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Lingbao Gold Group Company Ltd.

靈寶黃金集團股份有限公司

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

(Stock Code: 3330)

**SUPPLEMENTAL ANNOUNCEMENT REGARDING
DISCLOSEABLE TRANSACTION:
SUBSCRIPTION OF 50% + 1 SHARE OF THE EQUITY INTEREST
IN THE TARGET COMPANY**

Reference is made to the announcement of Lingbao Gold Group Company Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) dated 10 December 2025 and 30 December 2025 in respect of the discloseable transaction in relation to the Subscription (the “**Announcements**”). Unless otherwise defined, the terms used in this supplemental announcement shall have the same meaning as those defined in the Announcements.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to provide further information in relation to the Subscription to the Shareholders and potential investors of the Company.

BASIS OF THE CONSIDERATION

As disclosed in the Announcements, the Company engaged an independent professional valuation firm (the “**Valuation Firm**”) to conduct comprehensive financial due diligence, tax due diligence, valuation services, tax advisory, and review of transaction documents on the Target Company and assess the value of the Simberi gold mine in operation project to substantiate the fairness of the transaction price. The Valuation Firm was selected for its extensive expertise and proven capabilities in conducting financial and tax due diligence and valuation services for complex cross-border transactions, particularly within the mining sector. The Valuation Firm possesses a strong global network and deep local knowledge in key jurisdictions such as Papua New Guinea and Australia, which are directly relevant to the transaction.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Valuation Firm is an Independent Third Party. As at the date of this announcement, the Valuation Firm does not have any shareholding, directly or indirectly, in any member of the Group, or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

The Company would like to further supplement the following details.

The Consideration of approximately AUD370 million was determined after arm's length negotiations between the Purchaser and the Vendor on normal commercial terms to be lower than the appraised value of USD362 million (equivalent to approximately AUD554 million based on the approximate exchange rate of USD1 to AUD1.5291) of the 50% + 1 share of the equity interest in the Target Company (without cash or debt as at 30 June 2025 (the "**Valuation Benchmark Date**")) by the Valuation Firm, and the Consideration represents a discount that is to the clear benefit of the Group and the Shareholders.

The Board believes the Consideration to be fair and reasonable as it is not solely based on the valuation but also with reference to the prospects, long-term strategic development and the registered capital of the Target Company, and future synergies between the Group and the Target Company. The Target Company owns extensive gold resources, sulphide resources with substantial development potential and mature operating mine with well-established infrastructure, and it also holds, through Nord, 100% interest in two adjacent exploration licences which are under renewal and have potential for resource expansion. The Group is an integrated gold mining enterprise mainly engaged in gold mining, smelting and refining. Hence, the wealth of resources of the Target Company and the capability to integrate resources of the Group are inter-linked and mutually-reinforcing and the Consideration reflects these long-term strategic benefits.

In addition, even if the sulfide resources have substantial development potential, the uncertainties have been taken into account by the Company and the Valuation Firm in the process of Consideration determination and valuation of the Target Company. In particular when determining the Consideration, the Company and the Valuation Firm also considers that:

- (i) as the term of sulfide mining license is projected to extend to 2038, the revenue of Simberi gold mine in operation project includes the estimated revenue of sulfide mining from 10 December 2025 to the expiration date of sulfide mining license in 2038, which affects the calculation process of Consideration;
- (ii) the Subscription will only occur if the aforesaid sulfide mining license is extended before Completion, and the uncertainty surrounding sulfide mining is reflected to some extent in the determination of the discount rate in the financial model during the process of Consideration determination; and

- (iii) the Board has also taken into account the removal of all outstanding loans of the Target Company simultaneously with the Completion during the process of determining the Consideration. The Vendor and the Target Company undertakes that the Target Company's loans of approximately USD162.9 million as at 30 June 2025 (according to the management accounts provided by the Target Company) will be fully settled and the Target Company will no longer bear any loans between itself and its original shareholders immediately after the Completion.

Furthermore, as at the date of this announcement, Simberi has been granted an extension of mining lease until 2038, which fulfilled one of the conditions precedent for the Subscription. Reference is made to the voluntary announcement in relation to extension of mining lease of the Company dated 28 January 2026.

As a result, the Purchaser will, for the Consideration of approximately AUD370 million, acquire 50% + 1 share of the equity interest in the Target Company, which is free of any loans at the Completion, which reflects the equity value of Simberi and Nord after the Completion, and is fair and reasonable, and in the interests of the Company and its Shareholders as a whole.

VALUATION OF THE TARGET COMPANY

Based on the valuation report prepared by the Valuation Firm primarily using the discounted cash flow approach (the “**DCF Approach**”) (the “**Valuation Report**”), the appraised value of the 50% + 1 share of the equity interest in the Target Company as at the Valuation Benchmark Date was USD362 million (equivalent to approximately AUD554 million based on the approximate exchange rate of USD1 to AUD1.5291).

Selection of Valuation Methods

When selecting the appropriate valuation approaches, the Valuation Firm considered the applicability of the income approach, market approach and cost-based approach. The DCF Approach under income approach was considered appropriate due to the close relationship between the value of the Target Company and its ability to generate future cash flow. The Valuation Firm also considered market approach to cross-check the reasonableness of the value conclusion derived from DCF Approach. The cost-based approach is not able to reflect the true value of the Target Company, consequently, it was not adopted for analysis.

Details of Valuation Methods

(i) DCF Approach

Under the income approach, the DCF Approach was adopted by the Valuation Firm as the valuation method and the indicative value of 50% + 1 share of the equity interest in the Target Company based on the assumption that all outstanding loans of the Target Company have been settled at the Completion (i.e. with no loans

reflected on the Target Company's balance sheet) as the subject of the valuation. The forecast period under the DCF Approach is from 1 July 2025 to 30 June 2041. For the details of key general and specific assumptions of the DCF Approach used by the Valuation Firm, please refer to the announcement of the Company dated 30 December 2025.

Key Inputs

The calculation model of the DCF Approach is as follows:

$$E = B + \sum X_i + C$$

Where,

E: equity value of the Target Company

B: business equity value of the Target

$\sum X_i$: sum of non-operating assets and liabilities

C: excess assets and liabilities

$$B = \sum_{i=1}^n \frac{R_i}{(1+r)^i}$$

Where:

R_i : expected earning proceeds of year I (free cash flow to equity)

R_i = net profit after tax + depreciation and amortisation- change in working capital
— capital expenditure + change in net borrowings

r: discount rate (COE)

n: forecast period (from 1 July 2025 to 30 June 2041)

$$r = r_f + \beta \times \text{ERP} + \alpha$$

Where:

r_f : current return from risk-free investments

ERP: equity risk premium, being the average risk premium above the risk free rate that a “market” portfolio of assets is earning

β : the beta factor, being the measure of the systematic risk of a particular asset relative to the risk of a portfolio of all risky assets

α : Additional risk factor (alpha)

Value of Non-operating Assets and Liabilities: Non-operating assets and liabilities are those assets and liabilities unrelated to the production and operation of the entity being evaluated and not involved in the projection of post-valuation date free cash flows to the firm. For the entity being evaluated, it mainly refers to deferred income tax liabilities. The cost approach was used to assess these items.

Excess Assets and Liabilities: No excess assets and liabilities.

According to the Valuation Firm, on the one hand, the subject of the valuation is the indicative value of 50% + 1 share of the equity interest in the Target Company after the settlement of all outstanding loans at the Completion (i.e., with no loans reflected on the Target Company's balance sheet). Consequently, the valuation result does not account for the impact of the loans, while the impact of the loans is reflected in the net assets on the balance sheet of the Target Company. This also explains why there are material differences between book values and appraised values of the Target Company. On the other hand, The Consideration for the Subscription is higher than the Target Company's net assets, because the valuation takes into account the Target Company's future earnings potential from developing sulfide mines. However, sulfide ore mining rights' fair value are not reflected on the Target Company's balance sheet.

Key Drivers — Economic Assumptions

There are some key drivers which has been included in the valuation.

Gold Price (US\$ per oz.)

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
Mean	3,284.17	3,637.13	3,555.29	3,358.22	3,280.09	3,206.57	3,100.00	3,100.00
Median	3,339.00	3,795.00	3,600.00	3,500.00	3,250.00	3,000.00	3,000.00	3,000.00
High	3,450.00	4,500.00	4,500.00	4,200.00	4,056.00	4,146.00	3,500.00	3,500.00
Low	2,747.00	2,863.00	2,500.00	2,400.00	2,200.00	2,200.00	2,800.00	2,800.00

Source: S&P Capital IQ

Silver Price (US\$ per oz.)

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032
Mean	36.80	41.69	40.34	35.72	34.53	33.25	33.25	33.25
Median	37.64	41.78	40.00	35.00	34.00	32.50	32.50	32.50
High	44.00	55.00	55.00	44.00	45.00	46.00	38.00	38.00
Low	31.68	31.00	29.00	29.00	25.00	25.00	30.00	30.00

Source: S&P Capital IQ

CPI

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040	FY2041
United States of America	2.96%	3.08%	2.10%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%	2.20%

Source: S&P Capital IQ

Key Drivers — General Assumptions

The Valuation Firm utilized COE as the discount rate in DCF Approach and adopted a discount rate of 15.9%.

Conclusion

Based on the DCF Approach, the Board considers that the indicative value of 50% +1 share of the equity interest of the Target Company provides a fair and reasonable basis for assessing the Consideration.

(ii) Market Approach

In addition, the Valuation Firm employed the market approach as a cross check, and conducted both comparable company analysis and comparable transaction analysis below:

Comparable Company Analysis

The Valuation Firm selected nine public companies in gold mining industry from major global markets, and adopted EV/EBITDA and EV/Sales multiples to calculate the Target Company's equity value.

(a) Selection and basis of valuation multiples

The primary business of the Target Company involves gold mining, with its equity value predominantly derived from the development of mineral resources and future releases of production output. Given the capital-intensive nature of gold mining enterprises, the depreciation of fixed assets and the amortization of resources have a significant impact on their net profit, and the development stages of different mines vary, which results in strong fluctuations in accounting metrics such as net profit. Therefore, in the Comparable Companies Method, the EV/EBITDA multiple is mainly selected as the core pricing metric to reflect the Target Company's ability to generate operating cash flow under different capital structures and accounting policies. Meanwhile, the EV/Sales multiple is selected as an auxiliary reference metric.

Considering that the Target Company will enter into a stable operational and production phase by 2027, using the valuation multiples based on the 2027 forecast in the market approach will help mitigate the impact of the construction period on short-term financial data and more reasonably reflect the equity value of the Target Company under stable production conditions. Therefore, both the EV/EBITDA and EV/Sales multiples are uniformly applied based on the 2027 forecast.

(b) Criteria and scope for selecting comparable public companies

The selection of comparable listed companies for the Comparable Companies Method adheres to the following principles:

- (1) selecting companies engaged in gold mining industry;
- (2) selecting companies with clearly defined gold resource and reserves;
- (3) selecting companies listed on mature capital markets, offering relatively robust and transparent market pricing foundations; and
- (4) selecting companies with publicly available financial forecast data that can be uniformly obtained and analysed.

Based on the aforesaid criteria, and taking into account the business characteristics and data availability of the Target Company, the following listed companies are selected as market comparable companies:

Name of the Market Comparable Company	Stock Code
Newmont Corporation	NYSE:NEM
Agnico Eagle Mines Limited	NYSE:AEM
Kinross Gold Corporation	TSX:K
AngloGold Ashanti plc	NYSE:AU
Northern Star Resources Limited	ASX:NST
Shandong Gold Mining Co., Ltd.	SEHK: 1787
Lingbao Gold Group Company Ltd.	SEHK: 3330
Tongguan Gold Group Limited	SEHK: 0340
Zhaojin Mining Industry Company Limited	SEHK: 1818

The aforementioned market comparable companies all focus on gold mining as their core business, and their equity value exhibit high sensitivity to gold prices and the efficiency of resource development. The overall business models of these companies are highly comparable to those of the Target Company.

(c) Explanation of geographic and development stage differences

The mine of the Target Company is located in Papua New Guinea, and its gold products are priced according to international markets, with its gold pricing system aligned with that of the major gold mining enterprises worldwide. The mine assets of the selected comparable listed companies are also widely distributed across North America, Australia, Africa, and the Asia-Pacific region, with a high degree of geographical dispersion. The regional differences have not had a material impact on the comparability of the market approach.

The Target Company mine has historically engaged in oxide ore mining which is lower grade than the future sulfide ore mining. It is planned to commence sulfide ore mining starting from 2026, following the reinvestment of necessary capital expenditures, and gradually increase its production output. This scenario pertains to mining projects that already have a foundation and can achieve resumption of production through additional investment. It is not in the early exploration stage. Its development path and risk profile are comparable to those of gold mining enterprises that are already in operation or have reached stable production levels.

(d) Data sources

In this market approach, the market capitalization, revenue, and EBITDA of the market comparable companies were sourced from the Capital IQ. All calculations were performed using data from the same forecast year to ensure consistency and reproducibility of the results.

(e) Value conclusion

The Valuation Firm uses the median EV/EBITDA and EV/Sales multiples of comparable companies for the 2027 forecast. Under analysis of Comparable Companies Method, the value conclusion is slightly higher than the analysis of DCF Method.

Comparable Transaction Analysis

The Valuation Firm adopted eight comparable equity transactions in Australia and Canada over the past five years, where the transaction targets are all in gold mining industry.

(a) Selection and basis of valuation multiples

In the Transaction Case Comparison Method, in the practices of merger and acquisition (the “M&A”) industry, the valuation indicators based on the amount or reserves and mineral resources are usually adopted to analyse the transaction price.

Based on the above considerations, the analysis of comparable transaction cases in this study primarily adopts the P/Resource (Proven + Indicated) and P/Reserves multiples as pricing indicators, in order to reflect the pricing levels of the M&A market for unit gold resources and recoverable reserves.

(b) Basic principles for selecting comparable transaction cases

- (1) The Target primarily engages in the exploration, development, or extraction of a single gold resource, with the transaction price mainly reflecting the value of gold mineral resources;
- (2) The transaction dates for the comparable transactions were in recent years (between 2021 and 2025), capable of reflecting relatively current M&A market pricing levels while balancing the impact of significant fluctuations in gold prices;
- (3) The transaction has publicly disclosed explicit transaction prices and information on resources or reserves;

(4) The buyers include international and Chinese gold mining companies with relatively mature experience in mining investments, and the transaction pricing has a certain degree of market representativeness.

(c) Basic information on comparable transaction

Date	Target	Buyer
23/02/2025	Calibre Mining Corp.	Equinox Gold Corp.
01/08/2024	Alto Metals Limited	Brightstar Resources Limited
10/09/2024	Centamin plc (nka: Centamin Limited)	AngloGold Ashanti plc
09/08/2024	AXF Gold Ridge Pty Ltd.	Wanguo International Mining Group Limited (nka: Wanguo Gold Group Limited)
30/10/2023	TIETTO MINERALS LIMITED	Zhaojin Mining Industry Company Limited
05/07/2022	Dacian Gold Limited	Genesis Minerals Limited
08/11/2021	Pretium Resources Inc.	Newcrest Mining Limited
31/10/2021	Golden Star Resources Limited	Chifeng Jilong Gold Mining Co., Ltd

The mining assets involved in the relevant transactions are distributed across several major mining countries and regions. The pricing mechanism for these transactions takes the mineral resource quantity and reserves as the core consideration factors, which can effectively reflect the pricing logic of the M&A market for gold mineral resources.

(d) Data sources

The transaction prices, resource quantities, and reserve data for the comparable transactions are sourced from transaction announcements, publicly disclosed documents from the selected listed companies, and the Capital IQ, among other publicly available information. Efforts have been made to maintain consistency in the data within the available scope.

(e) Value conclusion

The Valuation Firm uses the median P/Resource (Proven + Indicated) and P/Reserves multiples of comparable transaction. Under analysis of Transaction Case Comparison Method, the end of the range of analysis value conclusion is higher of the range of analysis of DCF Method.

The data of the Target Company used in both the Comparable Companies Method and the Transaction Case Comparison Method are derived from management forecasts and the reserve reports provided by the seller's management of the Company.

In light of the foregoing, after reviewing the valuation approaches and key assumptions, the Board is satisfied that the methodology and key parameters (including the forecast period, financial projections, and discount rate) applied by the Valuation Firm are appropriate. The Board considers that the indicative equity value as determined under the DCF Approach, together with the supporting market approach analyses, provide a fair and reasonable basis for assessing the Consideration, which is in the interests of the Company and its Shareholders as a whole.

SUPPLEMENTAL INFORMATION OF CONDITIONS PRECEDENT

As disclosed in the announcement of the Group dated 10 December 2025, one of the specific conditions precedent of completion of the Subscription pursuant to the Equity Placement Agreement is the Vendor having obtained all approvals and consents from its general meeting (if applicable) in respect of the Subscription (the “**General Meeting Approval**”). On 11 February, the Vendor publicly released an announcement regarding the update on progress with satisfaction (or waiver, as applicable) of conditions precedent of the Subscription as outlined in the Equity Placement Agreement, where the Vendor announced that the General Meeting Approval was waived by the Vendor and the Group was notified on 10 February 2026.

SUPPLEMENTAL INFORMATION OF PURCHASER CONDITIONS PRECEDENT

Pursuant to the Equity Placement Agreement, the specific Purchaser Conditions Precedent applicable to the Purchaser are as follows:

(i) Regarding Regulatory Approvals in the PRC

The Purchaser shall receive all approvals, consent and authorisations required in connection with the transaction from the relevant PRC Regulators.

(ii) Regarding ICCC Clearance in Papua New Guinea

The Independent Consumer and Competition Commission (the “**ICCC**”) in Papua New Guinea shall have provided written confirmation that it has approved the Subscription under section 81 of the Independent Consumer and Competition Commission Act, 2002 of Papua New Guinea.

SUPPLEMENTAL INFORMATION OF ACCOUNTING TREATMENT FOR THE SUBSCRIPTION

Upon Completion, the Company will beneficially hold 50%+1 share of the equity interest in the Target Company, and the Target Company will become a non-wholly-owned subsidiary of the Company. Accordingly, it is expected that the financial results of the Target Company will be consolidated into and recorded in the consolidated financial statements of the Group.

SUPPLEMENTAL INFORMATION OF CAPITAL RESOURCES

The Company initially plans that 30% to 40% of the Consideration be funded by the proceeds from its previous fundraising activities, which mainly consist of (i) the remaining funds of the placement of the Company in March 2025, amounting to HKD151 million, and (ii) the financing from the issuance of zero-interest convertible bonds of the Company on 1 December 2025 of approximately HKD421 million.

Meanwhile, the Company will comprehensively consider the sources of funding of this Subscription based on commercial arrangements and financial costs, dynamically adjusting the proportion of bank loans and refinancing to achieve cost-effective business expansion and maximize the interests of the Company's Shareholders.

By order of the Board
Lingbao Gold Group Company Ltd.
Chen Jianzheng
Chairman

Lingbao City, Henan Province,
the People's Republic of China
13 February 2026

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Chen Jianzheng, Mr. Wang Pinran, Mr. Xing Jiangze, Mr. He Chengqun and Ms. Zhao Li; two non-executive Directors, namely Mr. Zhang Feihu and Mr. Wang Guanran; and four independent non-executive Directors, namely Mr. Yeung Chi Tat, Mr. Bo Shao Chuan, Mr. Guo Michael Xinsheng and Mr. Huang Hui.