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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Shandong Gold Mining Co., Ltd.**, you should at once hand this circular to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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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)

**(1) RESOLUTION ON THE CONDUCT OF DERIVATIVES
TRADING BUSINESS BY CONTROLLED SUBSIDIARIES OF
YINTAI GOLD (A CONTROLLED SUBSIDIARY OF THE COMPANY)**

**(2) RESOLUTION ON ESTIMATED GUARANTEE AMOUNT PROVIDED BY
YINTAI GOLD (A CONTROLLED SUBSIDIARY OF THE COMPANY)
TO ITS SUBSIDIARIES
AND
(3) NOTICE OF 2024 THIRD EXTRAORDINARY GENERAL MEETING**

A notice convening the 2024 third extraordinary general meeting (the “**EGM**”) of Shandong Gold Mining Co., Ltd. (the “**Company**”) to be held at the conference room of the Company, No. 2503, Jingshi Road, Licheng District, Jinan, Shandong Province, the PRC at 10:00 a.m. on Wednesday, 17 April 2024 is set out on pages I-1 to I-2 of this circular.

The proxy form for use in connection with the EGM is enclosed herewith. The proxy form is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company's website (<http://www.sdhjgf.com.cn>).

Any shareholder(s) of the Company (the “**Shareholder(s)**”) entitled to attend and vote at the EGM is(are) entitled to appoint one or more proxies to attend and vote on his(their) behalf. A proxy need not be a Shareholder. If you intend to appoint a proxy to attend the EGM and vote on your behalf, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return it by hand, by post or by facsimile to the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for H Shareholders only) as soon as possible and in any event not later than 24 hours before the time appointed for the holding of the EGM (i.e. before 10:00 a.m. on Tuesday, 16 April 2024) or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting at the EGM or any adjournment hereof should you so wish.

28 March 2024

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DEFINITIONS

In this circular, the following terms shall have the following meanings unless the context otherwise requires:

“A Share(s)”	the domestic share(s) issued by the Company to domestic investors with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange;
“A Shareholder(s)”	holder(s) of A Shares;
“Articles of Association”	the articles of association of the Company, as amended from time to time;
“Board”	the board of Directors;
“Company” or “Shandong 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 PRC under the laws of the People’s Republic of China with limited liability on 31 January 2000, the H Shares and A Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1787) and the Shanghai Stock Exchange (Stock Code: 600547) respectively;
“Director(s)”	the director(s) of the Company;
“EGM”	the 2024 third extraordinary general meeting of the Company to be held at the conference room of the Company, No. 2503, Jingshi Road, Licheng District, Jinan, Shandong Province, the PRC at 10:00 a.m. on Wednesday, 17 April 2024;
“H Share(s)”	the overseas-listed foreign invested share(s) in the Company’s share capital, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange;
“H Shareholder(s)”	holder(s) of H Shares;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;

DEFINITIONS

“PRC”	the People’s Republic of China which, for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shanghai Listing Rules”	the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (上海證券交易所股票上市規則), as amended, supplemented or otherwise modified from time to time;
“Share(s)”	share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, including A Shares and H Shares;
“Shareholder(s)”	A Shareholders and H Shareholders;
“Yintai Gold”	Yintai Gold Co., Ltd. (銀泰黃金股份有限公司), the shares of which are listed on the Shenzhen Stock Exchange (000975.SZ), and a non-wholly owned subsidiary of the Company; and
“%”	per cent.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Liu Qin (*Vice-chairman*)

Mr. Wang Shuhai

Mr. Tang Qi

Non-executive Directors:

Mr. Li Hang (*Chairman*)

Ms. Wang Xiaoling

Independent Non-executive Directors:

Mr. Wang Yunmin

Mr. Liew Fui Kiang

Ms. Zhao Feng

***Registered office and headquarters
in the PRC:***

No. 2503, Jingshi Road

Licheng District, Jinan

Shandong Province

The PRC

Principal place of business in Hong Kong:

Rooms 4003-06

China Resources Building

No. 26 Harbour Road

Wanchai

Hong Kong

28 March 2024

To the Shareholders

Dear Sir or Madam,

**(1) RESOLUTION ON THE CONDUCT OF DERIVATIVES
TRADING BUSINESS BY CONTROLLED SUBSIDIARIES OF
YINTAI GOLD (A CONTROLLED SUBSIDIARY OF THE COMPANY)
(2) RESOLUTION ON ESTIMATED GUARANTEE AMOUNT PROVIDED BY
YINTAI GOLD (A CONTROLLED SUBSIDIARY OF THE COMPANY)
TO ITS SUBSIDIARIES
AND
(3) NOTICE OF 2024 THIRD EXTRAORDINARY GENERAL MEETING**

I. INTRODUCTION

On behalf of the Board, I invite you to attend the EGM to be held at the conference room of the Company, No. 2503, Jingshi Road, Licheng District, Jinan, Shandong Province, the PRC at 10:00 a.m. on Wednesday, 17 April 2024. The purpose of this circular is to issue the notice of EGM and provide you with all reasonably necessary information to enable you to make an informed decision as to the resolutions to be proposed at the EGM.

LETTER FROM THE BOARD

II. RESOLUTION ON THE CONDUCT OF DERIVATIVES TRADING BUSINESS BY CONTROLLED SUBSIDIARIES OF YINTAI GOLD (A CONTROLLED SUBSIDIARY OF THE COMPANY)

In order to make full use of the financial derivatives market, effectively reduce the impact of fluctuations in the market prices of precious metal and non-ferrous metal on the production, operation and trade of Yintai Gold and its controlled subsidiaries, and ensure the relative stability of operating performance, Yintai Gold's controlled subsidiaries, namely Shanghai Shenghong Rongxin International Trading Co., Ltd. ("**Shanghai Shenghong**") and its subsidiaries, and Shanghai Shengwei Mining Investment Co., Ltd. ("**Shanghai Shengwei**") and its subsidiaries intend to carry out derivatives trading business.

1. Overview of the Trading

(i) *Trading purpose*

In order to avoid the impact and risks caused by fluctuations in price and exchange rate on the production and operation of Yintai Gold and ensure the sustained and stable business performance of Yintai Gold, the controlled subsidiaries of Yintai Gold intend to carry out derivatives trading business under the premise of complying with the national policies and regulations, thereby further improving the production and operation level and the capability of risk resistance of Yintai Gold.

(ii) *Trading varieties and trading tools*

Yintai Gold is mainly engaged in highly liquid trading varieties related to its main business and similar to Yintai Gold products. It mainly includes futures and options contracts of precious metals such as gold and silver and non-ferrous metals such as lead, zinc, copper, aluminum, tin, nickel and cobalt; as well as foreign exchange futures, options, forwards and swaps to avoid the risk of foreign exchange fluctuations in the above-mentioned trading varieties.

(iii) *Trading venues*

Shanghai Futures Exchange, Shanghai Gold Exchange, New York Commodity Exchange (COMEX), London Metal Exchange (LME), London Bullion Market Association (LBMA), Singapore Exchange, Hong Kong Stock Exchange, Shanghai International Energy Trading Center, Wuxi Stainless Steel Exchange Center as well as banks, futures companies and other financial institutions with high credit standing.

LETTER FROM THE BOARD

(iv) Trading scale

It is expected that the maximum contract value held in derivatives trading business on any trading day will not exceed RMB7,000 million or its equivalent in other currencies, and the amount of trading margin utilized will not exceed RMB1,000 million or its equivalent in other currencies at any point of time. The above-mentioned quota can be used on a recurring basis within the validity period.

(v) Source of funds

It is self-funded by Yintai Gold.

(vi) Validity period

Twelve months from the date of consideration and approval by the 2023 annual general meeting of Yintai Gold.

2. Necessity of Conducting Derivatives Trading Business

Yintai Gold and its controlled subsidiaries are mainly engaged in the mining of precious metal and non-ferrous metal ore and metal trading. With the increasing complexity of market economic activities, the factors affecting metal prices, structures, supply and demand relationships are complicated, and the profitability of the single mining and trading model is shrinking, thus it is imperative to extend and upgrade the business model. Conducting hedging work can effectively reduce the adverse impact of significant price fluctuations on the operation of Yintai Gold. While conducting metal trading business, Yintai Gold and its controlled subsidiaries also leverage their own resources and platform advantages to engage in related derivatives trading business, which can reduce the risk of metal price fluctuations and obtain the extended income from metal trading, which is conducive to promoting the transformation and upgrading of business models, enhancing core competitiveness and achieving sustainable development.

3. Preparation of Yintai Gold's Controlled Subsidiaries for Conducting Derivatives Business

Yintai Gold has formulated the Derivatives Investment Business Management System and the Hedging Business Management System, and established a management system and functional departments to carry out derivatives trading business. Yintai Gold has equipped with professionals who carry out derivatives trading business in processes such as trading decision-making, trading authorization, trading implementation, trading settlement, trading reporting, property in goods and position supervision, account and fund supervision, risk monitoring and internal control, and strictly follows the above-mentioned business management systems to carries out specific work.

LETTER FROM THE BOARD

4. Risk Analysis and Risk Control Measures for Derivatives Trading Business

(i) *Market risk and countermeasures*

As the financial derivatives market itself has certain systemic risks, it is necessary to make reasonable and effective predictions on price trends when conducting derivatives business operations. Once the price forecast deviates, it may affect the effectiveness of the derivatives trading business.

Yintai Gold strictly implements the established Derivatives Investment Business Management System and the Hedging Business Management System, and forms reasonable judgments on price trends through complete internal decision-making procedures. Yintai Gold matches the derivatives trading business with the production and operation of Yintai Gold, and strictly controls the trading positions. The trading team of Yintai Gold strictly operates in accordance with the plan after approval and determination, which shall be reviewed and supervised by the Internal Control Department to ensure that trading risks are effectively controlled.

(ii) *Capital risk and countermeasures*

The daily settlement system of trading margin may bring certain liquidity risks to Yintai Gold, which may expose Yintai Gold to the risk of actual losses caused by the forced liquidation of positions due to the failure to make up the trading margin in a timely manner.

Yintai Gold will reasonably allocate funds for derivatives trading business, strictly control the scale of funds for derivatives transactions, and reasonably plan and use margins.

(iii) *Credit risk and countermeasures*

In the event of substantial fluctuations in trading prices that are unfavourable to the counterparty, the counterparty may violate the relevant provisions of the contract and cancel the contract, resulting in losses for Yintai Gold.

LETTER FROM THE BOARD

Yintai Gold will establish a credit management system for its customers and conduct credit review of the counterparty before trading in accordance with the relevant provisions and procedures of Yintai Gold's contract management measures to determine that the counterparty has the ability to perform the relevant contract.

(iv) Technical risk and countermeasures

The abnormal operation of the trading system due to uncontrollable or unpredictable system, network, communication failures and other factors, resulting in delays, interruptions or data errors in trading orders and other problems may incur losses to Yintai Gold.

Yintai Gold has established a system of trading, communication and information service facility that meets the requirements to guarantee the normal operation of the trading system and ensure that the trading work is carried out normally.

5. Transaction-related Accounting Treatment

Yintai Gold recognizes and measures in accordance with the provisions on "fair value" in Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments. The trading venues and trading varieties selected by Yintai Gold for its derivatives trading business have strong market liquidity, high price transparency and active trading, and the trading price and settlement price can fully reflect the fair value of derivatives. The fair value of derivatives is measured and recognized on a monthly basis by Yintai Gold.

The relevant accounting policies and accounting principles related to Yintai Gold's derivatives trading business follow the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, the Accounting Standards for Business Enterprises No. 24 – Hedge Accounting and the Accounting Standards for Business Enterprises No. 37 – Presentation of Financial Instruments and their guidelines and other relevant provisions issued by the Ministry of Finance. The proposed derivatives trading business shall be subject to corresponding accounting treatment, which will be reflected in relevant items on the balance sheet and income statement.

LETTER FROM THE BOARD

III. RESOLUTION ON ESTIMATED GUARANTEE AMOUNT PROVIDED BY YINTAI GOLD (A CONTROLLED SUBSIDIARY OF THE COMPANY) TO ITS SUBSIDIARIES

In order to meet the production and operation needs, Yintai Gold intends to provide guarantee for its wholly-owned and controlled subsidiaries within the scope of the consolidated statements, with an estimated total guarantee amount of RMB3,500 million, of which the guarantee amount shall not exceed RMB500 million for subsidiaries with an asset-liability ratio of less than 70%, and the guarantee amount shall not exceed RMB3,000 million for subsidiaries with an asset-liability ratio of more than 70%. The guarantee amount shall be valid for 12 months from the date of being considered and approved at Yintai Gold's 2023 annual general meeting. If the duration of a single guarantee exceeds the validity period of the resolution, the validity period of the resolution shall be automatically extended to the termination of the single guarantee. The specific validity period shall be subject to the final contract. Within the validity period of the guarantee amount, the total guarantee amount can be reused in a recurring manner, but the actual external guarantee balance of Yintai Gold at any point of time shall not exceed RMB3,500 million. The above-mentioned guarantee amount can be adjusted between subsidiaries.

1. Guarantee Amount

Guarantor	Guaranteed party	Shareholding percentage held by the guarantor	Latest asset-liability ratio of guaranteed party	Balance of guarantee as of present (RMB0'000)	Estimated total guarantee amount (RMB0'000)	Proportion of estimated guarantee amount	Whether there is any connected guarantee
						to Yintai Gold's net assets in the latest period	
Yintai Gold	I. Guaranteed parties with an asset-liability ratio of less than 70%						
	Qinghai Dachaidan Mining Co., Ltd.	90%	18.70%	9,400.00	10,000.00	0.87%	No
	Inner Mongolia Yulong Mining Co., Ltd.	76.67%	19.32%	21,000.00	20,000.00	1.73%	No
	YTSH SINGAPORE PTE. LTD.	96.60%	50.53%		20,000.00	1.73%	No
	II. Guaranteed parties with an asset-liability ratio of more than 70%						
	Hainan Shengwei Trade Co., Ltd.	100%			180,000.00	15.57%	No
	Shanghai Shenghong Rongxin International Trade Co., Ltd.	96.60%	80.11%	20,896.00	100,000.00	8.65%	No
	Ningbo Yongsheng Rongxin International Trade Co., Ltd.	96.60%	83.54%	6,500.00	20,000.00	1.73%	No
	Total			57,796.00	350,000.00	30.28%	

LETTER FROM THE BOARD

2. Basic Information of the Guaranteed Party

(I) *Qinghai Dachaidan Mining Co., Ltd.*

(i) *Basic information of the guaranteed party*

Name of the guaranteed party: Qinghai Dachaidan Mining Co., Ltd. (“**Qinghai Dachaidan**”)

Date of establishment: 11 July 2000

Registered address: Dachaidan Administrative Committee, Haixi City, Qinghai Province

Legal representative: Wang Junxin

Registered capital: RMB194,838,510

Major businesses: geological exploration, mine construction, gold mining, dressing and smelting; sales of related products (excluding dangerous chemicals and chemical products used in production of narcotic drugs) (the items within the above business scope requiring approvals in accordance with law shall be conducted only after the approvals are obtained from the relevant authorities)

Affiliation or other business relationships with Yintai Gold: Yintai Gold holds 100% of the equity interest in Shanghai Shengwei, which in turn holds 90% of the equity interest in Qinghai Dachaidan.

(ii) *Equity structure of the guaranteed party*

Shanghai Shengwei holds 90% of the equity interest in Qinghai Dachaidan; First Geological Exploration Institute of Qinghai Province holds 5% of the equity interest in Qinghai Dachaidan; and State-owned Assets Investment and Operation Co., Ltd. of Dachaidan Administrative Committee holds 5% of the equity interest in Qinghai Dachaidan.

(iii) *Major financial status of the guaranteed party*

As of 31 December 2023, the total assets of Qinghai Dachaidan amounted to RMB1,806.7285 million, total liabilities were RMB337.7990 million, total bank loans stood at RMB94.0000 million, total current liabilities were RMB145.5514 million, contingent matters (including guarantees, pledges, litigation, and arbitration matters) were RMB0.00, and the net assets amounted to RMB1,468.9295 million. In 2023, Qinghai Dachaidan achieved an operating revenue of RMB1,212.1941 million, with total profit of RMB773.4634 million, and net profit of RMB580.9837 million.

Qinghai Dachaidan is not a dishonest party subject to enforcement.

LETTER FROM THE BOARD

(II) Inner Mongolia Yulong Mining Co., Ltd.

(i) Basic information of the guaranteed party

Name of the guaranteed party: Inner Mongolia Yulong Mining Co., Ltd. (“Yulong Mining”)

Date of establishment: 29 December 2002

Registered address: Balagargao Town, Xiwuzhumuqin County, Xilingol League, Inner Mongolia Autonomous Region

Legal representative: Fan Mingyu

Registered capital: RMB401.5200 million

Major businesses: mining, utilization, beneficiation and sales of mineral products of silver, lead and zinc ores; solid mineral exploration (Grade B) and geological drilling (Grade C).

Affiliation or other business relationships with Yintai Gold: Yintai Gold holds 76.67% of the equity interest in Yulong Mining.

(ii) Equity structure of the guaranteed party

Yintai Gold holds 76.67% of the equity interest in Yulong Mining; 10th Geology and Mineral Exploration and Development Limited Liability Company of Inner Mongolia Autonomous Region holds 14.79% of the equity interest in Yulong Mining; and Inner Mongolia Geology and Mineral Resources (Group) Limited Liability Company holds 8.54% of the equity interest in Yulong Mining.

(iii) Major financial status of the guaranteed party

As of 31 December 2023, the total assets of Yulong Mining amounted to RMB2,246.6798 million, total liabilities were RMB433.9763 million, total bank loans stood at RMB210.0000 million, total current liabilities were RMB422.8014 million, contingent matters (including guarantees, pledges, litigation, and arbitration matters) were RMB0.00, and the net assets amounted to RMB1,812.7035 million. In 2023, Yulong Mining achieved an operating revenue of RMB1,086.8461 million, with total profit of RMB426.8387 million, and net profit of RMB361.7139 million.

Yulong Mining is not a dishonest party subject to enforcement.

LETTER FROM THE BOARD

(III) Shanghai Shenghong Rongxin International Trade Co., Ltd.

(i) Basic information of the guaranteed party

Name of the guaranteed party: Shanghai Shenghong Rongxin International Trading Co., Ltd. (“**Shanghai Shenghong**”)

Date of establishment: 31 August 2016

Registered address: Room 368, Part 302, 211 North Fute Road, China (Shanghai) Pilot Free Trade Zone

Legal representative: Guo Bin

Registered capital: RMB293,790,000

Major businesses: general items: import and export of goods; import and export of technology; import and export agency; sales of metal ores; sales of metal materials; sales of gold and silver products; sales of non-ferrous alloys; sales of high-performance non-ferrous and alloy materials; sales of non-metal minerals and products; information consulting services (excluding licensing information consulting services) (except for items subject to approval in accordance with law, business activities shall be carried out at the sole discretion on business license in accordance with law)

Affiliation or other business relationships with Yintai Gold: Yintai Gold holds 96.60% of the equity interest in Shanghai Shenghong.

(ii) Equity structure of the guaranteed party

Yintai Gold holds 96.60% of the equity interest in Shanghai Shenghong; and Henan Yuguang Gold & Lead Co., Ltd. holds 3.40% of the equity interest in Shanghai Shenghong.

(iii) Major financial status of the guaranteed party

As of 31 December 2023, the total assets of Shanghai Shenghong amounted to RMB1,657.7036 million, total liabilities were RMB1,327.9277 million, total bank loans stood at RMB141.4400 million, total current liabilities were RMB1,326.3190 million, contingent matters (including guarantees, pledges, litigation, and arbitration matters) were RMB0.00, and the net assets amounted to RMB329.7759 million. In 2023, Shanghai Shenghong achieved an operating revenue of RMB3,512.0939 million, with total profit of RMB19.0167 million, and net profit of RMB14.1914 million.

Shanghai Shenghong is not a dishonest party subject to enforcement.

LETTER FROM THE BOARD

(IV) Ningbo Yongsheng Rongxin International Trading Co., Ltd.

(i) Basic information of the guaranteed party

Name of the guaranteed party: Ningbo Yongsheng Rongxin International Trading Co., Ltd. (“**Yongsheng Trading**”)

Date of establishment: 9 July 2018

Registered address: Room 301, No. 313, Cihu Family, Cicheng Town, Jiangbei District, Ningbo City, Zhejiang Province

Legal representative: Guo Bin

Registered capital: RMB100,000,000

Major businesses: wholesale and retail of metal materials and its products, mineral products, gold and silver products, gold and silver jewelry, chemical products and raw materials (except for dangerous chemicals and chemicals products used in production of narcotic drugs), construction materials, textile raw materials, plastic raw materials, daily necessities, rubber and its products, hardware, glass products, primary agricultural products, steel, coke (not stored); rental of metal materials and its products and silver products; warehousing services; enterprise management consulting; business information consulting; marketing planning; supply chain management; import and export of all kinds of goods and technologies on its own or as an agent, except for goods and technologies limited by the State or prohibited from import and export (the items subject to approvals in accordance with the law shall not be carried out before being approved by relevant authorities)

Affiliation or other business relationships with Yintai Gold: Yongsheng Trading is a wholly-owned subsidiary of Shanghai Shenghong, and Yintai Gold indirectly holds 96.60% of the equity interest in Yongsheng Trading.

(ii) Equity structure of the guaranteed party

Shanghai Shenghong holds 100% of the equity interest in Yongsheng Trading.

(iii) Major financial status of the guaranteed party

As of 31 December 2023, the total assets of Yongsheng Trading amounted to RMB528.2933 million, total liabilities were RMB441.3518 million, total bank loans stood at RMB50.0000 million, total current liabilities were RMB440.5131 million, contingent matters (including guarantees, pledges, litigation, and arbitration matters) were RMB0.00, and the net assets amounted to RMB86.9415 million. In 2023, Yongsheng Trading achieved an operating revenue of RMB4,390.6954 million, with total profit of RMB-15.6531 million, and net profit of RMB-11.7410 million.

Yongsheng Trading is not a dishonest party subject to enforcement.

LETTER FROM THE BOARD

(V) *YTSH SINGAPORE PTE. LTD.*

(i) *Basic information of the guaranteed party*

Name of the guaranteed party: YTSH SINGAPORE PTE. LTD. (“**Shenghong Singapore**”)

Date of establishment: 1 March 2018

Registered address: 04, 16, 160, Robinson Road 068914, Singapore

Legal representative: Guo Bin

Registered capital: US\$20,000,000

Major businesses: wholesale and retail of metal materials and their products

Affiliation or other business relationships with Yintai Gold: Shenghong Singapore is a wholly-owned subsidiary of Shanghai Shenghong, and Yintai Gold indirectly holds 96.60% of the equity interest in Shenghong Singapore.

(ii) *Equity structure of the guaranteed party*

Shanghai Shenghong holds 100% of the equity interest in Shenghong Singapore.

(iii) *Major financial status of the guaranteed party*

As of 31 December 2023, the total assets of Shenghong Singapore amounted to RMB480.5953 million, total liabilities were RMB242.8384 million, total bank loans stood at RMB0.00, total current liabilities were RMB242.3966 million, contingent matters (including guarantees, pledges, litigation, and arbitration matters) of RMB0.00 and net assets of RMB237.7569 million. In 2023, Shenghong Singapore achieved an operating revenue of RMB128.2945 million, with total profit of RMB65.2668 million, and net profit of RMB54.1293 million.

Shenghong Singapore is not a dishonest party subject to enforcement.

LETTER FROM THE BOARD

(VI) *Hainan Shengwei Trading Co., Ltd.*

(i) *Basic information of the guaranteed party*

Name of the guaranteed party: Hainan Shengwei Trading Co., Ltd. (“**Hainan Shengwei**”)

Date of establishment: 14 December 2023

Registered address: Room 205-11093, 181 Xingyang Avenue, Jiangdong New Area, Haikou City, Hainan Province

Legal representative: Guo Bin

Registered capital: RMB500,000,000

Major businesses: import and export of goods; import and export of technology; import and export agency (business activities shall not be carried out for projects subject to approval pursuant to the law unless approved by the relevant authorities); sales of metal ores; sales of metal materials; sales of gold and silver products; sales of non-ferrous metals and alloys; sales of high-performance non-ferrous metals and alloy materials; sales of non-metallic ores and their products; information consulting services (excluding licensing information consulting services) (except for licensing businesses, it is allowed to operate projects pursuant to the law and not prohibited or restricted by laws and regulations independently)

Affiliation or other business relationships with Yintai Gold: Hainan Shengwei is a wholly-owned subsidiary of Shanghai Shengwei, and Yintai Gold indirectly holds 100% of the equity interest in Hainan Shengwei.

(ii) *Equity structure of the guaranteed party*

Shanghai Shengwei holds 100% of the equity interest in Hainan Shengwei.

(iii) *Major financial status of the guaranteed party*

Hainan Shengwei was incorporated on 14 December 2023, and therefore has no financial data for previous years.

Hainan Shengwei is not a dishonest party subject to enforcement.

LETTER FROM THE BOARD

3. Main Contents of the Guarantee Agreement

Yintai Gold intends to provide a total guarantee amount of no more than RMB3,500.0000 million for the financing of its subsidiaries, and the actual amount and duration of the guarantee will be determined in the final guarantee contract signed by Yintai Gold. The purpose of guarantee is to provide guarantee for its subsidiaries to apply to financial institutions for credit lines, project loans, merger and acquisition loans, issuance of letters of guarantee, letters of credit, bank acceptance and other responsibilities and obligations to be borne by the subsidiaries due to business operation needs. Guarantee methods include joint and several suretyship liability guarantee and other methods.

4. Accumulated Amount of External Guarantees and Amount of Overdue Guarantees

As of 22 March 2024, the total balance of guarantees provided by Yintai Gold to its controlled subsidiaries is RMB577.9600 million, representing 5.00% of the latest audited net assets of Yintai Gold and 1.76% of the latest audited net assets of Shandong Gold; after the full implementation of the above guarantee amount, the total guarantee amount of Yintai Gold and its controlled subsidiaries shall be RMB3,500.0000 million, representing 30.28% of the latest audited net assets of Yintai Gold and 10.65% of the latest audited net assets of the Company; the total balance of guarantees provided by Yintai Gold and its controlled subsidiaries to entities not included in the consolidated financial statements is RMB0, representing 0% of the latest audited net assets of Yintai Gold; Yintai Gold has no guarantees corresponding to overdue debts, guarantees involved in litigation and guarantees to be assumed due to defeat in a litigation judgment.

The Board proposes the general meeting to authorize the management of Yintai Gold to handle specific guarantee matters for Yintai Gold and its subsidiaries within the aforesaid total guarantee amount, and to authorize the legal representative of Yintai Gold to sign guarantee contract(s) and relevant legal document(s).

The external guarantee amount of Yintai Gold is not subject to reporting, announcement and independent Shareholders' approval requirements under the Hong Kong Listing Rules. According to the Shanghai Listing Rules and the Articles of Association, the external guarantee amount of Yintai Gold has to be submitted to the general meeting of the Company for consideration and approval. As the external guarantee amount of Yintai Gold is subject to Shareholders' approval under the Shanghai Listing Rules, the information regarding the guarantee amount contained in this circular is not prepared in accordance with Chapter 14 or Chapter 14A of the Hong Kong Listing Rules but only prepared to provide information for the Shareholders.

IV. EGM

The EGM is to be held at the conference room of the Company, No. 2503, Jingshi Road, Licheng District, Jinan, Shandong Province, the PRC at 10:00 a.m. on Wednesday, 17 April 2024. The notice of the EGM is set out in Appendix I to this circular.

Any Shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a Shareholder. If you intend to appoint a proxy to

LETTER FROM THE BOARD

attend the EGM and vote on your behalf, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return it by hand, by post or by facsimile, to the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for H Shareholders only) as soon as possible and in any event not later than 24 hours before the time appointed for the holding of the EGM (i.e. before 10:00 a.m. on Tuesday, 16 April 2024) or any adjournment thereof (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting at the EGM or any adjournment thereof should you so wish.

V. CLOSURE OF REGISTER OF MEMBERS OF H SHARES

For the purpose of ascertaining the Shareholders who are entitled to attend and vote at the EGM, the H Shares register of members of the Company will be closed from Friday, 12 April 2024 to Wednesday, 17 April 2024, both dates inclusive, during which period no transfer of H Shares will be effected. H Shareholders whose names appear on the H Share register of members of the Company at the close of business on Thursday, 11 April 2024 are entitled to attend and vote at the EGM.

In order to qualify to attend and vote at the EGM, all transfer instruments accompanied by the relevant share certificates must be lodged by H Shareholders with the Company's H Share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Thursday, 11 April 2024.

VI. VOTING

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules and Article 119 of the Articles of Association, unless the chairman makes a decision in the spirit of honesty and credibility and agrees that the resolution on relevant procedures or administrative matters shall be voted on by show of hands, voting for a general meeting shall be held by ballot.

Pursuant to Article 111 of the Articles of Association, Shareholders (including proxies) shall exercise their voting rights according to the number of voting shares they represent, with one vote for each share. Pursuant to Article 120 of the Articles of Association, on a poll taken at a meeting, a Shareholder (including proxy) entitled to two or more votes need not cast all his votes in the same way.

VII. RECOMMENDATION

The Directors are of the view that the proposed resolutions at the EGM are fair and reasonable and in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

Yours faithfully,
By order of the Board
Shandong Gold Mining Co., Ltd.
Li Hang
Chairman



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)

NOTICE OF 2024 THIRD EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2024 third extraordinary general meeting (the “EGM”) of Shandong Gold Mining Co., Ltd. (the “Company”) will be held at the conference room of the Company, No. 2503, Jingshi Road, Licheng District, Jinan, Shandong Province, the PRC at 10:00 a.m. on Wednesday, 17 April 2024 for the purpose of considering and, if thought fit, passing the following resolutions. Unless otherwise stated, the capitalized terms used herein shall have the same meanings as those defined in the circular of the Company dated 28 March 2024.

ORDINARY RESOLUTIONS

1. To consider and approve the resolution on the conduct of derivatives trading business by controlled subsidiaries of Yintai Gold (a controlled subsidiary of the Company).
2. To consider and approve the resolution on estimated guarantee amount provided by Yintai Gold (a controlled subsidiary of the Company) to its subsidiaries.

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

Jinan, the PRC, 28 March 2024

As at the date of this notice, 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 Hang 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.

Notes:

1. Holders of the Company's H Shares should note that the H Shares register of members of the Company will be closed from Friday, 12 April 2024 to Wednesday, 17 April 2024 (both days inclusive). All transfer documents accompanied by the relevant share certificates must be lodged with the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Thursday, 11 April 2024. H Shareholders whose names appear on the H Shares register of members of the Company at the close of business on Thursday, 11 April 2024 are entitled to attend with their identity cards or passports and vote at the EGM. The record date and arrangements in respect of the holders of A Shares of the Company who are entitled to attend the EGM will be determined and announced separately in the PRC.
2. Any shareholder entitled to attend and vote at the EGM is entitled to appoint a proxy or more proxies (who need not be a shareholder of the Company) to attend the EGM and vote thereat in his stead. For any shareholder who appoints more than one proxy, the voting right can only be exercised by his/her proxies on a poll.
3. Any shareholder who intends to appoint a proxy to attend the EGM shall put it in writing, with the proxy form to be signed by the appointor or his attorney duly authorized in writing. If the appointor is a corporation, the proxy form must be affixed with its common seal, or signed by any of its directors or attorney duly authorized in writing. If the proxy form is signed by an attorney authorized by the appointor, the power of attorney or other authorization documents must be notarially certified. The notarially certified power of attorney or other authorization documents together with the proxy form must be delivered to the Company's H share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (for H shareholders only) not later than 24 hours before the time appointed for the holding of the EGM (i.e. before 10:00 a.m. on Tuesday, 16 April 2024) or any adjournment thereof (as the case may be). Completion and return of the proxy form will not affect the rights of the shareholders to attend and vote at the EGM in person.
4. Proxies of holders of the Company's H Shares shall bring along the proxy form, instrument(s) for appointing a proxy (if applicable) and the proxies' identity cards or passports to attend the EGM.
5. According to Article 108 of the Articles of Association, an ordinary resolution shall be passed by more than half of the votes cast by the shareholders (including proxies) present at the general meeting, while a special resolution shall be passed by more than two-thirds of the votes cast by the shareholders (including proxies) present at the general meeting.
6. Directors, supervisors and senior management of the Company and the witnessing lawyers and other relevant personnel employed by the Company will attend the EGM.