a letter of advice from the Independent Financial Adviser; and (iv) a notice of the EGM, is expected to be despatched to the Shareholders within 15 business days after the publication of this announcement.

DEFINITIONS

"2023 Group Financial Services Agreement"	the financial services agreement entered into between the Company and Finance Company on 29 December 2023 for the provision of various financial services by Finance Company
"2023 Parent Group Financial Services Agreement"	the financial services agreement entered into between Shandong Zhaojin and Finance Company on 29 December 2023 for the provision of various financial services by Finance Company
"2026 Group Financial Services Agreement"	the financial services agreement entered into between the Company and Finance Company on 23 November 2026 for the provision of various financial services by Finance Company
"2026 Parent Group Financial Services Agreement"	the financial services agreement entered into between Shandong Zhaojin and Finance Company on 23 November 2026 for the provision of various financial services by Finance Company
"Articles of Association"	the articles of association of the Company
"associate"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors

"Company"	Zhaojin Mining Industry Company Limited*(招金礦業股份有限公司)(Stock Code: 1818), a joint stock limited company incorporated in the PRC on 16 April 2004 and the H Shares of which are listed on the Main Board of Hong Kong Stock Exchange
"connected subsidiary"	has the meaning ascribed to it under the Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the directors of the Company
"Domestic Share(s)"	the ordinary shares issued by the Company, with RMB denominated nominal value of RMB1.00 each, which were subscribed for and paid up in RMB
"EGM"	the 2026 third extraordinary general meeting of the Company to be held to consider and, if thought fit, approve, inter alia, the provision of deposit services under the 2026 Group Financial Services Agreement (including the relevant proposed annual caps) and deposit services and loan services under the 2026 Parent Group Financial Services Agreement (including the relevant proposed annual caps)
"Finance Company"	Shandong Zhaojin Finance Company Limited*(山東招金集團財務有限公司), a connected subsidiary of the Company, details of which are set forth in the section headed "INFORMATION ON THE PARTIES"
"Financial Services Agreements"	collectively, the 2026 Parent Group Financial Services Agreement and the 2026 Group Financial Services Agreement
"Group"	the Company and its subsidiaries from time to time
"H Share(s)"	the overseas-listed foreign invested shares of RMB1.00 each in the share capital of the Company, which are denominated in RMB and listed on the Main Board of the Hong Kong Stock Exchange and traded in Hong Kong dollar
"Hong Kong"	The Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Independent Board Committee"	the independent board committee of the Company, comprising four independent non-executive Directors, and each of them does not have any material interest in relation to the provision of deposit services under the 2026 Group Financial Services Agreement (including the relevant proposed annual caps) and deposit services and loan services under the 2026 Parent Group Financial Services Agreement (including the relevant proposed annual caps)
"Independent Financial Adviser"	Maxa Capital Limited(邁時資本有限公司), a corporation licensed under the SFO to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities, being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the provision of deposit services under the 2026 Group Financial Services Agreement (including the relevant proposed annual caps) and deposit services and loan services under the 2026 Parent Group Financial Services Agreement (including the relevant proposed annual caps)
"Independent Shareholders"	Shareholders other than (i) Shandong Zhaojin and its associates; and (ii) those with a material interest in relation to the provision of deposit services under the 2026 Group Financial Services Agreement (including the relevant proposed annual caps) and deposit services and loan services under the 2026 Parent Group Financial Services Agreement (including the relevant proposed annual caps)
"Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
"NFRA"	the National Financial Regulatory Administration of the PRC (國家金融監督管理總局)
"PBOC"	People's Bank of China
"PRC" or "China"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)

"Shandong Zhaojin"	Shandong Zhaojin Group Company Limited*(山東招金集團有限公司), the Controlling Shareholder of the Company, details of which are set forth in the section headed "INFORMATION ON THE PARTIES"
"Shandong Zhaojin Group"	Shandong Zhaojin and its subsidiaries from time to time
"Shares"	the ordinary shares of RMB1.00 each in the share capital of the Company, comprising Domestic Shares and H Shares
"Shareholder(s)"	shareholder(s) of the Company
"subsidiary(ies)"	has the meaning ascribed thereto in the Listing Rules
"substantial Shareholder(s)"	has the meaning ascribed thereto in the Listing Rules
"%"	per cent.

By order of the Board
Zhaojin Mining Industry Company Limited*
Wang Leyi
Chairman

Zhaoyuan, the PRC, 23 November 2026

As at the date of this announcement, the Board comprises:

Executive Directors:	*Mr. Wang Leyi, Mr. Li Guanghui, Mr. Duan Lei, Mr. Wang Peiwu and Mr. Yang Tiejiang*
Non-executive Directors:	*Mr. Long Yi and Mr. Luan Wenjing*
Independent non-executive Directors:	*Ms. Chen Jinrong, Mr. Choy Sze Chung Jojo, Mr. Wei Junhao and Mr. Shen Shifu*

* *For identification purpose only*