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SD-GOLD

SHANDONG GOLD MINING CO., LTD.

山東黃金礦業股份有限公司

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

(Stock Code: 1787)

**FURTHER IMPLEMENTATION OF UNDERTAKINGS BY
SHANDONG GOLD GROUP CO., LTD. AND SHANDONG GOLD
NON-FERROUS METAL MINE GROUP CO., LTD. IN
RELATION TO AVOID HORIZONTAL COMPETITION**

Shandong Gold Mining Co., Ltd. (hereinafter referred to as the “**Listed Company**” or “**Shandong Gold**”) disclosed the further implementation of undertakings by the controlling shareholder of the Company in relation to horizontal competition on 11 November 2022, and the relevant horizontal competition undertakings have now expired. On 10 November 2025, the sixth meeting of the seventh session of the Board of the Listed Company considered and approved the Resolution on Further Implementation of the Undertakings to Avoid Horizontal Competition by Shandong Gold Group Co., Ltd. and Shandong Gold Non-ferrous Metal Mine Group Co., Ltd.. The resolution is subject to consideration at the general meeting of the Listed Company. The specific details regarding the further implementation of the undertakings to avoid horizontal competition by Shandong Gold Group Co., Ltd. and Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. are hereby announced as follows:

I. MAIN CONTENTS OF THE ORIGINAL UNDERTAKINGS

(I) Shandong Gold Group Co., Ltd. has made undertakings in respect of the further implementation of matters in relation to horizontal competition as follows:

- “1. Upon completion of the major asset reorganization by Shandong Gold by way of issuing shares to purchase the assets of Shandong Gold Group Co., Ltd. (hereinafter referred to as the “**Company**”) and raising ancillary funds, all business assets owned by the Company and its controlled subsidiaries in the PRC territory that meet the requirements for injection into Shandong Gold and which are identical or similar to Shandong Gold’s principal business will be injected into Shandong Gold.

2. So far, Qinghai Shanjin Mining Co., Ltd., Hainan Shanjin Mining Co., Ltd. (海南山金礦業有限公司), Shandong Gold Jinchuang Group Co., Ltd., Songxian Shanjin Mining Co., Ltd. (嵩縣山金礦業有限公司), Zhaoyuan Jiuzhou Mining Co., Ltd. (招遠市九洲礦業有限公司) and Shandong Chengjin Mining Co., Ltd. (山東成金礦業有限公司) in the Company and other enterprises controlled by the Company, which own gold business assets but are not eligible for listing or for the considerations of overall planning, are held by the Company or other enterprises controlled by the Company. At present, the equity interests effectively controlled by the Company and its controlled subsidiaries in the aforesaid companies and the gold business assets effectively controlled by Shandong Gold Jinchuang Group Co., Ltd. have been entrusted to Shandong Gold for management.

The resource reserves of the aforesaid enterprises have not yet been proven, their profitability prospects are still uncertain or their major assets' right certificates are yet to be regulated. In order to protect the interests of the listed company and minority shareholders, the Company, in addition to having entrusted Shandong Gold with the management, undertakes to initiate the procedure of injection into Shandong Gold in accordance with the law if relevant laws and regulations and related requirements of the CSRC are complied with and the following conditions are met or if Shandong Gold deems it necessary to inject into the listed company from the perspective of strategic layout, endowment of resources and market: normal operation of the business, clear ownership, good compliant status, net asset yields of the active enterprises (where such assets are owned by the enterprises) not lower than the previous year's level of Shandong Gold or the financial internal yields of the non-active enterprises not lower than 8%.

At the same time, the Company undertakes to steadily promote the resolution of horizontal competition by giving priority to the injection of the aforesaid assets related to gold business into Shandong Gold before 10 November 2025, or by obtaining prior consent from Shandong Gold to sell them to unrelated third parties if the aforesaid relevant conditions for injection into Shandong Gold are not met or if Shandong Gold is unwilling to acquire them.

3. In respect of the case that the Company and its controlled subsidiaries intend to engage in or substantially acquire businesses or business opportunities similar to that of Shandong Gold in the future and the assets and business resulting from such businesses or business opportunities may constitute potential horizontal competition with Shandong Gold, the Company undertakes not to engage in and, to the maximum extent possible, procure its controlled subsidiaries to give up similar businesses of Shandong Gold that they intend to engage in and to transfer to Shandong Gold any similar businesses or business opportunities substantially acquired by them; to ensure that the Company and its controlled subsidiaries will not engage in identical or similar businesses as that of Shandong Gold so as to avoid direct or indirect competition with the business operations of Shandong Gold.

4. When the Company or its controlled subsidiaries may have unfair influence on Shandong Gold in terms of market share, business opportunities and allocation of resources, the Company will voluntarily forego and use its best efforts to procure its controlled subsidiaries to forego business competition with Shandong Gold.

The Company undertakes to indemnify Shandong Gold against any loss or expense suffered or incurred by Shandong Gold as a result of any breach by the Company of any undertakings in the undertaking letter from the date of its issuance. The undertaking letter shall remain in force during the period in which the Company is the controlling shareholder of Shandong Gold.”

- (II) Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. has made undertakings in respect of the further implementation of matters in relation to horizontal competition as follows:

- “1. Upon completion of the major asset reorganization (hereinafter referred to as the “**Reorganization**”) by Shandong Gold by way of issuing shares to purchase the assets of Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. (hereinafter referred to as “**Non-ferrous Group**”) and raising ancillary funds, all business assets owned by Non-ferrous Group and its controlled subsidiaries in the PRC territory that meet the requirements for injection into Shandong Gold and which are identical or similar to Shandong Gold’s principal business will be injected into Shandong Gold.
2. So far, only Songxian Shanjin Mining Co., Ltd. and Hainan Shanjin Mining Co., Ltd. in Non-ferrous Group and other enterprises controlled by Non-ferrous Group, which operate small-scale gold business but are not eligible for listing, are held by Non-ferrous Group. At present, the equity interests effectively controlled by Non-ferrous Group in the aforesaid companies have been entrusted to Shandong Gold for management.

The resource reserves of the aforesaid enterprises have not yet been proven, their profitability prospects are still uncertain or their major assets’ right certificates are yet to be regulated. In order to protect the interests of the listed company and minority shareholders, Non-ferrous Group, in addition to having entrusted Shandong Gold with the management, undertakes to initiate the procedure of injection into Shandong Gold in accordance with the law if relevant laws and regulations and related requirements of the CSRC are complied with and the following conditions are met or if Shandong Gold deems it necessary to inject into the listed company from the perspective of strategic layout, endowment of resources and market: normal operation of the business, clear ownership, good compliant status, net asset yields of the active enterprises (where such assets are owned by the enterprises) not lower than the previous year’s level of Shandong Gold or the financial internal yields of the non-active enterprises not lower than 8%.

At the same time, Non-ferrous Group undertakes to steadily promote the resolution of horizontal competition by giving priority to the injection of the aforesaid assets related to gold business into Shandong Gold before 10 November 2025, or by obtaining prior consent from Shandong Gold to sell them to unrelated third parties if the aforesaid relevant conditions for injection into Shandong Gold are not met or if Shandong Gold is unwilling to acquire them.

3. Upon completion of Shandong Gold's Reorganization, in respect of the case that Non-ferrous Group and its controlled subsidiaries intend to engage in or substantially acquire businesses or business opportunities similar to that of Shandong Gold in the future and the assets and business resulting from such businesses or business opportunities may constitute potential horizontal competition with Shandong Gold, Non-ferrous Group undertakes not to engage in and, to the maximum extent possible, procure its controlled subsidiaries to give up similar businesses of Shandong Gold that they intend to engage in and to transfer to Shandong Gold any similar businesses or business opportunities substantially acquired by them; to ensure that Non-ferrous Group and its controlled subsidiaries will not engage in identical or similar businesses as that of Shandong Gold so as to avoid direct or indirect competition with the business operations of Shandong Gold.
4. When Non-ferrous Group or its controlled subsidiaries may have unfair influence on Shandong Gold in terms of market share, business opportunities and allocation of resources, Non-ferrous Group will voluntarily forego and use its best efforts to procure its controlled subsidiaries to forego business competition with Shandong Gold.

Non-ferrous Group undertakes to indemnify Shandong Gold against any loss or expense suffered or incurred by Shandong Gold as a result of any breach by Non-ferrous Group of any undertakings in the undertaking letter from the date of its issuance. The undertaking letter shall remain in force during the period in which Shandong Gold Group Co., Ltd., the controlling shareholder of Non-ferrous Group, is the controlling shareholder of Shandong Gold.”

II. PERFORMANCE OF THE ORIGINAL UNDERTAKINGS

As of the date of this announcement, Shandong Gold Group Co., Ltd. and Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. have injected the mining right of Yanshan Mine Area, the exploration right of the gold mine in Cishan Mine Area, Penglai District, Yantai City, Shandong Province and the exploration right of the gold mine at the deep level of Tuwu Gold Mine Area (general exploration) in Penglai District, Yantai City, Shandong Province held by Shandong Gold Jinchuang Group Co., Ltd. and the mining right of the Qigouyifen Mine, the exploration rights of gold mines at the deep level and outer rim of the Qigouyifen Mine held by Shandong Jinchuang Co., Ltd. into Shandong Gold in accordance with their undertakings, and meanwhile have entrusted the equity interests of Qinghai Shanjin Mining Co., Ltd., Hainan Shanjin Mining Co., Ltd., Shandong Gold Jinchuang Group Co., Ltd., Songxian Shanjin Mining Co., Ltd., Zhaoyuan Jiuzhou Mining Co., Ltd., Shandong Chengjin Mining Co., Ltd. and other enterprises with gold business assets to the Listed Company for management. The remaining matters of horizontal competition are being progressed in an orderly way.

III. REASONS FOR FURTHER IMPLEMENTATION OF THE UNDERTAKINGS

As of the date of this announcement, Shandong Gold Group Co., Ltd. and Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. are unable to complete the disposal of the aforementioned enterprises as scheduled because the resource reserves of Qinghai Shanjin Mining Co., Ltd., Hainan Shanjin Mining Co., Ltd., Shandong Gold Jinchuang Group Co., Ltd., Songxian Shanjin Mining Co., Ltd., Zhaoyuan Jiuzhou Mining Co., Ltd., Shandong Chengjin Mining Co., Ltd. and other enterprises have not yet been proven, their profitability prospects are still uncertain or their major assets' right certificates are yet to be regulated. After the aforesaid enterprises comply with relevant laws and regulations and related requirements of the CSRC and satisfy relevant conditions or Shandong Gold deems it necessary to inject such enterprises into the listed company from the perspective of strategic layout, endowment of resources and market, Shandong Gold Group Co., Ltd. and Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. will promptly deal with the matters of horizontal competition in relation to the enterprises above.

IV. UNDERTAKINGS AS FURTHER IMPLEMENTED

- (I) Shandong Gold Group Co., Ltd. has made undertakings in respect of the further implementation of matters in relation to horizontal competition as follows:
1. Upon completion of the major asset reorganization by Shandong Gold by way of issuing shares to purchase the assets of Shandong Gold Group Co., Ltd. (hereinafter referred to as the “**Company**”) and raising ancillary funds, all business assets owned by the Company and its controlled subsidiaries in the PRC territory that meet the requirements for injection into Shandong Gold and which are identical or similar to Shandong Gold's principal business will be injected into Shandong Gold.
 2. So far, Qinghai Shanjin Mining Co., Ltd., Hainan Shanjin Mining Co., Ltd., Shandong Gold Jinchuang Group Co., Ltd., Songxian Shanjin Mining Co., Ltd., Zhaoyuan Jiuzhou Mining Co., Ltd. and Shandong Chengjin Mining Co., Ltd. in the Company and other enterprises controlled by the Company, which own gold business assets but are not eligible for listing or for the considerations of overall planning, are held by the Company or other enterprises controlled by the Company. At present, the equity interests effectively controlled by the Company and its controlled subsidiaries in the aforesaid companies and the gold business assets effectively controlled by Shandong Gold Jinchuang Group Co., Ltd. have been entrusted to Shandong Gold for management.

The resource reserves of the aforesaid enterprises have not yet been proven, their profitability prospects are still uncertain or their major assets' right certificates are yet to be regulated. In order to protect the interests of the listed company and minority shareholders, the Company, in addition to having entrusted Shandong Gold with the management, undertakes to initiate the procedure of injection into Shandong Gold in accordance with the law if relevant laws and regulations and related requirements of the CSRC are complied with and the following conditions are met or if Shandong Gold deems it necessary to inject into the listed company from the perspective of strategic layout, endowment of resources and market: normal operation of the business, clear ownership, good compliant status, net asset yields of the active enterprises (where such assets are owned by the enterprises) not lower than the previous year's level of Shandong Gold or the financial internal yields of the non-active enterprises not lower than 8%.

At the same time, the Company undertakes to steadily promote the resolution of horizontal competition by giving priority to the injection of the aforesaid assets related to gold business into Shandong Gold before 10 November 2030, or by obtaining prior consent from Shandong Gold to sell them to third parties not controlled by the Company if the aforesaid relevant conditions for injection into Shandong Gold are not met or if Shandong Gold is unwilling to acquire them.

3. In respect of the case that the Company and its controlled subsidiaries intend to engage in or substantially acquire businesses or business opportunities similar to that of Shandong Gold in the future and the assets and business resulting from such businesses or business opportunities may constitute potential horizontal competition with Shandong Gold, the Company undertakes not to engage in and, to the maximum extent possible, procure its controlled subsidiaries to give up similar businesses of Shandong Gold that they intend to engage in and to transfer to Shandong Gold any similar businesses or business opportunities substantially acquired by them; to ensure that the Company and its controlled subsidiaries will not engage in identical or similar businesses as that of Shandong Gold so as to avoid direct or indirect competition with the business operations of Shandong Gold.
4. When the Company or its controlled subsidiaries may have unfair influence on Shandong Gold in terms of market share, business opportunities and allocation of resources, the Company will voluntarily forego and use its best efforts to procure its controlled subsidiaries to forego business competition with Shandong Gold.

The Company undertakes to indemnify Shandong Gold against any loss or expense suffered or incurred by Shandong Gold as a result of any breach by the Company of any undertakings in the undertaking letter from the date of its issuance. The undertaking letter shall remain in force during the period in which the Company is the controlling shareholder of Shandong Gold.

(II) Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. has made undertakings in respect of the further implementation of matters in relation to horizontal competition as follows:

1. Upon completion of the major asset reorganization (hereinafter referred to as the “**Reorganization**”) by Shandong Gold by way of issuing shares to purchase the assets of Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. (hereinafter referred to as “**Non-ferrous Group**”) and raising ancillary funds, all business assets owned by Non-ferrous Group and its controlled subsidiaries in the PRC territory that meet the requirements for injection into Shandong Gold and which are identical or similar to Shandong Gold’s principal business will be injected into Shandong Gold.
2. So far, only Songxian Shanjin Mining Co., Ltd. and Hainan Shanjin Mining Co., Ltd. in Non-ferrous Group and other enterprises controlled by Non-ferrous Group, which operate small-scale gold business but are not eligible for listing, are held by Non-ferrous Group. At present, the equity interests effectively controlled by Non-ferrous Group in the aforesaid companies have been entrusted to Shandong Gold for management.

The resource reserves of the aforesaid enterprises have not yet been proven, their profitability prospects are still uncertain or their major assets’ right certificates are yet to be regulated. In order to protect the interests of the listed company and minority shareholders, Non-ferrous Group, in addition to having entrusted Shandong Gold with the management, undertakes to initiate the procedure of injection into Shandong Gold in accordance with the law if relevant laws and regulations and related requirements of the CSRC are complied with and the following conditions are met or if Shandong Gold deems it necessary to inject into the listed company from the perspective of strategic layout, endowment of resources and market: normal operation of the business, clear ownership, good compliant status, net asset yields of the active enterprises (where such assets are owned by the enterprises) not lower than the previous year’s level of Shandong Gold or the financial internal yields of the non-active enterprises not lower than 8%.

At the same time, Non-ferrous Group undertakes to steadily promote the resolution of horizontal competition by giving priority to the injection of the aforesaid assets related to gold business into Shandong Gold before 10 November 2030, or by obtaining prior consent from Shandong Gold to sell them to unrelated third parties if the aforesaid relevant conditions for injection into Shandong Gold are not met or if Shandong Gold is unwilling to acquire them.

3. Upon completion of Shandong Gold's Reorganization, in respect of the case that Non-ferrous Group and its controlled subsidiaries intend to engage in or substantially acquire businesses or business opportunities similar to that of Shandong Gold in the future and the assets and business resulting from such businesses or business opportunities may constitute potential horizontal competition with Shandong Gold, Non-ferrous Group undertakes not to engage in and, to the maximum extent possible, procure its controlled subsidiaries to give up similar businesses of Shandong Gold that they intend to engage in and to transfer to Shandong Gold any similar businesses or business opportunities substantially acquired by them; to ensure that Non-ferrous Group and its controlled subsidiaries will not engage in identical or similar businesses as that of Shandong Gold so as to avoid direct or indirect competition with the business operations of Shandong Gold.
4. When Non-ferrous Group or its controlled subsidiaries may have unfair influence on Shandong Gold in terms of market share, business opportunities and allocation of resources, Non-ferrous Group will voluntarily forego and use its best efforts to procure its controlled subsidiaries to forego business competition with Shandong Gold.

Non-ferrous Group undertakes to indemnify Shandong Gold against any loss or expense suffered or incurred by Shandong Gold as a result of any breach by Non-ferrous Group of any undertakings in the undertaking letter from the date of its issuance. The undertaking letter shall remain in force during the period in which Shandong Gold Group Co., Ltd., the controlling shareholder of Non-ferrous Group is the controlling shareholder of Shandong Gold.

V. RELEVANT CONSIDERATION PROCEDURES PERFORMED

(I) Consideration by the Board

On 10 November 2025, the sixth meeting of the seventh session of the Board of the Listed Company considered and approved the Resolution on Further Implementation of the Undertakings in relation to Avoid Horizontal Competition by Shandong Gold Group Co., Ltd. and Shandong Gold Non-ferrous Metal Mine Group Co., Ltd.. The connected Directors Han Yaodong and Liu Qin abstained from voting, and non-connected Directors present at the meeting unanimously passed the aforesaid resolution. The resolution is subject to consideration at the general meeting of the Listed Company, and the connected shareholders are required to abstain from voting on the resolution when it is considered at the general meeting.

(II) Opinion of the special meeting of the independent Directors

On 9 November 2025, the Listed Company convened the fourth meeting of independent Directors in 2025, which considered and approved the Resolution on Further Implementation of the Undertakings in relation to Avoid Horizontal Competition by Shandong Gold Group Co., Ltd. and Shandong Gold Non-ferrous Metal Mine Group Co., Ltd.. The independent Directors of the Listed Company are of the opinion that:

The consideration and decision-making procedures on the further implementation of the undertakings in relation to avoid horizontal competition by Shandong Gold Group Co., Ltd. and Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. are in compliance with the provisions of the Company Law, the CSRC's Regulatory Guidelines for Listed Companies No. 4 Undertakings by Listed Companies and their Relevant Parties and other laws, regulations, and regulatory documents. It is conducive to addressing the problem of horizontal competition between Shandong Gold Group Co., Ltd., Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. and the Listed Company as soon as possible, and is in line with the current actual situation and long-term interests of the Listed Company, without prejudice to the legal rights and interests of the Listed Company and minority shareholders.

To agree with the Resolution on Further Implementation of the Undertakings in relation to Avoid Horizontal Competition by Shandong Gold Group Co., Ltd. and Shandong Gold Non-ferrous Metal Mine Group Co., Ltd..

VI. IMPACT ON THE LISTED COMPANY

The further implementation of the undertakings in relation to horizontal competition by Shandong Gold Group Co., Ltd. and Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. is in compliance with the relevant provisions of the Regulatory Guidelines for Listed Companies No. 4 Undertakings by Listed Companies and their Relevant Parties. It will not have any adverse impact on the daily production, operation and subsequent development of the Listed Company, without prejudice to the interests of the Listed Company and its minority shareholders. It is conducive to addressing the problem of horizontal competition between Shandong Gold Group Co., Ltd., Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. and the Listed Company as soon as possible.

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

Jinan, the PRC, 10 November 2025

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