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淮北綠金產業投資股份有限公司

(Huaibei GreenGold Industry Investment Co., Ltd.*)

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

(Stock code: 2450)

MAJOR AND CONNECTED TRANSACTION AND PAST NON-COMPLIANCE WITH THE LISTING RULES

ADVANCE PAYMENTS

The Board wishes to inform the Shareholders and potential investors of the Company that, as a result of the Company's inadvertent omission, the Advance Payments, which constituted a major and connected transaction of the Company, were provided to Huaibei Construction Investment without complying with the relevant requirements under the Listing Rules, which constituted non-compliance with the Listing Rules. However, since at the date of this announcement, the amount of the Advance Payments has been fully repaid and the accrued interest is set to be repaid by the end of January 2025, the Board will not submit the resolution of the Advance Payments for approval by the independent Shareholders. The Board believes that the Advance Payments have not had, and will not have, any material adverse impact on business operation of the Company. This announcement is made for the information of the Shareholders only.

During 18 to 25 December 2024, the Group made the Advance Payments in the aggregate amount of approximately RMB232.53 million (approximately to HK\$246 million) to Huaibei Construction Investment. As confirmed by the Company, the amount of the Advance Payments has been fully repaid by Huaibei Construction Investment to the Group on 8 January 2025, and the amount of interest of approximately RMB0.48 million (calculated on a pro-rata basis and ended on the date of repayment) is set to be repaid by the end of January 2025.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Advance Payments is more than 25% but all are less than 75%, the provision of the Advance Payments constituted a major transaction of the Company and should be subject to reporting, announcement and Shareholder's approval requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Huaibei Construction Investment is the controlling shareholder of the Company, holding approximately 75% of the total share capital of the Company, therefore Huaibei Construction Investment is a connected person of the Company under the Listing Rules. As such, the provision of the Advance Payments constituted a connected transaction of the Company and should be subject to the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the amount of the Advance Payments has been fully repaid and the accrued interest is set to be repaid by the end of January 2025, the Board will not submit the transactions for approval by the independent Shareholders of the Company.

As at 30 June 2024, the assets ratio for the Advance Payments had exceeded 8% based on the total assets of the Company as at 30 June 2024 and therefore the provision of the Advance Payments was subject to the announcement requirement under Rule 13.13 of the Listing Rules.

However, due to an inadvertent omission by the funds payment department of the Company, the Group proceeded with the Advance Payments without complying with the relevant requirements under the Listing Rules. The Advance Payments had not been announced by the Company and approved by the independent Shareholders in a timely manner in accordance with the Listing Rules which constituted a non-compliance of the relevant rules under Chapters 13, 14 and 14A of the Listing Rules at the material time.

As at the date of this announcement, the Board did not identify any other advances and loans that would have listing rule implications under Chapters 13, 14 and 14A of the Listing Rules.

ADVANCE PAYMENTS

During 18 to 25 December 2024, the Group made the Advance Payments in the aggregate amount of approximately RMB232.53 million (approximately to HK\$246 million) to Huaibei Construction Investment, details of which are summarized as below.

Period of fund transfer:	During 18 to 25 December 2024
Parties:	(1) Huaibei Construction Investment, the controlling shareholder of the Company; and (2) the Company
Aggregate amount of the Advance Payments:	Approximately RMB232.53 million (approximately to HK\$246 million)

At the material time when Huaibei Construction Investment and the Company planned to negotiate a loan agreement in relation to the Advance Payments (please refer to “Reasons for the Advance Payments” below for further details), the principal terms contained thereto shall, among others, include (i) an interest rate of 4.3% per annum on the Advance Payments, and (ii) the pledge provided by Huaibei Construction Investment over real estate properties under construction, in the amount of approximately RMB504.52 million.

As confirmed by the Company, the amount of the Advance Payments has been fully repaid by Huaibei Construction Investment to the Group on 8 January 2025, and the amount of interest of approximately RMB0.48 million (calculated on a pro-rata basis and ended on the date of repayment) is set to be repaid by the end of January 2025.

REASONS FOR THE ADVANCE PAYMENTS

As at the date of this announcement, Huaibei Construction Investment is the controlling shareholder of the Company, holding approximately 75% of the total share capital of the Company. At the request of Huaibei Construction Investment, in view of the short-term financial need of Huaibei Construction Investment at the material time, and after considering the security to be provided and the interest to be generated, the Company has agreed to provide financial support to Huaibei Construction Investment.

In early December 2024, Huaibei Construction Investment and the Company planned to enter into a loan agreement, pursuant to which the Company would provide financial support to Huaibei Construction Investment on normal commercial terms and comply with relevant laws and regulations (including the Listing Rules) to ensure the legality and compliance of the transaction. At the material time, the funds payment department of the Company (the “**Funds Payment Department**”) was informed of the transaction. During late December 2024, the Funds Payment Department, without the knowledge of the Board, has made an inadvertent mistake and transferred the Advance Payments to Huaibei Construction Investment.

As confirmed by the Company, the amount of the Advance Payments has been fully repaid by Huaibei Construction Investment to the Group on 8 January 2025, and the interest accrued at the amount of approximately RMB0.48 million (calculated on a pro-rata basis and ended on the date of repayment) is set to be repaid by the end of January 2025. The Advance Payments have not had any material adverse impact on the business operation of the Company. The Board sincerely apologizes for the inconvenience caused to the Shareholders in respect of the non-compliance.

INFORMATION OF THE COMPANY

The Company is a joint stock company established in the PRC with limited liability and is principally engaged in the production and sale of aggregate products and concrete products.

INFORMATION OF HUAIBEI CONSTRUCTION INVESTMENT

Huaibei Construction Investment is a company established in the PRC with limited liability and is principally engaged in investment and management of infrastructure construction projects.

As at the date of this announcement, Huaibei Construction Investment is the controlling shareholder of the Company, holding approximately 75% of the total share capital of the Company.

LISTING RULE IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Advance Payments is more than 25% but all are less than 75%, the provision of the Advance Payments constituted a major transaction of the Company and should be subject to reporting, announcement and Shareholder's approval requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, Huaibei Construction Investment is the controlling shareholder of the Company, holding approximately 75% of the total share capital of the Company, therefore Huaibei Construction Investment is a connected person of the Company under the Listing Rules. As such, the provision of the Advance Payments constituted a connected transaction of the Company and should be subject to the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the amount of the Advance Payments has been fully repaid and the accrued interest is set to be repaid by the end of January 2025, the Board will not submit the transactions for approval by the independent Shareholders of the Company.

As at 30 June 2024, the assets ratio for the Advance Payments had exceeded 8% based on the total assets of the Company as at 30 June 2024 and therefore the provision of the Advance Payments was subject to the announcement requirement under Rule 13.13 of the Listing Rules.

However, due to an inadvertent omission by the Funds Payment Department, the Group proceeded with the Advance Payments without complying with the relevant requirements under the Listing Rules. The Advance Payments had not been announced by the Company and approved by the independent Shareholders in a timely manner in accordance with the Listing Rules which constituted a non-compliance of the relevant rules under Chapters 13, 14 and 14A of the Listing Rules at the material time.

As at the date of this announcement, the Board did not identify any other advances and loans that would have listing rule implications under Chapters 13, 14 and 14A of the Listing Rules.

REMEDIAL MEASURES

The Company deeply regrets its non-compliance with Chapters 13, 14 and 14A of the Listing Rules and would like to stress that such non-compliance was purely inadvertent and the Company had no intention to withhold any information relating to the provision of the Advance Payments from disclosure.

Upon discovering the aforesaid non-compliant act, the Company communicated with Huaibei Construction Investment at the first opportunity available, and demanded repayment of the Advance Payments within seven business days from the day of communication. As at the date of this announcement, the Company had received full repayment of the Advance Payments, and the interest accrued is set to be repaid by the end of January 2025.

In order to prevent the reoccurrence of the current instance of non-compliance, the Company intends to adopt the following measures:

- i. The Company will enhance the training provided to the Directors, senior management and relevant personnel, including the funds payment department, of the Company to reinforce their understanding of and to emphasize the importance of compliance with the Listing Rules, in particular Chapters 13, 14 and 14A of the Listing Rules.
- ii. The Company will strengthen the implementation of its internal control system on transactions including but not limited to strengthening the coordination and reporting arrangements for connected transactions among the various departments of the Company. Before entering into each agreement, the Board together with a dedicated staff member of the compliance department will review the relevant agreement to ensure compliance with the Listing Rules.
- iii. The Company will maintain closer cooperation with its professional advisers in relation to regulatory compliance if necessary.
- iv. In the event that the Company conducts similar transactions, it will consider carefully on whether this will trigger any disclosure or compliance requirements under the Listing Rules. If necessary, the Company will seek advice from its professional advisers and consult the Stock Exchange about the proper treatment of the proposed transaction.
- v. The Group will not proceed with transactions in the amount of RMB10 million or more unless prior written authorization of the Board has been duly obtained.
- vi. The Group will continue to engage compliance adviser, and will obtain their advice prior to conducting any transactions that may require compliance under the Listing Rules.

Going forward, the Group will make appropriate disclosure in a timely manner to ensure compliance with the Listing Rules. The Company's internal controls are effective after the implementation of the proposed remedial measures.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless context otherwise requires:

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| “Advance Payments” | the advance payments in the aggregate amount of approximately RMB232.53 million (approximately to HK\$246 million) provided by the Group to Huaibei Construction Investment |
| “Board” | the board of Directors |
| “Company” | Huaibei GreenGold Industry Investment Co., Ltd. *(淮北綠金產業投資股份有限公司), a joint stock company established in the PRC with limited liability and its H Shares are listed on the Main Board (Stock Code: 2450), which is principally engaged in the production and sale of aggregate products and concrete products |
| “connected person” | has the meaning ascribed thereto in the Listing Rules |

“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Huaibei Construction Investment”	Huaibei City Construction Investment Holding Group Co., Ltd.* (淮北市建投控股集團有限公司), a company established in the PRC with limited liability on 24 April 2008, which was wholly-owned by Huaibei SASAC as at the date of this announcement, and a controlling shareholder of the Company
“Huaibei SASAC”	State-owned Assets Supervision and Administration Commission of Huaibei Municipal People’s Government (淮北市政府國有資產監督管理委員會)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Taiwan and Macau Special Administrative Region of the PRC
“RMB”	Renminbi, the lawful currency of PRC
“Shareholder(s)”	the holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules

By Order of the Board
Huaibei GreenGold Industry Investment Co., Ltd.*
Liu Yong
Chairman of the Board and Executive Director

Anhui, the PRC, 21 January 2025

As at the date of this announcement, the executive Directors are Mr. Liu Yong, Mr. Qin Jiapeng, Mr. Mao Hongxian and Mr. Yao Minglei, and the independent non-executive Directors are Mr. Gao Wei, Mr. Liu Chaotian and Ms. Xing Mengwei.

* *for identification purposes only*