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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 2024**

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 2024 (“**Fiscal Year 2024**”), which have been reviewed by the audit committee of the Company (“**Audit Committee**”).

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2024

	Notes	2024 RMB'000	2023 RMB'000
Revenue	3	11,866,628	10,533,681
Cost of sales		<u>(10,404,709)</u>	<u>(9,563,780)</u>
Gross profit		1,461,919	969,901
Other revenue	4	59,658	48,292
Other net loss	5	(34,546)	(63,131)
Selling and distribution expenses		(7,603)	(9,337)
Administrative expenses and other net operating expenses		<u>(432,132)</u>	<u>(364,076)</u>
Profit from operations		1,047,296	581,649
Finance costs		(135,422)	(160,795)
Share of loss of an associate		<u>—</u>	<u>(2,619)</u>
Profit before taxation		911,874	418,235
Income tax	6	<u>(212,742)</u>	<u>(124,208)</u>
Profit for the year		<u>699,132</u>	<u>294,027</u>
Attributable to:			
Owners of the Company		697,997	318,082
Non-controlling interest		<u>1,135</u>	<u>(24,055)</u>
Profit for the year		<u>699,132</u>	<u>294,027</u>
Basic and diluted earnings per share (<i>RMB cents</i>)	8	<u>56.75</u>	<u>32.35</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Profit for the year	<u>699,132</u>	<u>294,027</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	(7,503)	(11,466)
Changes in fair value of equity instrument designated at fair value through other comprehensive income (“FVOCI”)	<u>(617)</u>	<u>—</u>
Other comprehensive income for the year	<u>(8,120)</u>	<u>(11,466)</u>
Total comprehensive income for the year	<u><u>691,012</u></u>	<u><u>282,561</u></u>
Attributable to:		
Equity shareholders of the Company	692,806	307,589
Non-controlling interests	<u>(1,794)</u>	<u>(25,028)</u>
Total comprehensive income for the year	<u><u>691,012</u></u>	<u><u>282,561</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	<i>Notes</i>	2024 RMB'000	2023 <i>RMB'000</i>
Non-current assets			
Property, plant and equipment		2,304,954	2,031,326
Construction in progress		404,065	351,296
Intangible assets		899,808	973,689
Goodwill		4,717	4,717
Right-of-use assets		206,750	171,301
Financial assets at fair value through profit or loss (“FVTPL”)		30,337	5,398
Financial assets at FVOCI		13,536	—
Non-current prepayments		48,471	15,196
Deferred tax assets		293,713	318,673
		4,206,351	3,871,596
Current assets			
Inventories		1,632,965	1,590,875
Trade receivables, other receivables and prepayments	<i>9</i>	476,258	413,884
Financial assets at FVTPL		—	3,191
Pledged deposits		619,585	699,880
Cash and cash equivalents		279,985	256,724
		3,008,793	2,964,554
Current liabilities			
Bank and other borrowings	<i>10</i>	2,081,810	2,725,108
Trade payables, other payables and accruals	<i>11</i>	781,947	880,158
Contract liabilities		3,416	3,430
Lease liabilities		6,021	5,205
Financial liabilities at FVTPL	<i>11</i>	3,655	53,213
Current tax payable		148,464	39,208
		3,025,313	3,706,322
Net current liabilities		(16,520)	(741,768)
Total assets less current liabilities		4,189,831	3,129,828

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)*As at 31 December 2024*

	<i>Notes</i>	2024 RMB'000	2023 <i>RMB'000</i>
Non-current liabilities			
Bank and other borrowings	<i>10</i>	562,700	128,000
Other payables	<i>11</i>	451,993	537,514
Lease liabilities		16,675	14,915
Deferred tax liabilities		279	12,845
		<u>1,031,647</u>	<u>693,274</u>
NET ASSETS		<u>3,158,184</u>	<u>2,436,554</u>
Capital and reserves			
Share capital		248,695	236,804
Reserves		3,137,077	2,425,347
Total equity attributable to equity shareholders of the Company		3,385,772	2,662,151
Non-controlling interests		(227,588)	(225,597)
TOTAL EQUITY		<u>3,158,184</u>	<u>2,436,554</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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 new or amended HKFRS Accounting Standards — effective on 1 January 2024

The Hong Kong Institute of Certified Public Accountant (“**HKICPA**”) has issued several 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 HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current (the “ 2020 Amendments ”)
Amendments to HKAS 1	Non-current Liabilities with Covenants (the “ 2022 Amendments ”)
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The group has not applied any new standard or interpretation that is not yet effective for the current accounting period. These amendments to HKFRS 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.

Amendments to HKFRS 18	Presentation and Disclosure in Financial Statements ²
Amendments to HKFRS 19	Subsidiaries without Public Accountability: Disclosure ²
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
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	Lack of Exchangeability ¹

¹ Effective for annual periods beginning on or after 1 January 2025

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 from contracts with customers by major products lines is as follow:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Revenue from contracts with customer within the scope of HKFRS 15:		
Disaggregated by major products lines		
— Sales of gold	11,894,876	10,185,652
— Sales of other metals	183,596	315,379
— Sales of jewellery	9,624	6,345
— Others	7,734	107,223
Less: Sales taxes and levies	<u>(229,202)</u>	<u>(80,918)</u>
	<u>11,866,628</u>	<u>10,533,681</u>

All revenue was recognised at a point in time under HKFRS 15.

In 2024, revenue from sales of gold bullion to Shanghai Gold Exchange has exceeded 10% of the Group's revenues, amounting to RMB11,630,769,000 (2023: RMB8,981,620,000). 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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Interest income on financial assets measured at amortised cost	22,817	27,425
Government grants (<i>Note</i>)	10,375	19,777
Scrap sales	15,349	—
Sundry income	11,117	1,090
	<u>59,658</u>	<u>48,292</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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Net realised and unrealised loss on financial assets and financial liabilities at fair value through profit or loss	16,854	5,314
Net gains on disposal of property, plant and equipment, and intangible assets	(826)	(1,194)
Gold trading deferment fee income, net (<i>Note</i>)	(16,041)	—
Net foreign exchange gain	(9,981)	(3,124)
Impairment losses of:		
— intangible assets	—	40,047
— other receivables (<i>note 9</i>)	558	869
Provision for legal claim	15,051	14,544
Donations	14,197	—
Others	14,734	6,675
	<u>34,546</u>	<u>63,131</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

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current taxation — PRC income tax		
— provision for the year	196,904	142,176
— under/(over) provision in respect of prior years	<u>3,444</u>	<u>(6,783)</u>
	200,348	135,393
Deferred tax		
Origination and reversal of temporary differences	<u>12,394</u>	<u>(11,185)</u>
	<u><u>212,742</u></u>	<u><u>124,208</u></u>

Notes:

- (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.

- (ii) Hong Kong Profits Tax rate for 2024 is 16.5% (2023: 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 2024 is 0% (2023: 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”.
- (v) Considering the uncertainty of the future available taxable profits against which certain tax benefits can be recognised in the relevant tax jurisdiction and entity, the Group has not recognised deferred tax assets of RMB64,154,000 (2023: RMB54,614,000) in respect of unused tax losses of RMB139,559,000 (2023: RMB157,192,000) and temporary differences of RMB117,057,000 (2023: RMB61,264,000) for the year ended 31 December 2024.

7. DIVIDENDS

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

The proposed final dividend for the year of RMB0.08 per share (2023: RMB0.065 per share), amounted to approximately RMB102,958,000 (2023: RMB79,076,000), 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 2024.

(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 2023 of RMB0.065 per share, amounted to approximately RMB79,076,000, based on 1,216,559,255 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 2024. The relevant dividend amount of approximately RMB80,825,000, based on 1,243,476,055 ordinary shares in issue (domestic + H shares) is charged to the consolidated statement of changes in equity.

8. EARNINGS PER SHARE

(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 1,229,935,839 (2023: 983,397,075) outstanding during the year.

	2024	2023
Profit for the year and earnings used in basic earnings per share (<i>RMB'000</i>)	<u>697,997</u>	<u>318,082</u>
Weighted average number of shares used in basic earnings per share	<u>1,229,935,839</u>	<u>983,397,075</u>
Earnings per share (<i>RMB cents</i>)	<u>56.75</u>	<u>32.35</u>

(b) Diluted earnings per share

The diluted earnings per share for the current and the prior year is the same as the basic earnings per share as there are no dilutive ordinary shares during the years.

9. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade receivables, net of loss allowance	190,841	235,752
Bills receivable	<u>2,636</u>	<u>1,251</u>
	<u>193,477</u>	<u>237,003</u>
Other receivables, net of loss allowance (<i>note (b)</i>)	102,970	59,690
Amounts due from related parties	<u>1,461</u>	<u>470</u>
	<u>104,431</u>	<u>60,160</u>
Financial assets measured at amortised cost	<u>297,908</u>	<u>297,163</u>
Deposits and prepayments	<u>131,872</u>	<u>69,375</u>
Purchase deposits (<i>note (c)</i>)	749,043	797,964
Less: Allowance for non-recoverability	<u>(702,565)</u>	<u>(750,618)</u>
	46,478	47,346
Amount due from Beijing Jiuyi (<i>note (d)</i>)	<u>—</u>	<u>—</u>
Total trade receivables, other receivables and prepayment	<u>476,258</u>	<u>413,884</u>

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

(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.

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Within three months	184,937	219,636
Over three months but less than six months	410	921
Over six months but less than one year	575	254
Over one year but less than two years	275	16,192
Over two year but less than five years	7,280	—
	<hr/>	<hr/>
At 31 December	193,477	237,003
	<hr/> <hr/>	<hr/> <hr/>

The majority of gold bullion was traded on or through Shanghai Gold Exchange, of which receivables will be collected within 1–2 days upon the completion of clearing by Shanghai Gold Exchange. 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:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Other receivables	124,659	79,830
Less: Allowance for expected credit losses	(20,228)	(19,670)
	<hr/>	<hr/>
	104,431	60,160
	<hr/> <hr/>	<hr/> <hr/>

During the year ended 31 December 2024, the Group recognised the loss allowance for expected credit losses of other receivables of RMB558,000 (31 December 2023: RMB869,000).

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 16.2% (2023: 24.6%).

(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:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
At 1 January	750,618	750,618
Write-off of non-recoverable purchase deposit	(48,053)	—
At 31 December	<u>702,565</u>	<u>750,618</u>

During the year ended 31 December 2024, the Group wrote off the gross carrying amount of purchase deposits amounting to RMB48,053,000 (2023: Nil) and the corresponding allowance for expected credit losses of RMB48,053,000 (2023: Nil).

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 RMB46,478,000 as at 31 December 2024 would be recovered through purchases of mineral sand from the respective suppliers within 12 months.

(d) **Amount due from Beijing Jiuyi**

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Amount due from Beijing Jiuyi	30,800	30,800
Less: Impairment losses	(30,800)	(30,800)
	<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

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Short-term bank and other borrowings:		
— Bank and other borrowings	1,906,010	2,533,108
— Add: Current portion of long-term bank and other borrowings	<u>175,800</u>	<u>192,000</u>
	<u>2,081,810</u>	<u>2,725,108</u>
Long-term bank and other borrowings:		
— Bank and other borrowings	738,500	320,000
— Less: Current portion of long-term bank and other borrowings	<u>(175,800)</u>	<u>(192,000)</u>
	<u>562,700</u>	<u>128,000</u>
	<u>2,644,510</u>	<u>2,853,108</u>

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within one year or on demand	2,081,810	2,725,108
Over one year but within two years	<u>562,700</u>	<u>128,000</u>
	<u>2,644,510</u>	<u>2,853,108</u>

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

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Bank and other borrowings		
— Secured	515,000	647,000
— Guaranteed	783,680	975,990
— Unsecured	1,345,830	1,230,118
	<u>2,644,510</u>	<u>2,853,108</u>

At 31 December 2024, bank and other borrowings of the Group amounting to RMB725,000,000 (2023: RMB577,000,000) were secured by pledged deposits with the carrying amount of RMB475,000,000 (2023: RMB447,000,000).

At 31 December 2024, bank and other borrowings of the Group amounting to RMB80,000,000 (2023: RMB200,000,000) were secured by pledged deposits with the carrying amount of RMB40,000,000 (2023: RMB100,000,000) and guaranteed by the D&R Asset Management Group Company Limited (“D&R Investment”) with maximum guarantees of RMB40,000,000 (2023: RMB100,000,000).

At 31 December 2024, bank and other borrowings of the Group amounting to RMB594,030,000 (2023: RMB435,990,000) were guaranteed by D&R Investment with maximum guarantees of RMB594,030,000 (2023: RMB435,990,000).

At 31 December 2023, bank and other borrowings of the Group amounting to RMB400,000,000 were secured by pledged deposits with the carrying amount of RMB100,000,000.

At 31 December 2023, bank loans of the Company amounting to RMB50,000,000 were guaranteed by D&R Investment with maximum guarantees of RMB50,000,000. The amounts were fully repaid during 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.

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current trade and other payables		
Trade payables	464,901	441,497
Other payables and accruals	283,981	275,108
Interest payables	1,531	20,461
Payable for mining rights	8,460	80,074
Deferred income	16,462	57,817
Amounts due to related parties	112	443
Dividend payable	6,500	4,758
	<u>781,947</u>	<u>880,158</u>
Financial liabilities at FVTPL		
Gold future and forward	3,655	14,786
Gold lease contracts	—	38,427
	<u>3,655</u>	<u>53,213</u>
Non-current other payables		
Payable for long-term assets (<i>note (a)</i>)	212,109	344,423
Deferred income (<i>note (b)</i>)	112,024	66,905
Decommissioning costs (<i>note (c)</i>)	127,860	126,186
	<u>451,993</u>	<u>537,514</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%, which amounted to RMB127,860,000 in total as at 31 December 2024 (2023: RMB126,186,000).

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

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Within three months	422,132	274,468
Over three months but less than six months	12,383	92,676
Over six months but less than one year	5,774	35,731
Over one year but less than two years	5,792	17,747
Over two years	18,820	20,875
	<u>464,901</u>	<u>441,497</u>

12. COMMITMENTS AND CONTINGENCIES

- (a) Capital commitments, representing purchase of property, plant and equipment and intangible assets outstanding at 31 December 2024 not provided for in the financial statements, were as follows:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Authorised and contracted for	<u>17,571</u>	<u>376,043</u>

(b) Financial guarantees issued

As at 31 December 2024, the Company does not issue any financial guarantees to its subsidiaries or any third parties (2023: Nil)

(c) Financial guarantees received

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

- (i) D&R Investment has issued a guarantee of RMB634,030,000 (2023: RMB535,990,000) to the Company in respect of bank loans granted to the Company of RMB634,030,000 (2023: RMB535,990,000).

As at 31 December 2023, the Company has also received the following guarantees:

- (ii) At 31 December 2023, bank loans of the Company amounting to RMB50,000,000 were guaranteed by D&R Investment with maximum guarantees of RMB50,000,000. The amounts were fully repaid during the year.

13. BUSINESS COMBINATION IN PRIOR YEAR

On 6 November 2023, The Company entered into the equity transfer agreement with the vendor, which are independent third parties to the Group to acquire 43.3002% of the equity interests in Lingbao Xinan Solid Waste Disposal Company Limited (“**Xinan Waste**”) with cash consideration of RMB22,016,000. Upon the completion of acquisition on the same date, the Group’s total equity interest in Xinan Waste increased from 46.3901% to 89.6903%, and Xinan Waste became a subsidiary of the Group.

Xinan Waste is principally engaged in recycling and disposal of wastes from mining and smelting activities.

The fair value of identifiable assets and liabilities of Xinan Waste as at the date of completion was:

	6 November 2023 RMB’000
Property, plant and equipment	51,849
Construction in progress	14,524
Right-of-use assets	36,352
Other non-current assets	48
Cash and cash equivalents	2,160
Trade receivables	13,774
Other receivables and prepayments	2,099
Inventories	198
Trade payables	(66,014)
Other payables	(4,145)
	<hr/>
Net assets	50,845
Less: non-controlling interests	(5,242)
Less: fair value of previously held equity interests	(23,587)
	<hr/>
Fair value of net identifiable assets acquired	22,016
Cash consideration paid	(22,016)
	<hr/>
	—
	<hr/>
An analysis of the cash flows in respect of the acquisition of Xinan Waste is as follows:	
Cash consideration paid	22,016
Cash and cash equivalents acquired	(2,160)
	<hr/>
Net outflow of cash and cash equivalents included in cash flows from investing activities	19,856
	<hr/> <hr/>

The fair value of trade and other receivables acquired as of the acquisition date amounted to RMB15,873,000. The gross contractual amount of these receivables is RMB15,873,000. None of these receivables have been impaired and it is expected that the full contractual amounts can be collected.

Since the fair value of purchase consideration paid equals to the fair value of the net identifiable assets acquired, no goodwill was recognised.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF BUSINESS

In the Fiscal Year 2024, the Group produced approximately 20,853 kg (equivalent to approximately 648,601 ounces) of gold bullion, representing a decrease of approximately 1,711 kg (equivalent to approximately 53,212 ounces) or 7.3% as compared with the previous year. The decrease in gold bullion produced was attributable to the implementation of production capacity adjustments and merger of the gold leaching system by the smelting subsidiary for optimization of resource allocation. During the Fiscal Year 2024, the Group has adopted multiple measures to accelerate production, and achieved significant results in optimizing and improving mineral separation and mining technologies, as well as in refining management reforms, thereby markedly improving overall operational efficiency. With the rise in gold market prices, the Group recorded a net profit of approximately RMB699,132,000 (for the year ended 31 December 2023 (“**Fiscal Year 2023**”): net profit of RMB294,027,000). The basic earnings per share of the Company for the Fiscal Year 2024 was RMB56.75 cents (Fiscal Year 2023: RMB32.35 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 37 mining and exploration rights as at 31 December 2024, covering 216.04 square kilometers. The total gold reserves and resources as at 31 December 2024 were approximately 131.81 tonnes (4,099,749 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	2024		2023	
		<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	4,317	4,318	4,769	4,957
Compound gold	kg	847	866	709	712
Total	kg	5,164	5,184	5,478	5,669
Total	Ounce	160,628	161,248	176,108	182,249

The total revenue of the mining segment of the Group for the Fiscal Year 2024 was approximately RMB2,571,687,000, representing an increase of approximately RMB186,268,000 or 7.81% from approximately RMB2,385,419,000 in the previous year. Such increase benefited from the substantial increase in gold prices during the year. Among them, revenue from Mining — PRC was approximately RMB2,314,365,000 (Fiscal Year 2023: RMB2,245,632,000), and revenue from Mining — KR was approximately RMB257,322,000 (Fiscal Year 2023: RMB139,787,000). In the Fiscal Year 2024, revenue of gold mines in Henan, Xinjiang, KR and Inner Mongolia represented approximately 69.3%, 14.98%, 10% and 5.72% of the total revenue of the mining segment, respectively. The production volume of compound gold in the mining segment increased by approximately 138 kg to approximately 847 kg while the production volume of the gold concentrates decreased by approximately 452 kg to approximately 4,317 kg.

Segment results

The Group's total profit of the mining segment for the Fiscal Year 2024 was approximately RMB1,107,383,000, representing an increase of approximately 55.96% as compared with that in the Fiscal Year 2023, among which, the profit from Mining — PRC was approximately RMB1,096,868,000 (Fiscal Year 2023: RMB808,030,000), and the Mining — KR turned a loss into a profit of approximately RMB10,515,000 (Fiscal Year 2023: loss of RMB97,981,000). The segment result to segment revenue ratio of the Group's mining business for the Fiscal Year 2024 was approximately 43.06%, as compared with approximately 29.8% for Fiscal Year 2023.

In the Fiscal Year 2024, the profit from the Mining — PRC segment increased by approximately 35.75% as compared with that in the Fiscal Year 2023, mainly benefiting from the Group’s multi-pronged efforts to fully overcome the impacts of policies and infrastructure transformation in the first half of the year, ramping up production in the second half, optimizing mineral separation and mining techniques, and achieving significant results through refined management reforms, which greatly enhanced overall operational efficiency. The Group completed the production of 5,164 kg of gold concentrates (contained gold) and compound gold throughout the year, representing a decrease of 314 kg and a year-on-year decrease of 5.73%.

Additionally, benefited from Full Gold Mining Limited Liability Company (“Full Gold”) which strengthened site management, scientifically adjusted mining methods, improved ore recovery rates, repaired old materials and recycled waste, and implemented energy-saving and cost-reduction measures, the Mining — KR segment successfully turned from a loss of approximately RMB97,981,000 in the Fiscal Year 2023 into a profit of approximately RMB10,515,000 in the Fiscal Year 2024.

Based on the above, there was an improvement in the mining and mineral separation efficiency of the Group’s mining segment as compared with that of the Fiscal Year 2023, resulting in an overall increase in revenue and profit.

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	2024		2023	
		<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	9,784	9,776	11,066	10,992
	ounce	304,323	304,062	355,794	353,405
Gold bullion (processed from compound gold)	kg	11,069	11,067	11,498	11,798
	ounce	344,278	344,234	369,673	379,292
Silver	kg	9,983	9,780	18,122	19,244
	ounce	310,494	304,190	582,652	618,713
Copper products	tonne	1,661	1,689	3,443	3,664
Sulphuric acid	tonne	90,764	90,561	114,204	118,681

Sales and production

The Group's total revenue in the smelting segment for the Fiscal Year 2024 was approximately RMB12,043,436,000, representing an increase of approximately 13.42% from approximately RMB10,618,737,000 in the previous year.

Segment results

In the Fiscal Year 2024, the smelting segment successfully turned losses into profits, recording a profit of approximately RMB48,269,000 (Fiscal Year 2023: recording a loss of approximately RMB9,500,000). In the Fiscal Year 2024, the Group optimized resource allocation by coordinating and adjusting production capacity, transforming the roasting of ordinary ores, and merging two sets of gold leaching systems. With a focus on the goals of "improving efficiency, enhancing effectiveness and increasing profitability", the Group strengthened production organization and implemented refined metal balance management, so as to firmly reduce costs and increase efficiency, thereby improving the gross profit of its products.

Outlook for 2025

The Group will accelerate its pace for internationalization, implements dual transformations towards intelligent digitalized and green and low carbon environments, and commits to become a national top rated as well as world renowned gold mining enterprise.

FINANCIAL INFORMATION

1. Operating Results

Revenue

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

	2024			2023		
	Amount	Sales volume	Unit price	Amount	Sales volume	Unit price
	(RMB'000)	(kg/tonne)	(RMB per kg/tonne)	(RMB'000)	(kg/tonne)	(RMB per kg/tonne)
Gold bullion	11,713,064	20,983	558,211	10,058,989	22,790	441,383
Silver	62,799	9,780	6,421	94,578	19,244	4,915
Copper products	110,840	1,689	65,609	218,903	3,664	59,748
Sulphuric acid	9,957	90,561	110	4,211	118,681	35
Gold concentrates	181,813			203,706	545	373,910
Others	17,358			34,212	—	—
	<u>12,095,830</u>			<u>10,614,599</u>		
Revenue before tax	12,095,830			10,614,599		
Less: Sales taxes	(229,202)			(80,918)		
	<u>11,866,628</u>			<u>10,533,681</u>		

The Group's revenue for the Fiscal Year 2024 was approximately RMB11,866,628,000, representing an increase of approximately 12.7% as compared with the previous year.

Gross profit

The Group's gross profit for the Fiscal Year 2024 was RMB1,461,919,000 as compared with the gross profit of RMB969,901,000 in the previous year, representing a significant increase of approximately 50.73%. The Group has strengthened the control of production costs through a series of measures, such as adjusting the production capacity structure, optimizing resource allocation, enhancing refined management, as well as reducing costs and increasing efficiency. This has been accompanied by an increase in market prices, resulting in simultaneous significant increases in gross profit and gross profit margins.

Other net loss

The Group's other net loss for the Fiscal Year 2024 was approximately RMB34,546,000, representing a decrease of approximately 45.28% as compared with approximately RMB63,131,000 in the previous year. The significant decrease in other net loss was mainly due to decrease of impairment losses of assets.

Other revenue

The Group's other revenue for the Fiscal Year 2024 was approximately RMB59,658,000, representing an increase of approximately 23.5% as compared with approximately RMB48,292,000 in the previous year. The increase in other revenue was mainly due to external disposal of smelting tailings by the smelting subsidiary.

Profit attributable to the Company's equity shareholders

For the Fiscal Year 2024, the Company recorded a profit of approximately RMB697,997,000 attributable to equity shareholders of the Company (Fiscal Year 2023: RMB318,082,000). The basic and diluted earnings per share for the Fiscal Year 2024 was RMB56.75 cents (Fiscal Year 2023: RMB32.35 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 2024 amounted to RMB899,570,000 (31 December 2023: RMB956,604,000).

The total equity of the Group as at 31 December 2024 amounted to RMB3,158,184,000 (31 December 2023: RMB2,436,554,000). As at 31 December 2024, the Group had current assets of RMB3,008,793,000 (31 December 2023: RMB2,964,554,000) and current liabilities of RMB3,025,313,000 (31 December 2023: RMB3,706,322,000). The current ratio was 99.45% (31 December 2023: 80.0%).

As at 31 December 2024, the Group had total outstanding bank and other borrowings of approximately RMB2,644,510,000 with interest rates ranging from 1.1% to 4% per annum (approximately RMB2,081,810,000 and approximately RMB562,700,000 repayable within one year and over one year but within two years, respectively). The gearing ratio as at 31 December 2024 was 36.65% (31 December 2023: 41.7%), which was calculated by total borrowings divided by total assets.

As at 31 December 2024, the Group had unutilised bank facilities related to unsecured bank loans facilities of RMB743,480,000. 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) Strengthening refined management and continuously promoting cost reduction and efficiency enhancement to further improve the gross profit margin of the internal mines, optimizing the allocation of production capacity and creating operating cash flow;
- 2) Strengthening the mechanism of capital allotment to improve the efficiency of capital utilization and further optimize the scale of liabilities;
- 3) Strengthening communication with banks and other financial institutions and enhancing mutual trust with them based on the continuous improvement and enhancement of the Company's performance and cash flow, so as to convert financing guarantees from external guarantees to internal guarantees of the Group and continue to reduce financing costs;
- 4) Leveraging the attributes of the gold mining industry, such as high inventory liquidity and quick realization, to reasonably allocate low-cost supply chain financing;
- 5) Optimizing the financing structure by replacing part of the short-term borrowings with medium and long-term loan financing to alleviate the pressure of short-term loan repayment;

- 6) Completing placing of new H shares under the general mandate to no less than six places (as detailed in the announcements dated 21 February 2024 and 28 February 2024, respectively). The net proceeds from the placing are intended to be used for procurement of gold concentrate for the production of gold bullion;
- 7) Completing placing of new H shares under the general mandate to no less than six places (as detailed in the announcements dated 17 April 2024 and 25 April 2024, respectively). The net proceeds from the placing are intended to be used for procurement of gold concentrate for the production of gold bullion.

3. Security and guarantee

For details of securities and guarantees of the Group as at 31 December 2024, please refer to Note 10 “Bank and Other Borrowings” 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 2024 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 price 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 are affected by fluctuations in the gold prices and other commodity prices as all of our products are sold at market prices and such fluctuations in prices are 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. 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 cost increases 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 2024, 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 RMB17,571,000 (31 December 2023: RMB376,043,000) and RMBnil (31 December 2023: RMBnil), respectively.

7. Contingent Liabilities

As at 31 December 2024, the Group had no material contingent liabilities.

8. Capital Expenditure

For the Fiscal Year 2024, the Group's capital expenditure was approximately RMB542,954,000, representing an increase of approximately 88.9% from approximately RMB287,398,000 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 2024, the number of employees of the Group was 3,618. 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 Board has resolved at the Board meeting held on 5 September 2024 to propose the adoption of a share award scheme. Please refer to the announcement of the Company dated 5 September 2024 for details.

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/ circular/prospectus	Fund raising activity	Net proceeds raised (approximately)	Intended use of the net proceeds	Actual use of the net proceeds
11 November 2021, 17 January 2022, 8 December 2022, 20 January 2023 and 18 August 2023	Issue and allotment of 319,772,164 new H Shares under specific mandate granted by the shareholders at the extraordinary general meetings of the Company dated 17 January 2022 and 20 January 2023	HKD265.6 million	Approximately HKD139.2 million for the financing of the deep exploration of Henan Lingjin No. 1 Mine Approximately HKD41.7 million for the financing of the construction and setting up of cyanide- containing sewage desalination facilities Approximately HKD84.7 million as general working capital of the Group	All net proceeds have been fully utilized according to the intended use. All net proceeds have been fully utilized according to the intended use. All net proceeds have been fully utilized according to the intended use.
21 February 2024 and 28 February 2024	Issue and allotment of 32,538,000 new H Shares under the General Mandate	HKD42.4 million	Procurement of gold concentrate for the production of gold bullion	HKD42.4 million will be used according to the intended use and are expected to be fully utilized on or before July 2025.

Date of announcement/ circular/prospectus	Fund raising activity	Net proceeds raised (approximately)	Intended use of the net proceeds	Actual use of the net proceeds
17 April 2024 and 25 April 2024	Issue and allotment of 26,916,800 new H Shares under the General Mandate	HKD79.3 million	Procurement of gold concentrate for the production of gold bullion	As at the end of the year, as the filing documents submitted to the China Securities Regulatory Commission for the placement were still being processed, the foreign exchange registration could not yet be processed and the funds could not be repatriated to the Mainland. HKD79.3 million will be used according to the intended use and are expected to be fully utilized on or before July 2025.
11 March 2025 and 18 March 2025	Issue and allotment of 43,500,000 new H Shares under the General Mandate	HKD228.79 million	For mergers and acquisitions opportunities within the gold sector	Not yet utilized

EVENTS AFTER REPORTING PERIOD

1. The H Share Full Circulation

Reference is made to the announcements of the Company dated 12 September 2024, 20 December 2024, 27 December 2024 and 23 January 2025 in relation to the proposed implementation of the H Share Full Circulation (the “**Announcements**”). Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as those defined in the Announcements.

The H Share Full Circulation was completed on 23 January 2025 and the details are set out below: —

	Upon completion of the Conversion and Listing	
	<i>Number of Shares</i>	<i>Approximate of percentage</i>
Domestic Shares	181,397,058	14.59%
H Shares	1,062,078,997	85.41%
Total	<u>1,243,476,055</u>	<u>100.00%</u>

2. Placing of new H shares under general mandate

Reference is made to the announcement of the Company dated 11 March 2025. Unless otherwise defined, all capitalized terms used herein shall have the same meanings as defined in the above announcement.

On 10 March 2025 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed, as the Company's placing agent, to procure, on a best effort basis, no fewer than six Placees, who and whose ultimate beneficial owners (where applicable) will be Independent Third Parties, to subscribe for up to a maximum of 43,500,000 new H Shares ("Placing Shares") under General Mandate at the Placing Price of HKD5.38 per Placing Share.

The placing was completed on 18 March 2025.

Save as disclosed above, there is no other significant event subsequent to 31 December 2024 and up to the date of this announcement.

FUTURE PLANS FOR MATERIAL INVESTMENT

The Group has no 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 2024. 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 2024, there were no treasury shares (as defined in the Listing Rules) held by the Company.

For the Fiscal Year 2024, 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 28 March 2025 to propose to distribute a final dividend of RMB0.08 per share (tax inclusive) for the year ended 31 December 2024 (Fiscal Year 2023: RMB0.065). Subject to the approval of the shareholders at the forthcoming annual general meeting of the Company, the final dividend is expected to be payable on or about 31 July 2025. 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 Tuesday, 20 May 2025. 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 mainland China, 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.

CLOSURE OF REGISTER OF MEMBERS

Subject to the approval of the shareholders at the forthcoming annual general meeting of the Company ("AGM") which will be held on Tuesday, 27 May 2025, the Final Dividend will be distributed to shareholders on or about Thursday, 31 July 2025.

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, 22 May 2025 to Tuesday, 27 May 2025 (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, 21 May 2025. All H Shareholders whose names appear on the register of members of the Company on Tuesday, 27 May 2025 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 Friday, 6 June 2025 to Wednesday, 11 June 2025 (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 Thursday, 5 June 2025. 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 Wednesday, 11 June 2025.

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 2024.

AUDIT COMMITTEE AND REVIEW OF RESULTS ANNOUNCEMENT FOR FISCAL YEAR 2024

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

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 2024 as set out in this announcement have been compared by the auditor of the Company, 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 2024 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
28 March 2025

As at the date of this announcement, the Board comprises five executive directors, namely Mr. Chen Jianzheng, Mr. Xing Jiangze, Mr. He Chengqun, Mr. Wu Liming 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. Tan Chong Huat, Mr. Bo Shao Chuan and Mr. Guo Michael Xinsheng.