

Chifeng Jilong Gold Mining Group Ltd.
Announcement on the Early Termination of ESOP,
the Amendment of Registered Capital and Articles of
Association

The Board of Directors and all Director of the Company warrant that this announcement does not contain any false records, misleading statements, or major omissions, and they will otherwise bear legal liabilities for the authenticity, accuracy and completeness of its contents.

Important

- Chifeng Jilong Gold Mining Group Ltd. (hereinafter referred to as “ the Company”) intends to terminate the implementation of its third-phase employee stock ownership plan (“ESOP”) by repurchasing 15,182,600 A shares held in the account of said plan and subsequently change the use of the repurchased shares from “for implementing employee stock ownership plans or the equity incentive” to “for cancellation and corresponding reduction of registered capital”
- Upon completion of the share repurchase under the third-phase ESOP , the Company intends to cancel 15,182,600 A shares, which represent approximately 0.80% of the Company’s total share capital. Following the cancellation, the Company’s registered capital will be reduced from RMB 1,900,411,178 to RMB 1,885,228,578, and its total number of shares will be reduced from 1,900,411,178 shares to 1,885,228,578 shares (including 1,648,728,778 A-shares and 236,499,800 H-shares, subject to the actual registration with China Securities Depository and Clearing Corporation Limited (“CSDC”)).
- This change is subject to approval by the Company’s shareholders’ meeting. Upon approval, it must also be registered and filed with the market supervision and administration authority. The final content is subject to the approval of such authority. The Company will fulfill its information disclosure obligations in a timely manner based on the progress of the matter. Investors are advised to pay attention to investment risks.
- The performance assessment target for the first lock-up period of the ESOP was not met.

Item	Details
Disclosure date and announcement name of the draft of ESOP	Date: December 31, 2024 Announcement Name: <i>Chifeng Gold Third-Phase Employee Stock Ownership Plan (Draft)</i>
Number of remaining locked shares	15.1826 million shares
Source of remaining shares	<input checked="" type="checkbox"/> repurchased by the Company <input type="checkbox"/> Purchased from the market <input type="checkbox"/> Subscribed through directed issuance to specific investors <input type="checkbox"/> Voluntarily donated by shareholders <input type="checkbox"/> Other: _____
Disposal method for locked shares	Cancellation

On May 28, 2026, following the Second Meeting of Holders of the Company’s Third Employee Stock Ownership Plan and the Third Meeting of the Management Committee of the Third Employee Stock Ownership Plan, in which, the “Proposal on Early Termination of the Third Employee Stock Ownership Plan” were respectively reviewed and approved, the Fifth Meeting of the Remuneration and Appraisal Committee of the Ninth Board of Directors and the Eighth Meeting of the Ninth Board of Directors consequently reviewed and approved the “Proposal on Early Termination of the Third Employee Stock Ownership Plan and Repurchase of Relevant Shares” and the “Proposal on Changing the Use of Repurchased Shares, Registered Capital and Amending the Company’s Articles of Association,” to terminate the implementation of the third phase employee stock ownership plan, repurchase the shares under it and change the usage of repurchased shares from “for implementing employee stock ownership plans or equity incentives” to “for cancellation and corresponding reduction of registered capital,” by the cancellation of such shares. This change is still subject to approval by the Company’s shareholders’ meeting. The relevant information is hereby announced as follows

I. Information about the Early Termination of the Third Employee Stock Ownership Plan

The Company held the 33rd meeting of the Eighth Board of Directors and the 24th meeting of the Seventh Supervisory Committee on December 30, 2024, and the First Extraordinary General Meeting of 2025 on January 15, 2025, at which the “Proposal on *The Draft of the Third Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd. and Its Summary, The Proposal on the Administrative Measures for the Third Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd.*,”

and *The Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to the Company's Third Employee Stock Ownership Plan* were reviewed and approved respectively.

The source of shares for the Company's third phase employee stock ownership Plan is the repurchased A-share of the Company. As of June 27, 2024, the Company repurchased an aggregate of 15,182,600 shares through centralized bid trading, with the highest repurchase price being RMB 15.23 per share, the lowest repurchase price being RMB 13.28 per share, and the total amount of funds used to be RMB 219,996,900 (exclusive of transaction fees). On February 24, 2025, the special securities account of the Third Employee Stock Ownership Plan received 15,182,600 shares from the Company's special repurchase securities account through non-trading transfer, at a transfer price of RMB 14.50 per share. The aforementioned shares will be locked up in accordance with relevant regulations with the lock-up period starting from February 25, 2025, to February 24, 2026.

Pursuant to the "Chifeng Gold Third Phase Employee Stock Ownership Plan" and the "Administrative Measures for the Chifeng Gold Third Phase Employee Stock Ownership Plan," the management committee shall, based on the authorization from the holders' meeting, seize the opportunity to sell or transfer the underlying shares held by the employee stock ownership plan after the lock-up period expiration and before the end of the term. If the performance target is not met, the management committee shall return funds to the holders based on, whichever the lower applicable, (i) the contributed amount plus interest at the bank's contemporaneous deposit rate, and (ii) the proceeds from the sale. Any remaining funds after such return (if any) shall belong to the Company.

According to the "Chifeng Gold Third Phase Employee Stock Ownership Plan," the corporate performance target set for the Third Phase Employee Stock Ownership Plan requires that the gold production in 2025 should increase by 5% or more compared to 2024. Based on the actual results of the Company's 2025 performance and the relevant provisions of the "Chifeng Gold Third Phase Employee Stock Ownership Plan," the performance target of the Third Employee Stock Ownership Plan was not achieved. Taking into account the actual circumstances of the Company, the intentions of the participants in the employee stock ownership plan, market environment, and the Company's future development strategic plan, and in order to better protect the interests of the Company, its shareholders, and employees, the Remuneration and Appraisal Committee of the Ninth Board of Directors and the Board of Directors have respectively decided to terminate the Third Employee Stock Ownership Plan early after careful consideration.

II. Changes in the Company's Registered Capital

1. Proposed Repurchase and Cancellation of Shares

To protect the interests of most investors and further demonstrate the Company’s confidence in and recognition of its long-term value, and consider the actual circumstances, the Company plans to repurchase 15,182,600 A-shares of stock held under the third-phase employee stock ownership plan. The purpose of the repurchased shares will be changed from “implementation of employee stock ownership plan or equity incentives” to “cancellation and corresponding reduction of registered capital.” Upon completion of the repurchase, the Company will apply to CSDC for the cancellation of such shares.

2. Changes in the Company’s Registered Capital and Total Number of Shares

As of the disclosure date of this announcement, the Company’s registered capital is RMB 1,900,411,178, and the total number of outstanding shares is 1,900,411,178 shares, all of which are unrestricted circulating ordinary shares consisting of 1,663,911,378 A-shares and 236,499,800 H-shares.

Based on the Company’s current registered capital and shareholding structure, following the repurchase and cancellation of the 15,182,600 A-shares as described above, the Company’s registered capital will be reduced from RMB 1,900,411,178 to RMB 1,885,228,578, and the total number of outstanding shares will be reduced from 1,900,411,178 shares to 1,885,228,578 shares comprising 1,648,728,778 A-shares and 236,499,800 H-shares. The specific changes in the shareholding structure are as follows:

Type	Before the change		After the change	
	Number of Shares	Percentage (%)	Number of Shares	Percentage (%)
Shares with Trading Restrictions	0	0	0	0
Shares without Trading Restriction	1,900,411,178	100	1,885,228,578	100
Among which:				
A share	1,663,911,378	87.56	1,648,728,778	87.46
H share	236,499,800	12.44	236,499,800	12.54
Total	1,900,411,178	100	1,885,228,578	100

Note:

If the sum of the individual percentages does not equal the total percentage shown, this is due to rounding off. The final share capital structure after the adjustment of the use of shares held in the special repurchase account and their subsequent cancellation shall be subject to the share capital structure statement issued by China Securities Depository and Clearing Corporation (CSDCC).

III. the Amendment the Articles of Association

Based on the provisions of relevant laws, regulations and policy, the existing Articles of Association are to be amended. If the amendments to the Articles of Association include the addition or the deletion of certain chapters and clauses, the serial numbers shall be adjusted accordingly subject to the adjusted serial numbers. Based on the Company's registered capital and share capital structure as of the date of this resolution, the specific amendments are as follows:

Before Amendment	After Amendment
Article 6: The registered capital of the Company is RMB 1,900,411,178.	Article 6: The registered capital of the Company is RMB 1,885,228,578.
Article 21: After the completion of the IPO of H shares (the over-allotment option has been exercised), the total share capital of the Company is 1,900,411,178 shares, all of which are ordinary shares, consisting of 1,663,911,378 A ordinary shares, accounting for 87.56% of the total share capital, and 236,499,800 H ordinary shares, accounting for 12.44% of the total share capital.	Article 21: The total share capital of the Company is 1,885,228,578 shares, all of which are ordinary shares and consisting of 1,648,728,778 A ordinary shares, accounting for 87.46% of the total share capital, and 236,499,800 H ordinary shares, accounting for 12.54% of the total share capital.

If the Company's registered capital or share capital structure changes from the date of this resolution to the date of the general meeting at which this proposal is to be considered, the registered capital or share capital structure as of the date of the notice of the general meeting sent by the Company to the shareholders shall prevail. Except for the amendments to the above clauses, all other clauses of the Articles of Association remain unchanged.

This matter has been approved by the board of directors and is still required to be submitted to the shareholders' meeting for consideration as a special resolution. The Company's management will, under the authorization of the shareholders' meeting, apply to the market supervision and administration authority for filing and registration and other related procedures. During the filing and registration process, necessary and appropriate adjustments will be made to the provisions of the Company's articles of association based on the opinions of the market supervision and administration authority. The amended version of the Company's Articles of Association shall be subject to the final registration.

IV. Explanation of Other Matters

The change in the company's registered capital will not have a significant impact on the company's current operating performance and in compliance with the current laws, administrative regulations and procedures, legal instruments and the provisions of the Company's Articles of Association. The company will fulfill its disclosure obligations

in a timely manner based on progress. The investors are advised to pay attention to alert the risks.

This is hereby announced.

Board of Directors
Chifeng Jilong Gold Mining Group Limited .
29 May 2026