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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)

2022 FIRST QUARTERLY REPORT

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Set out below is the 2022 first quarterly report of Shandong Gold Mining Co., Ltd. (the “**Company**”) for the three months ended 31 March 2022. The financial report contained herein is prepared pursuant to China Accounting Standards for Business Enterprises and has not been audited.

This announcement is prepared in both Chinese and English languages. In the event of any inconsistency between these two versions, the Chinese version shall prevail.

By order of the Board
Shandong Gold Mining Co., Ltd.
Li Guohong
Chairman

Jinan, the People's Republic of China
19 April 2022

As at the date of this announcement, the executive directors of the Company are Mr. Liu Qin, Mr. Wang Shuhai and Mr. Tang Qi; the non-executive directors of the Company are Mr. Li Guohong, Mr. Wang Lijun and Ms. Wang Xiaoling; and the independent non-executive directors of the Company are Mr. Wang Yunmin, Mr. Liew Fui Kiang and Ms. Zhao Feng.



SHANDONG GOLD MINING CO., LTD.

2022 First Quarterly Report

The board of directors of the Company and all directors guarantee that there are no false representation and misleading statements contained in, or material omissions from, this announcement, and severally and jointly accept the responsibility for the truthfulness, accuracy and completeness of the contents of this announcement.

IMPORTANT NOTICE

The board of directors of the Company (the “Board”), the supervisory committee and the directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the contents of this quarterly report, and that it contains no false representation, misleading statements or material omission, and severally and jointly accept the legal responsibility.

Officer in charge of the Company, officer in charge of the Company’s accounting affairs and officer in charge of the accounting office of the Company, Head of the Company’s accounting department have warranted the truthfulness, accuracy and completeness of the financial statements in this quarterly report.

Whether the first quarterly financial statements have been audited

Yes No

I. Major Financial Data

(1) Major accounting data and financial indicators

Unit: Yuan Currency: RMB

| Item | For the reporting period | For the corresponding period of the previous year | | Increase/decrease from the corresponding period of the previous year (%) |
|--|------------------------------------|---|-------------------|--|
| | | Before adjustment | After adjustment | After adjustment |
| Operating income | 13,480,608,653.55 | 7,297,137,748.10 | 7,306,971,138.44 | 84.49 |
| Net profit attributable to owners of the listed company | 314,968,558.27 | -318,539,626.20 | -329,412,175.49 | N/A |
| Net profit attributable to owners of the listed company, net of non-recurring profit or loss | 337,870,900.38 | -317,340,357.45 | -317,340,357.45 | N/A |
| Net cash flows from operating activities | 159,870,275.08 | 507,388,009.90 | 535,383,048.59 | -70.14 |
| Basic earnings per share (RMB/share) | 0.05 | -0.07 | -0.06 | N/A |
| Diluted earnings per share (RMB/share) | 0.05 | -0.07 | -0.06 | N/A |
| Weighted average net assets return (%) | 1.04 | -1.06 | -1.02 | N/A |
| | At the end of the reporting period | At the end of last year | | Increase/decrease from the end of last year (%) |
| | | Before adjustment | After adjustment | After adjustment |
| Total assets | 80,974,499,225.56 | 78,307,585,715.51 | 78,307,585,715.51 | 3.41 |
| Owners' equity attributable to owners of the listed company | 29,563,878,209.79 | 29,219,805,746.69 | 29,219,805,746.69 | 1.18 |

In the above table, net profit attributable to owners of the listed company during the reporting period includes the interest attributable to the holders of perpetual bonds of RMB73,993,287.67 during the reporting period. After deducting the interest on the perpetual bonds, net profit attributable to ordinary shareholders of the

listed company during the reporting period is RMB240,975,270.60. The impact of perpetual bonds and interest thereon has been taken into account when calculate the major financial indicators mentioned above such as basic earnings per share, diluted earnings per share, and weighted average net assets return, etc..

Reasons for retroactive adjustment:

On 31 October 2021, Shandong Gold Mining (Laizhou) Co., Ltd., a controlling subsidiary of the Company, completed the acquisition of 100% equity interest of Shandong Laizhou Ludi Gold Mine Co., Ltd., 100% equity interest of Shandong Tiancheng Mining Co., Ltd., 100% equity interest of Shandong Dikuang Laijin Holdings Co., Ltd. and 45% equity interest of Laizhou Hongsheng Mining Investment Co., Ltd., which are all held by Shandong Gold Group Co., Ltd.. The acquisitions constitute a business combination involving enterprises under common control and accordingly, adjustments have been made to all relevant items in the consolidated income statement and consolidated cash flow statement for the comparative period.

(2) Non-recurring profit or loss items and amount

Unit: Yuan Currency: RMB

| Items | Amount for the period | Description |
|--|-----------------------|-------------|
| Gains or losses on disposal of non-current assets | -65,715.06 | |
| Tax refunds, exemptions or reductions from unauthorized approval or non-official approval documents or on a contingent basis | 37,112.43 | |
| Government grants recognized through current profit or loss (other than grants which are closely related to the Company's normal operation of business that are in accordance with the national policies and conferred on the standard quota or fixed amounts basis) | 2,472,073.77 | |
| Payment for use of state funds received from non-financial institutions recorded in current profits and losses | | |
| Gains from the difference between the investment costs of acquisition of subsidiaries, associates and joint ventures and share of the net fair value of the identifiable assets of the investee through investment | | |
| Gains or losses from exchange translation of non-monetary asset | | |
| Gains or losses from entrusting the investments or management of assets | | |
| Impairment provision of assets for force majeure such as natural calamities | | |
| Gains or losses from debt restructuring | | |
| Restructure expenses, such as the compensation for employee relocation and integration cost | | |

| | | |
|---|----------------|--|
| Gains or losses from transactions with obvious unfair transaction price in excess of fair values | | |
| Current net gains or losses of the subsidiaries from enterprise merger under the common control from the beginning of the period to the merger date | | |
| Profit or loss arising from contingencies not related to the Company's normal business | | |
| Except for effective hedging business related to the normal business of the Company, profits or losses from fair value changes in held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and investment income from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments | | |
| Reversal of the impairment provision for receivables and contract assets subject to individual impairment test | | |
| Profit or loss from entrusted loans | | |
| Profit or loss from fair value changes in investment property subsequently calculated with the fair value mode | | |
| Impacts of one-off adjustment of the current profit or loss in accordance with requirements of tax and accounting laws and regulations on the current profit and loss | | |
| Custodian income from entrusted management | | |
| Other non-operating income and expenses other than the aforesaid items | -34,539,319.03 | |
| Other items of gains or losses subject to the definition of non-recurring gains or losses | | |

| | | |
|---|----------------|--|
| Less: Amount of effect on income tax | -6,036,901.03 | |
| Amount of effect on non-controlling interests (after tax) | -3,156,604.76 | |
| Total | -22,902,342.11 | |

Description of the non-recurring profit or loss items as illustrated in the Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public -- Non-recurring Profit or Loss being defined as its recurring profit or loss items

Applicable Non-applicable

(3) Changes in items of major accounting data and financial indicators and the reasons thereof

√Applicable □Non-applicable

| Items | Change percentage (%) | Main reasons |
|---|-----------------------|--|
| Accounts receivables | 79.33 | Mainly due to the increase in sales proceeds receivable from subsidiaries |
| Prepayments | 138.00 | Mainly due to the increase in prepayments for gold purchases by subsidiaries and trade amounts |
| Inventories | 30.98 | Mainly due to the increase in gold purchases by subsidiaries |
| Other current assets | 60.43 | Mainly due to the increase in prepaid taxes of subsidiaries |
| Notes payable | 66.49 | Mainly due to the increase in the volume of notes settled by subsidiaries |
| Contract liabilities | 102.30 | Mainly due to the increase in advances from customers by subsidiaries |
| Taxes payable | -36.18 | Mainly due to the decrease in the corporate income tax payable by subsidiaries as compared with the beginning of the period |
| Other payables | -52.27 | Mainly due to the payment by subsidiaries of the remaining amount for the acquisition of equity interest for business combination involving enterprises under common control for the previous year during the period |
| Non-current liabilities due within one year | -77.50 | Mainly due to the repayment of bonds payable due within one year and long-term borrowings during the period |
| Other current liabilities | 39.20 | Mainly due to the increase in ultra short-term financing bonds issued by the Company |
| Long-term borrowings | 96.12 | mainly due to the increase in long-term borrowings by subsidiaries for payment of the amount for acquisition of the equity interest |
| Special reserve | 64.66 | Mainly due to special reserve provided by subsidiaries during the period |
| Operating income | 84.49 | Mainly due to the increase in the sales of self-produced gold and conduct of bulk trade by subsidiaries |
| Operating costs | 76.25 | Mainly due to the increase in the sales of self-produced gold and conduct of bulk trade by subsidiaries |
| Taxes and surcharges | 92.29 | Mainly due to the year-on-year increase in operating income during the period |

| | | |
|--|---------|--|
| Selling expenses | 250.18 | Mainly due to the increase in sales commission of subsidiaries |
| Investment gains | -126.10 | Mainly due to the decrease in investment income of subsidiaries as a result of the fluctuation in market conditions compared with the same period of the previous year |
| Gains from changes in fair value | -31.94 | Mainly due to the changes in fair value of gold forward trading of subsidiaries as a result of the fluctuation in market conditions |
| Income tax expense | 383.70 | Mainly due to the significant increase in profit for the period compared with the same period of the previous year |
| Net cash flows from operating activities | -70.14 | Mainly due to the year-on-year increase in prepayments, taxes paid and cash paid for employees during the period |
| Net cash flows from financing activities | -44.62 | Mainly due to the payment by subsidiaries of the remaining amount for the acquisition of equity interest for business combination involving enterprises under common control for the previous year during the period |

II. Information of Shareholders

(1) Total number of holders of ordinary shares, number of holders of preference shares with voting rights restored and shareholding of top ten shareholders

Unit: Share

| | | | |
|--|---------|---|-----|
| Total number of holders of ordinary shares as at the end of the reporting period | 199,012 | Total number of holders of preference shares with voting rights restored as at the end of the reporting period (if any) | Nil |
|--|---------|---|-----|

Shareholding of top ten shareholders

| Name of shareholders | Nature of shareholder | Shareholding | Ratio (%) | Number of shares held subject to trading moratorium | Pledged, marked or locked up | |
|---|--------------------------|---------------|-----------|---|------------------------------|-------------|
| | | | | | Shares status | Number |
| Shandong Gold Group Co., Ltd. (山東黃金集團有限公司) | State-owned legal person | 1,694,069,251 | 37.87 | 0 | Pledged | 509,600,000 |
| Shandong Gold Geological Mine Exploration Co., Ltd. (山東黃金地質礦產勘查有限公司) | State-owned legal person | 194,872,049 | 4.36 | 0 | Nil | 0 |
| Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. (山東黃金有色礦業集團有限公司) | State-owned legal person | 115,477,482 | 2.58 | 0 | Nil | 0 |
| Hong Kong Securities Clearing Company Limited (H shares) | Overseas legal person | 858,723,122 | 19.20 | 0 | Nil | 0 |
| Hong Kong Securities Clearing Company Limited (A shares) | Overseas legal person | 112,902,065 | 2.52 | 0 | Nil | 0 |
| China Securities Finance Corporation Limited (中國證券金融股份有限公司) | Others | 108,834,732 | 2.43 | 0 | Nil | 0 |
| Guo Hongwei (郭宏偉) | Domestic natural person | 33,000,000 | 0.74 | 0 | Nil | 0 |
| Shandong Gold Group Qingdao Gold Co., Ltd. (山東黃金集團青島黃金有限公司) | State-owned legal person | 31,467,157 | 0.70 | 0 | Nil | 0 |

| Shandong State-owned Assets Investment Holdings Co., Ltd. (山東省國有資產投資控股有限公司) | State-owned legal person | 25,028,941 | 0.56 | 0 | Nil | 0 |
|--|--|--------------------------------|---------------|---|-----|---|
| Wang Weilie (王衛列) | Domestic natural person | 21,600,000 | 0.48 | 0 | Nil | 0 |
| Industrial and Commercial Bank of China –GF Stable Growth Securities Investment Fund (中國工商銀行－廣發穩健增長證券投資基金) | Others | 20,500,000 | 0.46 | 0 | Nil | 0 |
| Shareholding of top ten shareholders not subject to trading moratorium | | | | | | |
| Name of shareholders | Number of tradable shares held not subject to trading moratorium | Class and number of shares | | | | |
| | | Class of shares | number | | | |
| Shandong Gold Group Co., Ltd. (山東黃金集團有限公司) | 1,694,069,251 | RMB ordinary shares | 1,694,069,251 | | | |
| Shandong Gold Geological Mine Exploration Co., Ltd. (山東黃金地質礦產勘查有限公司) | 194,872,049 | RMB ordinary shares | 194,872,049 | | | |
| Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. (山東黃金有色礦業集團有限公司) | 115,477,482 | RMB ordinary shares | 115,477,482 | | | |
| Hong Kong Securities Clearing Company Limited (H shares) | 858,723,122 | Foreign shares listed overseas | 858,723,122 | | | |
| Hong Kong Securities Clearing Company Limited (A shares) | 112,902,065 | RMB ordinary shares | 112,902,065 | | | |
| China Securities Finance Corporation Limited (中國證券金融股份有限公司) | 108,834,732 | RMB ordinary shares | 108,834,732 | | | |
| Guo Hongwei (郭宏偉) | 33,000,000 | RMB ordinary shares | 33,000,000 | | | |
| Shandong Gold Group Qingdao Gold Co., Ltd. (山東黃金集團青島黃金有限公司) | 31,467,157 | RMB ordinary shares | 31,467,157 | | | |

| | | | |
|---|--|---------------------|------------|
| Shandong State-owned Assets Investment Holdings Co., Ltd. (山東省國有資產投資控股有限公司) | 25,028,941 | RMB ordinary shares | 25,028,941 |
| Wang Weilie (王衛列) | 21,600,000 | RMB ordinary shares | 21,600,000 |
| Industrial and Commercial Bank of China –GF Stable Growth Securities Investment Fund (中國工商銀行－廣發穩健增長證券投資基金) | 20,500,000 | RMB ordinary shares | 20,500,000 |
| Explanation on the connected relationship or acting in concert among the aforesaid shareholders | There are connected relationships among Shandong Gold Group Co., Ltd., the largest shareholder of the Company and Shandong Gold Non-ferrous Metal Mine Group Co., Ltd., Shandong Gold Geological Mine Exploration Co., Ltd., Shandong Gold Group Qingdao Gold Co., Ltd. Shandong Gold Group Co., Ltd. has no connected relationships with other shareholders, which are also not persons acting in concert as defined by Regulations for Disclosure of Changes in Shareholding of Listed Companies (《上市公司股東持股變動信息披露管理辦法》); and the Company is not aware of any connected relationship among other shareholders, or any of them is person acting in concert defined by Regulations for Disclosure of Changes in Shareholding of Listed Companies. | | |
| Description of the top ten shareholders and the top ten shareholders not subject to trading moratorium participating in financing bonds and refinancing business (if any) | Guo Hongwei, a natural person shareholder, holds 33,000,000 shares through the investor credit securities account; and Wang Weilie, a natural person shareholder, holds 21,600,000 shares through the investor credit securities account. | | |

Notes: For the 509,600,000 pledged shares of the Company held by the Company's controlling shareholder, Shandong Gold Group Co., Ltd., we have completed the procedures for releasing the pledge on 8 April 2022 at China Securities Depository and Clearing Co., Ltd. After the release of the pledge, there is no share pledge for the Company's shares held by SDG Group and its persons acting in concert.

III. Other Reminders

Other important information about the operating conditions of the Company during the reporting period that needed to remind investors to focus on

√Applicable □Non-applicable

| Item | Production | | |
|--------------------|------------|---|--|
| | Unit | From the beginning of the year to the end of the reporting period | Increase/decrease from the corresponding period of the previous year (%) |
| Self-produced gold | kg | 9,432.82 | 55.08 |
| Purchased gold | kg | 13,464.73 | 11.90 |
| Small gold bars | kg | 3,911.34 | 30.07 |

1. In 2021, a business combination involving enterprises under common control (including Shandong Tiancheng Mining Co., Ltd.) occurred in the Company. In 2021, the Matang mine area and Hongbu mine area of Tiancheng Mining have been integrated into Jiaojia Gold Mine and Xincheng Gold Mine respectively. When comparing the Company's self-produced gold production in the first quarter of 2022 with the same period of the previous year, the Company's self-produced gold production in the same period of last year includes Tiancheng Mining's gold production in the first quarter of 2021.

2. Shandong Gold Group Penglai Mining Co., Ltd. (山東黃金集團蓬萊礦業有限公司), a wholly-owned subsidiary of the Company, received the approval for resumption of work and production issued by the local competent authority on 16 April 2022, and will resume work and production in the near future.

3. In March 2022, the production and operation of some mines of the Company in Shandong Province were affected by the epidemic to a certain extent. As of the date of this report, all the mines affected by the epidemic have been in normal production.

4. In the first quarter of 2022, all local mining enterprises of the Company that were slightly affected by the epidemic in Shandong Province have conducted production in an orderly and normal manner. After the expiry of mining rights, the Linglong mining area and Dongfeng mining area of Shandong Gold Mining (Linglong) Co., Ltd. (山東黃金礦業(玲瓏)有限公司), a controlling subsidiary of the Company, have not completed the renewal of mining rights and currently are unable to resume work and production due to the influence of the new round of ecological protection red line delineation in Shandong Province which has not been finally approved yet. Except for the Linglong mining area and the Dongfeng mining area of Linglong Gold Mine, the production and operation of other mines owned by the Company are on normal conditions.

IV. Quarterly Financial Statements

(1) Type of audit opinion

Applicable Non-applicable

(2) Financial statements

Consolidated Balance Sheet

31 March 2022

Prepared by: Shandong Gold Mining Co., Ltd

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items | 31 March 2022 | 31 December 2021 |
|--|-------------------|-------------------|
| Current Assets: | | |
| Cash and cash equivalents | 4,945,631,056.74 | 5,007,717,135.61 |
| Balances with clearing companies | | |
| Placements with banks and other financial institutions | | |
| Held-for-trading financial assets | 2,294,143,821.21 | 2,681,614,931.97 |
| Derivative financial assets | 1,931,580.00 | 5,020.00 |
| Notes receivable | | |
| Accounts receivable | 212,034,227.13 | 118,238,363.98 |
| Receivables financing | 3,240,000.00 | 9,180,000.00 |
| Prepayments | 1,095,717,941.22 | 460,388,125.85 |
| Premiums receivable | | |
| Accounts receivable from reinsurers | | |
| Deposits receivable from reinsurers | | |
| Other receivables | 2,833,700,936.75 | 2,560,663,435.71 |
| Among which: Interests receivable | | 7,134.54 |
| Dividends receivable | | 4,638.29 |
| Financial assets held under resale agreements | | |
| Inventories | 3,908,243,977.50 | 2,983,757,179.61 |
| Contract assets | | |
| Held-for-sale assets | | |
| Non-current assets due within one year | | |
| Other current assets | 716,765,455.44 | 446,782,820.97 |
| Total current assets | 16,011,408,995.99 | 14,268,347,013.70 |
| Non-current Assets: | | |
| Loans and advances granted | | |
| Debt investments | | |
| Other debt investments | | |
| Long-term receivables | | |
| Long-term equity investments | 1,958,727,372.97 | 1,953,627,735.13 |
| Other investments in equity instruments | 7,900,000.00 | 7,900,000.00 |
| Other non-current financial assets | 6,349,162,364.65 | 5,653,316,903.25 |
| Investment properties | 183,218,837.06 | 185,341,381.54 |
| Fixed assets | 26,468,645,213.89 | 26,828,497,440.89 |
| Construction in progress | 5,452,654,180.83 | 4,638,540,131.73 |
| Biological assets for production | | |
| Oil and gas assets | | |
| Right-of-use assets | 153,444,265.37 | 162,306,336.85 |
| Intangible assets | 19,124,841,151.24 | 19,335,763,659.15 |

| Items | 31 March 2022 | 31 December 2021 |
|---|----------------------|-------------------------|
| Development expenditures | 26,824,071.00 | 26,445,571.54 |
| Goodwill | 3,059,544,686.42 | 3,065,872,278.02 |
| Long-term deferred expenditures | 35,230,061.30 | 34,704,940.20 |
| Deferred income tax assets | 262,065,523.81 | 346,705,133.15 |
| Other non-current assets | 1,880,832,501.03 | 1,800,217,190.36 |
| Total non-current assets | 64,963,090,229.57 | 64,039,238,701.81 |
| Total assets | 80,974,499,225.56 | 78,307,585,715.51 |
| Current liabilities: | | |
| Short-term borrowings | 6,256,604,905.46 | 5,783,699,116.18 |
| Borrowings from central bank | | |
| Placements from banks and other financial institutions | | |
| Held-for-trading financial liabilities | 10,464,439,918.44 | 9,587,255,330.19 |
| Derivative financial liabilities | 51,460.00 | 3,660.00 |
| Notes payable | 2,935,245,003.68 | 1,763,043,337.45 |
| Accounts payable | 3,003,067,900.66 | 3,138,512,580.44 |
| Advances received | | |
| Contract liabilities | 294,406,970.74 | 145,530,785.27 |
| Financial assets sold under repurchase agreements | | |
| Deposits from customers and due to placements from banks and other financial institutions | | |
| Accounts payable to brokerage clients | | |
| Accounts payable to underwriting clients | | |
| Employee salaries payable | 299,903,460.70 | 371,490,997.38 |
| Taxes payable | 263,213,691.53 | 412,427,412.57 |
| Other payables | 4,581,274,098.12 | 9,598,748,256.06 |
| Among which: Interests payable | 977.34 | |
| Dividends payable | 266,704,107.28 | 286,181,011.38 |
| Handling fees and commissions payable | | |
| Payable to reinsurers | | |
| Held-for-sale liabilities | | |
| Non-current liabilities due within one year | 371,579,084.70 | 1,651,356,034.25 |
| Other current liabilities | 3,528,541,267.46 | 2,534,847,680.29 |
| Total current liabilities | 31,998,327,761.49 | 34,986,915,190.08 |
| Non-current liabilities: | | |
| Provisions for insurance contracts | | |
| Long-term borrowings | 10,472,207,189.84 | 5,339,635,931.58 |
| Bonds payable | | |
| Among which: Preferred shares | | |
| Perpetual bonds | | |
| Lease liabilities | 100,025,730.25 | 90,781,353.71 |
| Long-term payables | 937,305,546.46 | 940,316,014.91 |
| Long-term employee salaries payables | 97,099.47 | - |
| Accrued liabilities | 890,236,165.32 | 900,331,429.25 |
| Deferred income | 13,125,047.35 | 13,163,990.05 |
| Deferred income tax liabilities | 4,353,277,861.46 | 4,241,814,344.17 |
| Other non-current liabilities | 11,861,816.54 | 11,417,036.63 |
| Total non-current liabilities | 16,778,136,456.69 | 11,537,460,100.30 |
| Total liabilities | 48,776,464,218.18 | 46,524,375,290.38 |
| Owners' equity (or shareholders' equity): | | |
| Paid-in capital (or share capital) | 4,473,429,525.00 | 4,473,429,525.00 |
| Other equity instruments | 6,311,900,284.22 | 6,249,386,792.45 |
| Among which: Preferred shares | | |
| Perpetual bonds | 6,311,900,284.22 | 6,249,386,792.45 |

| Items | 31 March 2022 | 31 December 2021 |
|---|----------------------|-------------------------|
| Capital reserve | 5,614,420,533.58 | 5,567,979,443.18 |
| Less: Treasury stock | | 6,293,137.08 |
| Other comprehensive income | -401,903,059.48 | -378,986,987.02 |
| Special reserve | 27,414,427.78 | 16,648,882.07 |
| Surplus reserve | 904,461,093.10 | 904,461,093.10 |
| General risk provision | | |
| Undistributed profit | 12,634,155,405.59 | 12,393,180,134.99 |
| Total equity attributable to owners of the parent company (or shareholders' equity) | 29,563,878,209.79 | 29,219,805,746.69 |
| Non-controlling interests | 2,634,156,797.59 | 2,563,404,678.44 |
| Total owners' equity (or shareholders' equity) | 32,198,035,007.38 | 31,783,210,425.13 |
| Total liabilities and owners' equity (or shareholders' equity) | 80,974,499,225.56 | 78,307,585,715.51 |

Officer in charge of the Company: Li Guohong
Officer in charge of the accounting affairs: Zheng Canwu
Head of the Accounting Department: Zheng Canwu

Consolidated Income Statement

January to March 2022

Prepared by: Shandong Gold Mining Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items | First quarter of 2022 | First quarter of 2021 |
|---|--------------------------|--------------------------|
| I. Operating income | 13,480,608,653.55 | 7,306,971,138.44 |
| Among which: Operating income | 13,480,608,653.55 | 7,306,971,138.44 |
| Interest income | | |
| Income earned from premiums | | |
| Income from handling fee and commissions | | |
| II. Total operating costs | 12,955,542,455.27 | 7,823,419,437.66 |
| Among which: Operating costs | 11,703,694,149.18 | 6,640,446,731.37 |
| Interest expense | | |
| Handling fee and commissions expense | | |
| Surrender fee | | |
| Net expenditure for compensation payments | | |
| Net withdrawal on provision for insurance liabilities | | |
| Insurance policy dividend expenses | | |
| Reinsurance expenses | | |
| Taxes and surcharges | 197,807,312.60 | 102,869,191.15 |
| Selling expenses | 57,688,889.00 | 16,474,080.28 |
| General and administrative expenses | 733,206,159.12 | 852,988,938.39 |
| Research and development expenses | 57,745,753.34 | 48,097,568.30 |
| Finance costs | 205,400,192.03 | 162,542,928.17 |
| Among which: Interest expenses | 205,894,270.18 | 160,329,000.63 |
| Interest income | 17,041,795.15 | 14,393,557.92 |
| Add: Other income | 2,509,186.20 | 1,282,658.60 |
| Investment gains (loss is represented by “-”) | -26,732,796.87 | 102,434,803.07 |
| Among which: Investment gains from associates and joint ventures | 5,099,637.84 | 5,765,469.67 |
| Gains on derecognition of financial assets measured at amortised cost | | |
| Foreign currency exchange gains (loss is represented by “-”) | | |
| Gains from net exposure hedges (loss is represented by “-”) | | |
| Gains from changes in fair value (loss is represented by “-”) | 64,338,847.71 | 94,528,464.68 |
| Credit impairment loss (loss is represented by “-”) | 812,785.70 | 2,229,327.55 |
| Asset impairment loss (loss is represented by “-”) | 124.63 | |
| Gains from disposal of assets (loss is represented by “-”) | | 615,189.94 |
| III. Gains from operation (loss is represented by “-”) | 565,994,345.65 | -315,357,855.38 |
| Add: Non-operating income | 519,732.14 | 1,527,320.61 |
| Less: Non-operating expenses | 35,124,766.23 | 3,930,150.04 |

| Items | First quarter of 2022 | First quarter of 2021 |
|---|-----------------------|-----------------------|
| IV. Total profits (total loss is represented by “-”) | 531,389,311.56 | -317,760,684.81 |
| Less: Income tax expense | 176,186,609.80 | 36,424,468.00 |
| V. Net profit (net loss is represented by “-”) | 355,202,701.76 | -354,185,152.81 |
| (1) Categorized by nature of continuous operation | | |
| 1. Net profit from continuous operation (net loss is represented by “-”) | 355,202,701.76 | -354,185,152.81 |
| 2. Net profit from discontinued operation (net loss is represented by “-”) | | |
| (2) Categorized by owners’ equity | | |
| 1. Net profit attributable to owners of the parent company (net loss is represented by “-”) | 314,968,558.27 | -329,412,175.49 |
| 2. Profit or loss of non-controlling interests (net loss is represented by “-”) | 40,234,143.49 | -24,772,977.32 |
| VI. Other comprehensive income, net of tax | -22,916,072.46 | 73,108,779.59 |
| (1) Other comprehensive income attributable to owners of the parent company, net of tax | -22,916,072.46 | 73,108,779.59 |
| 1. Other comprehensive income that may not be reclassified to profit or loss | | |
| (1) Changes arising from the re-measurement of defined benefit plans | | |
| (2) Other comprehensive income that may not be reclassified to profit or loss under the equity method | | |
| (3) Changes in fair value of other investments in equity instruments | | |
| (4) Changes in fair value of the enterprise’s own credit risks | | |
| 2. Other comprehensive income that may be reclassified to profit or loss | -22,916,072.46 | 73,108,779.59 |
| (1) Other comprehensive income that may be reclassified to profit or loss under the equity method | | |
| (2) Changes in fair value of other debt investments | | |
| (3) Amount of financial assets reclassified into other comprehensive income | | |
| (4) Credit impairment provision for other debt investments | | |
| (5) Cash flow hedge reserve | | |
| (6) Differences of exchange for foreign currency financial statements | -22,916,072.46 | 73,108,779.59 |
| (7) Others | | |
| (2) Other comprehensive income attributable to non-controlling interests, net of tax | | |
| VII. Total comprehensive income | 332,286,629.30 | -281,076,373.22 |
| (1) Total comprehensive income attributable to owners of the parent company | 292,052,485.81 | -256,303,395.90 |
| (2) Total comprehensive income attributable to non-controlling interests | 40,234,143.49 | -24,772,977.32 |
| VIII. Earnings per share: | | |
| (1) Basic earnings per share (RMB/share) | 0.05 | -0.06 |
| (2) Diluted earnings per share (RMB/share) | 0.05 | -0.06 |

For business combination involving enterprises under common control, net profit of the acquiree realized before business combination: Nil; net profit of the acquiree realized in the previous period: Nil.

Officer in charge of the Company: Li Guohong
Officer in charge of the accounting affairs: Zheng Canwu
Head of the Accounting Department: Zheng Canwu

Consolidated Cash Flow Statement

January to March 2022

Prepared by: Shandong Gold Mining Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items | First quarter of 2022 | First quarter of 2021 |
|---|-----------------------|-----------------------|
| I. Cash flows generated from operating activities: | | |
| Cash received from sales of goods and provision of labor service | 14,235,921,496.44 | 7,444,373,886.73 |
| Net increase in deposits from customers and due to placements from banks and other financial institutions | | |
| Net increase in borrowings from central bank | | |
| Net increase in placements from other financial institutions | | |
| Cash received from premiums receivable for original insurance policies | | |
| Cash received from reinsurance business, net | | |
| Net increase in policyholder deposits and investments | | |
| Cash received from interests, handling fee and commissions | | |
| Net increase in placements from banks and other financial institutions | | |
| Net increase in repurchased business capital | | |
| Net cash received from accounts payables to brokerage clients | | |
| Tax refunds received | 3,868,729.98 | 36,432,111.77 |
| Cash received from other operating activities | 5,617,051,360.11 | 5,280,984,741.90 |
| Sub-total of cash inflows from operating activities | 19,856,841,586.53 | 12,761,790,740.40 |
| Cash paid for purchase of goods and engagement of labor service | 12,402,775,685.13 | 5,961,910,440.92 |
| Net increase of customer loans and advances | | |
| Net increase of deposits in central bank and other financial institutions | | |
| Cash paid for compensation payments for original insurance policies | | |
| Net increase in placements with banks and other financial institutions | | |
| Cash paid for interests, handling fee and commissions | | |
| Cash paid for policyholders' dividend | | |
| Cash paid to and for employees | 976,441,825.18 | 768,089,033.97 |
| Payments of all types of taxes | 539,252,290.83 | 338,258,305.40 |
| Cash paid for other operating activities | 5,778,501,510.31 | 5,158,149,911.52 |
| Sub-total of cash outflows used in operating activities | 19,696,971,311.45 | 12,226,407,691.81 |
| Net cash generated from operating activities | 159,870,275.08 | 535,383,048.59 |
| II. Cash flows generated from investing activities: | | |
| Cash received from disposal of investment | 127,000,000.00 | 212,231,405.98 |
| Cash received from investment gains | | |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 31,000.00 | 4,072,640.10 |
| Net cash received from disposal of subsidiaries and other operating units | | |

| Items | First quarter of 2022 | First quarter of 2021 |
|--|-----------------------|-----------------------|
| Cash received from other investing activities | 85,758,020.81 | 158,657,348.42 |
| Sub-total of cash inflows from investing activities | 212,789,020.81 | 374,961,394.50 |
| Cash paid for acquisition of fixed assets, intangible assets and other long-term assets | 729,107,151.99 | 1,023,872,958.19 |
| Cash paid for investments | 127,900,000.00 | 7,680,000.00 |
| Net increase in pledged loans | | |
| Net cash paid for acquisition of subsidiaries and other operating units | | |
| Cash paid for other investing activities | 107,091,420.94 | 83,416,508.32 |
| Sub-total of cash outflows used in investing activities | 964,098,572.93 | 1,114,969,466.51 |
| Net cash generated from investing activities | -751,309,552.12 | -740,008,072.01 |
| III. Cash flows generated from financing activities: | | |
| Cash received from investments | | |
| Among which: cash received from non-controlling shareholders' investment by subsidiaries | | |
| Cash received from obtaining borrowings | 9,174,354,034.47 | 3,242,899,644.86 |
| Cash received from other financing activities | 2,719,757,824.53 | 2,082,792,360.13 |
| Sub-total of cash inflows from financing activities | 11,894,111,859.00 | 5,325,692,004.99 |
| Cash paid for repayment of debt | 3,798,995,511.11 | 2,708,450,000.00 |
| Cash paid for distribution of dividends, profits or payment of interests | 240,867,658.69 | 146,911,673.95 |
| Among which: dividend and profits paid to minority shareholders by subsidiaries | 5,000,000.00 | |
| Cash paid for other financing activities | 7,507,247,109.66 | 1,843,706,557.57 |
| Sub-total of cash outflows used in financing activities | 11,547,110,279.46 | 4,699,068,231.52 |
| Net cash generated from financing activities | 347,001,579.54 | 626,623,773.47 |
| IV. Effect on cash and cash equivalents from changes of exchange rate | -7,334,982.85 | 2,617,820.41 |
| V. Net increase in cash and cash equivalents | -251,772,680.35 | 424,616,570.46 |
| Add: balance of cash and cash equivalents at the beginning of the period | 4,525,364,635.03 | 3,032,156,261.39 |
| VI. Balance of cash and cash equivalents at the end of the period | 4,273,591,954.68 | 3,456,772,831.85 |

Officer in charge of the Company: Li Guohong
Officer in charge of the accounting affairs: Zheng Canwu
Head of the Accounting Department: Zheng Canwu

Balance Sheet of the Parent Company

31 March 2022

Prepared by: Shandong Gold Mining Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items | 31 March 2022 | 31 December 2021 |
|---|-------------------|-------------------|
| Current Assets: | | |
| Cash and cash equivalents | 754,086,088.97 | 876,067,498.87 |
| Held-for-trading financial assets | | |
| Derivative financial assets | | |
| Notes receivable | | |
| Accounts receivable | 374,975,311.65 | 175,148,984.84 |
| Receivables financing | | |
| Prepayments | 15,449,477.90 | 7,770,545.38 |
| Other receivables | 13,294,138,493.56 | 11,791,628,215.33 |
| Among which: Interests receivable | | |
| Dividends receivable | 1,075,276,097.28 | 1,128,699,142.25 |
| Inventories | 43,653,599.66 | 36,644,274.72 |
| Contract assets | | |
| Held-for-sale assets | | |
| Non-current assets due within one year | | |
| Other current assets | 48,092,289.08 | 52,160,409.67 |
| Total current assets | 14,530,395,260.82 | 12,939,419,928.81 |
| Non-current Assets: | | |
| Debt investments | | |
| Other debt investments | | |
| Long-term receivables | | |
| Long-term equity investments | 20,919,011,220.82 | 20,913,911,582.98 |
| Other investments in equity instruments | 500,000.00 | 500,000.00 |
| Other non-current financial assets | | |
| Investment properties | 120,505,784.57 | 122,065,657.64 |
| Fixed assets | 2,630,023,799.02 | 2,681,102,165.04 |
| Construction in progress | 772,376,713.66 | 657,317,751.19 |
| Biological assets for production | | |
| Oil and gas assets | | |
| Right-of-use assets | 39,733,022.52 | 42,509,618.51 |
| Intangible assets | 1,105,707,452.11 | 1,126,852,490.63 |
| Development expenditures | | |
| Goodwill | | |
| Long-term deferred expenditures | 9,790,891.55 | 11,054,661.62 |
| Deferred income tax assets | | |
| Other non-current assets | 155,766,885.07 | 131,514,485.71 |
| Total non-current assets | 25,753,415,769.32 | 25,686,828,413.32 |
| Total assets | 40,283,811,030.14 | 38,626,248,342.13 |
| Current liabilities: | | |
| Short-term borrowings | 3,783,580,833.33 | 3,403,573,055.55 |
| Held-for-trading financial liabilities | 4,987,653,038.53 | 4,454,610,569.52 |
| Derivative financial liabilities | | |
| Notes payable | 335,909,497.03 | 190,597,754.24 |
| Accounts payable | 577,365,026.34 | 593,487,055.90 |
| Advances received | | |
| Contract liabilities | 1,020,817.43 | 1,245,900.46 |
| Employee salaries payable | 26,427,023.47 | 17,909,041.43 |
| Taxes payable | 28,940,381.49 | 32,097,082.43 |
| Other payables | 196,011,837.02 | 207,200,787.99 |

| Items | 31 March 2022 | 31 December 2021 |
|--|-------------------|-------------------|
| Among which: Interests payable | | |
| Dividends payable | | |
| Held-for-sale liabilities | | |
| Non-current liabilities due within one year | 307,976,849.11 | 1,531,237,014.49 |
| Other current liabilities | 3,522,611,932.65 | 2,515,903,174.12 |
| Total current liabilities | 13,767,497,236.40 | 12,947,861,436.13 |
| Non-current liabilities: | | |
| Long-term borrowings | 1,913,000,000.00 | 1,033,000,000.00 |
| Bonds payable | | |
| Among which: Preferred shares | | |
| Perpetual bonds | | |
| Lease liabilities | 34,201,178.17 | 32,749,380.16 |
| Long-term payables | 205,561,954.76 | 254,828,160.53 |
| Long-term employee salaries payables | | |
| Accrued liabilities | 26,089,380.76 | 26,089,380.76 |
| Deferred income | 1,031,744.07 | 1,031,744.07 |
| Deferred income tax liabilities | | |
| Other non-current liabilities | | |
| Total non-current liabilities | 2,179,884,257.76 | 1,347,698,665.52 |
| Total liabilities | 15,947,381,494.16 | 14,295,560,101.65 |
| Owners' equity (or shareholders' equity): | | |
| Paid-in capital (or share capital) | 4,473,429,525.00 | 4,473,429,525.00 |
| Other equity instruments | 6,311,900,284.22 | 6,249,386,792.45 |
| Among which: Preferred shares | | |
| Perpetual bonds | 6,311,900,284.22 | 6,249,386,792.45 |
| Capital reserve | 6,383,676,189.90 | 6,383,676,189.90 |
| Less: Treasury stock | | |
| Other comprehensive income | | |
| Special reserve | | |
| Surplus reserve | 1,074,936,771.38 | 1,074,936,771.38 |
| Undistributed profit | 6,092,486,765.48 | 6,149,258,961.75 |
| Total owners' equity (or shareholders' equity) | 24,336,429,535.98 | 24,330,688,240.48 |
| Total liabilities and owners' equity (or shareholders' equity) | 40,283,811,030.14 | 38,626,248,342.13 |

Officer in charge of the Company: Li Guohong
Officer in charge of the accounting affairs: Zheng Canwu
Head of the Accounting Department: Zheng Canwu

Income Statement of the Parent Company

January to March 2022

Prepared by: Shandong Gold Mining Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items | First quarter of 2022 | First quarter of 2021 |
|--|-----------------------|-----------------------|
| I. Operating income | 461,691,722.76 | 218,669,021.17 |
| Less: Operating costs | 203,729,632.10 | 167,635,879.98 |
| Taxes and surcharges | 17,974,028.07 | 8,839,904.80 |
| Selling expenses | 264,045.47 | 354,637.99 |
| General and administrative expenses | 175,655,820.26 | 183,942,459.67 |
| Research and development expenses | 10,303,103.90 | 5,859,208.15 |
| Finance costs | 41,854,270.71 | 44,201,923.77 |
| Among which: Interest expenses | 113,402,390.40 | 76,761,002.98 |
| Interest income | 78,206,054.93 | 34,021,851.21 |
| Add: Other income | 748,069.81 | 462,070.12 |
| Investment gains (loss is represented by “-”) | 5,099,637.84 | 5,765,469.67 |
| Among which: Investment gains from associates and joint ventures | 5,099,637.84 | 5,765,469.67 |
| Gains on derecognition of financial assets measured at amortised cost | | |
| Gains from net exposure hedges (loss is represented by “-”) | | |
| Gains from changes in fair value (loss is represented by “-”) | | |
| Credit impairment loss (loss is represented by “-”) | -47,541.39 | -216,446.41 |
| Asset impairment loss (loss is represented by “-”) | | |
| Gains from disposal of assets (loss is represented by “-”) | | 153,302.39 |
| II. Gains from operation (loss is represented by “-”) | 17,710,988.51 | -186,000,597.42 |
| Add: Non-operating income | 60,102.89 | 92,808.32 |
| Less: Non-operating expenses | 550,000.00 | 3,374,191.28 |
| III. Total profits (total loss is represented by “-”) | 17,221,091.40 | -189,281,980.38 |
| Less: Income tax expense | | |
| IV. Net profit (net loss is represented by “-”) | 17,221,091.40 | -189,281,980.38 |
| (1) Net profit from continuous operation (net loss is represented by “-”) | 17,221,091.40 | -189,281,980.38 |
| (2) Net profit from discontinued operation (net loss is represented by “-”) | | |
| V. Other comprehensive income, net of tax | | |
| (1) Other comprehensive income that may not be reclassified to profit or loss | | |
| 1. Changes arising from the re-measurement of defined benefit plans | | |
| 2. Other comprehensive income that may not be reclassified to profit or loss under the equity method | | |
| 4. Changes in fair value of the enterprise’s own credit risks | | |
| (2) Other comprehensive income that may be reclassified to profit or loss | | |
| 1. Other comprehensive income that may be reclassified to profit or loss under the equity method | | |

| Items | First quarter of 2022 | First quarter of 2021 |
|--|------------------------------|------------------------------|
| 2. Changes in fair value of other debt investments | | |
| 3. Amount of financial assets reclassified into other comprehensive income | | |
| 4. Credit impairment provision for other debt investments | | |
| 5. Cash flow hedge reserve | | |
| 6. Differences of exchange for foreign currency financial statements | | |
| 7. Others | | |
| VI. Total comprehensive income | 17,221,091.40 | -189,281,980.38 |
| VII. Earnings per share: | | |
| (1) Basic earnings per share (RMB/share) | | |
| (2) Diluted earnings per share (RMB/share) | | |

Officer in charge of the Company: Li Guohong

Officer in charge of the accounting affairs: Zheng Canwu

Head of the Accounting Department: Zheng Canwu

Cash Flow Statement of the Parent Company

January to March 2022

Prepared by: Shandong Gold Mining Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items | First quarter of 2022 | First quarter of 2021 |
|---|-----------------------|-----------------------|
| I. Cash flows generated from operating activities: | | |
| Cash received from sales of goods and provision of labor service | 243,790,173.49 | 218,478,450.38 |
| Tax refunds received | 2,331,760.10 | |
| Cash received from other operating activities | 4,021,886,762.41 | 1,527,998,707.73 |
| Sub-total of cash inflows from operating activities | 4,268,008,696.00 | 1,746,477,158.11 |
| Cash paid for purchase of goods and engagement of labor service | 37,323,899.47 | 20,170,607.24 |
| Cash paid to and for employees | 154,445,108.61 | 133,858,770.44 |
| Payments of all types of taxes | 17,631,020.86 | 18,240,272.66 |
| Cash paid for other operating activities | 5,153,267,355.85 | 1,653,580,884.79 |
| Sub-total of cash outflows used in operating activities | 5,362,667,384.79 | 1,825,850,535.13 |
| Net cash generated from operating activities | -1,094,658,688.79 | -79,373,377.02 |
| II. Cash flows generated from investing activities: | | |
| Cash received from disposal of investment | | |
| Cash received from investment gains | 53,423,044.97 | |
| Net cash flow from disposal of fixed assets, intangible assets and other long-term assets | | 547,812.50 |
| Net cash received from disposal of subsidiaries and other operating units | | |
| Cash received from other investing activities | 58,114.53 | 786.37 |
| Sub-total of cash inflows from investing activities | 53,481,159.50 | 548,598.87 |
| Cash paid for acquisition of fixed assets, intangible assets and other long-term assets | 134,736,644.49 | 199,245,258.95 |
| Cash paid for investments | | 30,000,000.00 |
| Net cash paid for acquisition of subsidiaries and other operating units | | |
| Cash paid for other investing activities | 8,814,404.53 | 5,875.06 |
| Sub-total of cash outflows used in investing activities | 143,551,049.02 | 229,251,134.01 |
| Net cash flows generated from investing activities | -90,069,889.52 | -228,702,535.14 |
| III. Cash flows generated from financing activities: | | |
| Cash received from investments | | |
| Cash received from obtaining borrowings | 4,099,261,111.11 | 1,799,250,000.00 |
| Cash received from other financing activities | 1,291,723,000.00 | 1,133,992,000.00 |
| Sub-total of cash inflows from financing activities | 5,390,984,111.11 | 2,933,242,000.00 |
| Cash paid for repayment of debt | 3,040,000,000.00 | 1,505,000,000.00 |
| Cash paid for distribution of dividends, profits or payment of interests | 149,203,904.75 | 94,653,553.12 |
| Cash paid for other financing activities | 1,185,519,327.30 | 1,225,633,720.79 |
| Sub-total of cash outflows used in financing activities | 4,374,723,232.05 | 2,825,287,273.91 |
| Net cash generated from financing activities | 1,016,260,879.06 | 107,954,726.09 |
| IV. Effect on cash and cash equivalents from changes of exchange rate | | |
| V. Net increase in cash and cash equivalents | -168,467,699.25 | -200,121,186.07 |
| Add: balance of cash and cash equivalents at the beginning of the period | 827,142,372.14 | 620,537,775.22 |
| VI. Balance of cash and cash equivalents at the end of the period | 658,674,672.89 | 420,416,589.15 |

Officer in charge of the Company: Li Guohong
Officer in charge of the accounting affairs: Zheng Canwu
Head of the Accounting Department: Zheng Canwu

Adjustment on the opening financial statements for the year of initial application of new accounting standards since 2022

Applicable Non-applicable

It is hereby announced.

The Board of Shandong Gold Mining Co., Ltd.
19 April 2022