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Lingbao Gold Company Ltd.

靈寶黃金股份有限公司

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

(Stock code: 3330)

2014 FIRST QUARTERLY REPORT

This announcement is made pursuant to rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Lingbao Gold Company Ltd. (the "Company" and together with its subsidiaries, the "Group") issued the medium-term notes in the People's Republic of China (the "PRC"). Pursuant to the relevant regulations in the PRC, the following is the unaudited first quarterly consolidated financial information of the Group for the period ended 31 March 2014 prepared in accordance with generally accepted accounting principles and practices in the PRC, which is published on the website of ChinaMoney (<http://www.chinamoney.com.cn>) and ChinaBond (<http://www.chinabond.com.cn>).

By order of the Board
Lingbao Gold Company Ltd.
Jin Guangcai
Chairman

Henan, the PRC, 29 April 2014

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Jin Guangcai, Mr. Zhang Guo and Mr. He Chengqun and four independent non-executive directors, namely Mr. Yang Dongsheng, Ms. Du Liping, Mr. Han Qinchun and Mr. Xu Qiangsheng.

Lingbao Gold Company Ltd.

Balance Sheet

Unit: RMB Yuan

ASSETS	As at 31 March 2014		As at 31 March 2013	
	Group	Company	Group	Company
Current assets:				
Cash and cash equivalents	528,714,963.90	387,259,582.53	414,757,452.52	269,503,388.13
Trading financial assets	5,577,140.00	4,756,800.00	1,059,000.00	-
Notes receivable	90,877,847.18	47,064,028.23	163,191,750.87	102,196,365.84
Accounts receivable	469,386,968.94	352,122,863.40	445,831,700.88	411,622,510.87
Prepayments	444,138,396.70	398,629,288.91	374,139,541.82	339,575,100.47
Other receivables	108,322,461.09	1,210,506,411.30	47,928,990.94	1,242,767,828.97
Inventories	1,315,496,029.36	878,717,583.76	1,449,969,804.65	1,048,752,400.62
Non-current assets due within one year	6,000.00	-	15,758,548.68	15,758,548.68
Other current assets	138,650,929.72	93,402,023.12	129,585,870.45	71,737,444.02
Total current assets	3,101,170,736.89	3,372,458,581.25	3,042,222,660.81	3,501,913,587.60
Non-current assets:				
Long-term equity investments	11,323,596.35	659,771,388.97	11,323,596.35	659,402,550.97
Fixed assets	2,074,494,455.27	704,388,885.75	2,104,098,864.67	725,675,654.22
Construction in progress	396,611,210.54	117,327,404.13	363,694,784.25	96,807,589.17
Project materials	1,957,435.88	-	1,826,840.08	-
Disposal of fixed assets	115,709.56	-	115,709.56	-
Intangible assets	641,834,680.50	100,758,948.85	673,507,221.95	102,032,617.38
Goodwill	7,346,350.24	-	7,346,350.24	-
Long-term deferred expenses	9,395,627.44	4,834,405.31	7,941,639.03	4,016,631.60
Deferred income tax assets	303,607,910.36	277,733,083.44	303,585,721.78	277,733,083.44
Other non-current assets	207,769,329.14	21,081,707.73	207,881,194.34	21,081,707.73
Total non-current assets	3,654,456,305.28	1,885,895,824.18	3,681,321,922.25	1,886,749,834.51
Total assets	6,755,627,042.17	5,258,354,405.43	6,723,544,583.06	5,388,663,422.11

Unit: RMB Yuan

LIABILITIES AND SHAREHOLDERS' EQUITY	As at 31 March 2014		As at 31 March 2013	
	Group	Company	Group	Company
Current liabilities:				
Short-term borrowings	1,560,089,495.00	1,363,484,500.00	1,397,537,000.00	1,277,537,000.00
Notes payable	150,000,000.00	50,000,000.00	24,850,000.00	-
Accounts payable	391,129,228.26	304,889,032.89	692,664,487.99	548,107,213.23
Deposits received	49,138,826.22	10,956,415.12	3,274,987.95	3,788,684.95
Payroll and benefits payable	57,093,677.35	29,384,392.07	55,904,081.00	26,892,677.35
Taxes payable	15,222,540.46	6,016,299.26	25,807,544.99	11,528,539.06
Interests payable	24,908,216.77	19,913,214.24	38,302,374.58	36,906,184.45
Dividends payable	1,260,000.00	1,260,000.00	9,221,841.49	9,221,841.49
Other payables	236,429,217.70	107,807,029.94	234,273,143.21	135,937,880.71
Non-current liabilities due within one year	155,223,926.34	27,000,000.00	324,416,638.65	29,500,000.00
Total current liabilities	2,640,495,128.10	1,920,710,883.52	2,806,252,099.86	2,079,420,021.24
Non-current liabilities:				
Long-term loans	1,540,294,699.39	1,058,580,908.00	1,370,197,803.00	1,058,580,908.00
Bonds payable	700,000,000.00	700,000,000.00	700,000,000.00	700,000,000.00
Long-term payables	39,406,421.66	-	25,852,219.07	-
Special payables	4,020,000.00	-	-	-
Estimated liabilities	14,063,434.89	-	13,937,513.40	-
Deferred income tax liabilities	158,850.00	-	158,850.00	-
Other non-current liabilities	128,764,826.70	82,572,900.21	130,943,508.93	81,474,473.45
Total non-current liabilities	2,426,708,232.64	1,841,153,808.21	2,241,089,894.40	1,840,055,381.45
Total liabilities	5,067,203,360.74	3,761,864,691.73	5,047,341,994.26	3,919,475,402.69
Shareholders' equity:				
Paid-in share capital	154,049,818.20	154,049,818.20	154,049,818.20	154,049,818.20
Capital reserve	841,988,823.68	842,846,685.68	841,988,823.68	842,846,685.68
Surplus reserves	166,553,430.94	161,287,604.76	166,458,219.94	161,287,604.76
Retained profits	520,587,907.92	338,305,605.06	504,196,401.47	311,003,910.78
Translation difference	7,911,778.26	-	8,355,798.70	-
Total equity attributable to equity holders of the parent company	1,691,091,759.00	-	1,675,049,061.99	-
Minority interests	-2,668,077.57	-	1,153,526.81	-
Total shareholders' equity	1,688,423,681.43	1,496,489,713.70	1,676,202,588.80	1,469,188,019.42
Total liabilities and shareholders' equity	6,755,627,042.17	5,258,354,405.43	6,723,544,583.06	5,388,663,422.11

Lingbao Gold Company Ltd.
Income Statement

Unit: RMB Yuan

Events	January – March 2014		January – March 2013	
	Group	Company	Group	Company
Total operating revenue	1,446,637,590.37	1,229,641,553.66	1,533,086,411.94	1,402,015,193.40
Total operating cost	1,431,835,144.75	1,202,441,853.62	1,608,793,702.59	1,485,627,422.97
Included: cost of sale	1,295,729,241.19	1,121,624,741.65	1,426,753,771.56	1,340,939,293.54
Taxes and surcharges	1,613,611.30	737,124.75	1,611,247.99	13,927.60
Selling expenses	6,821,129.59	1,690,722.42	5,483,597.83	1,421,903.89
Administrative expenses	68,036,278.99	35,631,305.75	69,340,686.94	35,999,724.48
Financial expenses	59,634,883.68	42,757,959.05	63,506,533.10	49,304,699.16
Assets impairment losses	-	-	42,097,865.17	57,947,874.30
Add: Gains on changes in fair value (loss marked by “-”)	4,522,250.00	4,522,250.00	-	-
Investment income (loss marked by “-”)	-6,554,479.56	-6,557,870.00	-	-
Operating profit (loss marked by “-”)	12,770,216.06	25,164,080.04	-75,707,290.65	-83,612,229.57
Add: Non-operating income	3,657,171.23	3,265,573.24	7,225,784.13	4,258,508.81
Less: Non-operating expenses	1,957,994.66	1,127,959.00	4,069,564.07	493,671.70
Total Profit (loss marked by “-”)	14,469,392.63	27,301,694.28	-72,551,070.59	-79,847,392.46
Less: income tax	1,749,511.00	-	2,796,703.68	-
Net profit (loss marked by “-”)	12,719,881.63	27,301,694.28	-75,347,774.27	-79,847,392.46
Net profit attributable to equity holders of the parent company	16,486,717.45	27,301,694.28	-69,930,579.11	-79,847,392.46
Minority interests	-3,766,835.82	-	-5,417,195.16	-
Earnings per share:				
(I) Basic earnings per share	0.02	-	-0.09	-
(II) Diluted earnings per share	0.02	-	-0.09	-
Other comprehensive income	7,144,419.75	-	7,822,884.15	-
Total comprehensive income	19,864,301.38	27,301,694.28	-67,524,890.12	-79,847,392.46
Total comprehensive income attributable to the shareholders of the parent company	16,042,697.01	-	-63,554,133.61	-
Total comprehensive income attributable to the minority shareholders	3,821,604.37	-	-3,970,756.51	-

Lingbao Gold Company Ltd.
Cash Flow Statement

Events	Unit: RMB Yuan			
	January – March 2014		January – March 2013	
	Group	Company	Group	Company
I. Cash flows from operating activities:				
Cash received from sale of goods or rendering of services	1,481,601,484.05	1,225,823,014.05	1,409,429,810.59	1,285,371,486.02
Refunds of tax received	3,529,777.32	-	6,105,259.78	-
Cash received relating to other operating activities	18,094,750.69	5,677,982.17	17,230,324.16	15,011,963.04
Sub-total of cash inflows	<u>1,503,226,012.06</u>	<u>1,231,500,996.22</u>	<u>1,432,765,394.53</u>	<u>1,300,383,449.06</u>
Cash paid for goods and services	1,252,793,947.62	1,075,570,442.33	1,110,179,403.36	1,104,031,137.75
Cash paid to and on behalf of employees	76,862,772.80	42,819,864.84	78,656,501.10	47,411,553.82
Cash paid for all types of taxes	44,254,397.77	37,147,639.42	34,465,875.98	20,719,579.03
Cash paid relating to other operating activities	81,048,228.89	69,789,371.65	38,570,611.38	22,539,277.55
Sub-total of cash outflows	<u>1,454,959,347.08</u>	<u>1,225,327,318.24</u>	<u>1,261,872,391.82</u>	<u>1,194,701,548.15</u>
Net cash flows from operating activities	<u>48,266,664.98</u>	<u>6,173,677.98</u>	<u>170,893,002.71</u>	<u>105,681,900.91</u>
II. Cash flows from investing activities:				
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	16,758,548.68	15,758,548.68	29,143,743.22	29,054,895.22
Cash received relating to other investing activities	-	117,959,291.36	-	-
Sub-total of cash inflows	<u>16,758,548.68</u>	<u>133,717,840.04</u>	<u>29,143,743.22</u>	<u>29,054,895.22</u>
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	48,277,425.75	22,592,777.65	94,679,035.88	21,254,592.81
Cash paid for investments	-	368,838.00	-	-
Cash paid relating to other investing activities	3,521,431.65	4,189,077.29	2,072,534.22	5,394,344.22
Sub-total of cash outflows	<u>51,798,857.40</u>	<u>27,150,692.94</u>	<u>96,751,570.10</u>	<u>26,648,937.03</u>
Net cash flows from investing activities	<u>-35,040,308.72</u>	<u>106,567,147.10</u>	<u>-67,607,826.88</u>	<u>2,405,958.19</u>
III. Cash flows from financing activities:				
Cash received from borrowing	344,894,238.39	260,662,848.11	549,946,780.97	524,945,000.00
Cash received from other financing activities	1,508,304.00	1,360,000.00	9,139,554.89	6,000,000.00
Sub-total of cash inflows	<u>346,402,542.39</u>	<u>262,022,848.11</u>	<u>559,086,335.86</u>	<u>530,945,000.00</u>
Cash repayment of borrowings	225,086,000.00	225,086,000.00	458,364,000.00	454,364,000.00
Cash paid for distribution of dividends or profits and for payment of interest expenses	78,202,615.02	73,028,135.60	72,757,051.48	65,909,475.83
Cash paid relating to other financing activities	2,423,651.40	78,168.00	2,489,051.26	-
Sub-total of cash outflows	<u>305,712,266.42</u>	<u>298,192,303.60</u>	<u>533,610,102.74</u>	<u>520,273,475.83</u>
Net cash flows from financing activities	<u>40,690,275.97</u>	<u>-36,169,455.49</u>	<u>25,476,233.12</u>	<u>10,671,524.17</u>
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-1,143,945.64	-	-363,640.40	-
V. Net increase in cash and cash equivalents	<u>52,772,686.59</u>	<u>76,571,369.59</u>	<u>128,397,768.55</u>	<u>118,759,383.27</u>
Add: Balance of cash and cash equivalents at beginning of period	367,202,675.07	233,125,253.33	267,935,030.80	194,214,826.92
VI. Balance of cash and cash equivalents at end of period	<u>419,975,361.66</u>	<u>309,696,622.92</u>	<u>396,332,799.35</u>	<u>312,974,210.19</u>