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GT Gold Holdings Limited
大唐黃金控股有限公司

(formerly known as GRAND T G GOLD HOLDINGS LIMITED

大唐潼金控股有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8299)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The board (“**Board**”) of directors (“**Directors**”) of GT Gold Holdings Limited (“**Company**”, together with its subsidiaries, the “**Group**”) hereby announces the interim results of the Group for the six months ended 30 September 2024. This announcement, containing the full text of the 2024 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (“**GEM Listing Rules**”) in relation to information to accompany preliminary announcements of the annual results.

* For identification purposes only

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2024

		(Unaudited) Six months ended 30 September	
	Notes	2024 HK\$'000	2023 HK\$'000
Revenue	4	537,669	84,830
Cost of sales		(487,952)	(42,875)
Gross profit		49,717	41,955
Other income and (expenses), net	4	7,488	816
Selling and distribution expenses		(5,122)	(3,132)
Administrative expenses		(17,965)	(14,953)
Operating results		34,118	24,686
Finance costs	5	(4,183)	(4,749)
Profit before tax	6	29,935	19,937
Income tax expense	7	(6,081)	(4,585)
Profit for the period		<u>23,854</u>	<u>15,352</u>
Profit for the period attributable to:			
Equity holders of the Company		14,206	8,215
Non-controlling interest		<u>9,648</u>	<u>7,137</u>
		<u>23,854</u>	<u>15,352</u>
		<i>HK Cents</i>	<i>HK Cents</i>
Earnings per share			
Basic	9	<u>0.21</u>	<u>0.14</u>
Diluted	9	<u>0.21</u>	<u>0.15</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2024

	(Unaudited) Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
Profit for the period	23,854	15,352
Other comprehensive profit/(loss) for the period:		
Item that may be reclassified subsequently to profit or loss		
Exchange differences arising from translation of financial statements of overseas subsidiaries	<u>919</u>	<u>(30,355)</u>
	<u>919</u>	<u>(30,355)</u>
Total comprehensive profit/(loss) for the period	<u>24,773</u>	<u>(15,003)</u>
Total comprehensive (loss)/income attributable to:		
Equity holders of the Company	13,467	(24,948)
Non-controlling interest	<u>11,306</u>	<u>9,945</u>
	<u>24,773</u>	<u>(15,003)</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2024

	(Unaudited) At 30 September 2024 <i>Notes</i> HK\$'000	(Audited) At 31 March 2024 <i>HK\$'000</i>
NON-CURRENT ASSETS		
Property, plant and equipment	999,948	942,525
Right-of-use assets	10,054	9,978
Mining rights related assets	47,143	41,624
Construction in progress	57,908	59,131
	<u>1,115,053</u>	<u>1,053,258</u>
CURRENT ASSETS		
Inventories	229,180	149,435
Pledged bank deposit	20,000	20,000
Trade receivables	17,312	29,107
Deposits, prepayments and other receivables	104,433	128,983
Cash and cash equivalents	68,403	47,489
	<u>439,328</u>	<u>375,014</u>
CURRENT LIABILITIES		
Trade and other payables	10 252,198	132,748
Lease liabilities	296	453
Tax payables	44,515	53,028
Bonds	14,479	14,234
Bank loan, secured	18,933	–
Loan note	42,125	–
	<u>372,546</u>	<u>200,463</u>
NET CURRENT ASSETS	<u>66,782</u>	<u>174,551</u>
TOTAL ASSETS LESS CURRENT ASSETS	<u>1,181,835</u>	<u>1,227,809</u>

	(Unaudited) At 30 September 2024 <i>Notes</i> <i>HK\$'000</i>	(Audited) At 31 March 2024 <i>HK\$'000</i>
NON-CURRENT LIABILITIES		
Other payables	374,175	345,112
Borrowings	122,524	238,400
Lease liabilities	–	58
Convertible bonds	–	113,080
Loans note	–	24,508
	<u>496,699</u>	<u>721,158</u>
NET ASSETS	<u>685,136</u>	<u>506,651</u>
CAPITAL AND RESERVES		
Share capital	7,428	5,987
Reserves	586,827	421,089
	<u>594,255</u>	<u>427,076</u>
Equity attributable to equity holders of the Company	594,255	427,076
Non-controlling interest	90,881	79,575
TOTAL EQUITY	<u>685,136</u>	<u>506,651</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2024

	Attributable to equity holders of the Company								Total HK\$'000
	Issued share capital HK\$'000	Share premium HK\$'000	Foreign currency translation reserve HK\$'000	Share option reserve HK\$'000	Convertible bonds reserve HK\$'000	Retained profit (Accumulated losses) HK\$'000	Sub-total HK\$'000	Non- controlling interest HK\$'000	
At 1 April 2024	5,987	2,079,524	(48,940)	1,778	15,546	(1,626,819)	427,076	79,575	506,651
Comprehensive income									
Net profit for the period	-	-	-	-	-	14,206	14,206	9,648	23,854
Other comprehensive (loss)/income:									
Exchange differences arising from translation of financial statement of overseas subsidiaries	-	-	(739)	-	-	-	(739)	1,658	919
Total comprehensive income/(loss) for the period	-	-	(739)	-	-	14,206	13,467	11,206	24,773
Total transactions with owners, recognised directly in equity									
Issue of new shares	311	40,869	-	-	-	-	41,180	-	41,180
Issue of share option	-	-	-	910	-	-	910	-	910
Conversion of convertible bonds	1,130	126,038	-	-	(15,546)	-	111,622	-	111,622
At 30 September 2024	<u>7,428</u>	<u>2,246,431</u>	<u>(49,679)</u>	<u>2,688</u>	<u>-</u>	<u>(1,612,613)</u>	<u>594,255</u>	<u>90,881</u>	<u>685,136</u>
	Attributable to equity holders of the Company								Total HK\$'000
	Issued share capital HK\$'000	Share premium HK\$'000	Foreign currency translation reserve HK\$'000	Share option reserve HK\$'000	Convertible bonds reserve HK\$'000	Retained profit (Accumulated losses) HK\$'000	Sub-total HK\$'000	Non- controlling interest HK\$'000	
At 1 April 2023	5,987	2,079,524	(23,401)	1,972	-	(1,683,615)	380,467	60,163	440,630
Comprehensive (loss)/income									
Net profit for the period	-	-	-	-	-	8,215	8,215	7,137	15,352
Other comprehensive (loss)/income:									
Exchange differences arising from translation of financial statement of overseas subsidiaries	-	-	(33,162)	-	-	-	(33,162)	2,808	(30,354)
Total comprehensive income/(loss) for the period	-	-	(33,162)	-	-	8,215	(24,947)	9,945	(15,002)
Total transactions with owners, recognised directly in equity									
Issue of share option	-	-	-	1,418	-	-	1,418	-	1,418
Issue of convertible bonds	-	-	-	-	2,915	-	2,915	-	2,915
At 30 September 2023	<u>5,987</u>	<u>2,079,524</u>	<u>(56,563)</u>	<u>3,390</u>	<u>2,915</u>	<u>(1,675,400)</u>	<u>359,853</u>	<u>70,108</u>	<u>429,961</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2024

	(Unaudited) Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
Net cash generated from operating activities	121,917	9,755
Net cash generated used in investing activities	(49,000)	(220,753)
Net cash generated (used in)/from financing activities	<u>(24,723)</u>	<u>186,333</u>
Net increase/(decrease) in cash and cash equivalents	48,193	(24,665)
Cash and cash equivalents at beginning of the period	47,489	44,641
Effect of foreign exchange rate changes	<u>(27,279)</u>	<u>(1,404)</u>
Cash and cash equivalents at end of the period	<u><u>68,403</u></u>	<u><u>18,572</u></u>
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	<u><u>68,403</u></u>	<u><u>18,572</u></u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

GT Gold Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Its principal place of business in Hong Kong is Room A–B, 8th Floor, Centre Mark II, 305–313 Queen’s Road Central, Sheung Wan, Hong Kong. The Company’s shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The principal places of the business of the Company are in The People’s Republic of China (“**PRC**”) and Hong Kong. The principal activity of the Company is investment holding. Its subsidiaries (together with the Company collectively referred to as the “**Group**” hereinafter) are principally engaged in gold exploration, mining and mineral processing and gold refinery.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), and the functional currency of the Company is HK\$, with values rounded to the nearest thousand. The functional currency of the Group’s only operating subsidiary Tungguan Taizhou Mining Company Limited (“**Taizhou Mining**”) is Renminbi (“**RMB**”).

2. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements for the six months ended 30 September 2024 have been prepared in compliance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “**GEM Listing Rules**”).

The preparation of the unaudited condensed consolidated financial statements in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a period-to-date basis. Actual results may differ from these estimates.

The unaudited condensed consolidated financial statements should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2024 (“**2024 Annual Report**”). The Group’s policies on financial risk management were set out in the financial statements included in the Company’s 2024 Annual Report and there have been no significant changes in the financial risk management policies for the six months ended 30 September 2024.

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial instruments which are carried at fair value.

The accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 September 2024 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2024.

3. SEGMENT INFORMATION

The Group had two operating segments for the six months ended 30 September 2024, namely Gold Mining Division and Corporate Division.

Segment results do not include finance costs. Segment assets and liabilities are allocated based on the operations of the segments.

Segment information by operating segments is presented as follows:

Six months ended 30 September 2024

	Gold Mining HK\$'000	(Unaudited) Corporate HK\$'000	Elimination HK\$'000	Total HK\$'000
Segment revenue:				
Revenue for external customers	<u>537,669</u>	<u>–</u>	<u>–</u>	<u>537,669</u>
Gross profit	49,717	–	–	49,717
Other income	7,037	451	–	7,488
Operating expenses	<u>(13,068)</u>	<u>(10,019)</u>	<u>–</u>	<u>(23,087)</u>
Segment results	43,686	(9,568)	–	34,118
Finance costs	<u>(3,149)</u>	<u>(1,034)</u>	<u>–</u>	<u>(4,183)</u>
Profit/(loss) before taxation	40,537	(10,602)	–	29,935
Income tax expense	<u>(6,081)</u>	<u>–</u>	<u>–</u>	<u>(6,081)</u>
Net profit/(loss) for the period	<u>34,456</u>	<u>(10,602)</u>	<u>–</u>	<u>23,854</u>
Segment assets	<u>1,501,263</u>	<u>294,140</u>	<u>(241,022)</u>	<u>1,554,381</u>
Segment liabilities	<u>1,205,553</u>	<u>186,100</u>	<u>(522,408)</u>	<u>869,245</u>
Capital expenditure	<u>52,104</u>	<u>–</u>	<u>–</u>	<u>52,104</u>
Depreciation and amortisation	<u>25,905</u>	<u>–</u>	<u>–</u>	<u>25,905</u>

Six months ended 30 September 2023

	Gold Mining HK\$'000	(Unaudited) Corporate HK\$'000	Elimination HK\$'000	Total HK\$'000
Segment revenue:				
Revenue for external customers	<u>84,830</u>	<u>–</u>	<u>–</u>	<u>84,830</u>
Gross profit	41,955	–	–	41,955
Other income	–	816	–	816
Operating expenses	<u>(3,133)</u>	<u>(14,952)</u>	<u>–</u>	<u>(18,085)</u>
Segment results	38,822	(14,136)	–	24,686
Finance costs	<u>(3,277)</u>	<u>(1,472)</u>	<u>–</u>	<u>(4,749)</u>
Profit/(loss) before taxation	35,545	(15,608)	–	19,937
Income tax expense	<u>(4,585)</u>	<u>–</u>	<u>–</u>	<u>(4,585)</u>
Net profit/(loss) for the period	<u>30,960</u>	<u>(15,608)</u>	<u>–</u>	<u>15,352</u>
Segment assets	<u>1,031,383</u>	<u>248,551</u>	<u>(214,656)</u>	<u>1,065,278</u>
Segment liabilities	<u>(828,545)</u>	<u>(310,233)</u>	<u>503,460</u>	<u>(635,318)</u>
Capital expenditure	<u>220,817</u>	<u>–</u>	<u>–</u>	<u>220,817</u>
Depreciation and amortisation	<u>17,676</u>	<u>–</u>	<u>–</u>	<u>17,676</u>

Geographical segments

The Group's operations are located in Hong Kong and other parts of the People's Republic of China (the "PRC") whereas the principal markets for the Group's products are mainly located in other parts of the PRC.

Segment information by geographical segments is presented as follows:

	(Unaudited) Six months ended 30 September	
	2024 HK\$'000	2023 HK\$'000
Segment revenue by location of customers		
PRC, excluding Hong Kong, Macau and Taiwan	<u>537,669</u>	<u>84,830</u>
	<u>537,669</u>	<u>84,830</u>
Non-current assets		
PRC, excluding Hong Kong, Macau and Taiwan	<u>1,114,781</u>	<u>935,898</u>
Hong Kong	<u>272</u>	<u>–</u>
	<u>1,115,053</u>	<u>935,898</u>

4. REVENUE AND OTHER INCOME AND EXPENSE, NET

Revenue represents the net value of goods sold, net of trade discounts and returns and various types of government surcharges where applicable, and the value of services rendered:

	(Unaudited)	
	Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
Revenue		
Sale of goods	537,669	84,830
	<u>537,669</u>	<u>84,830</u>
Other income and (expense), net		
Gain on waiver of other payables	6,431	–
Others	1,057	816
	<u>7,488</u>	<u>816</u>

5. FINANCE COSTS

	(Unaudited)	
	Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
Interest on bonds	246	254
Interest on convertible bonds	1,738	801
Interest on loan notes	207	246
Interest on bank overdrafts	581	107
Interest on borrowings	1,393	3,310
Interest on lease liabilities	18	31
	<u>4,183</u>	<u>4,749</u>

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging the following:

	(Unaudited)	
	Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
Cost of sales	<u>487,952</u>	<u>42,875</u>
Depreciation on property, plant and equipment	25,905	17,676
Depreciation on right-of-use assets	233	233
Loss on fair value of convertible bonds	–	2,915
Share-based payments	910	–
Staff costs including directors' emoluments:		
Salaries, wages, allowances and benefits in kind	7,710	5,233
Amortisation on equity settled share-based payment expense	910	1,418
Retirement benefits scheme contributions	1,101	247
	<u>9,721</u>	<u>6,898</u>

7. INCOME TAX EXPENSE

	(Unaudited)	
	Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
Current tax – overseas		
Provision for the period	6,081	4,585
Income tax expense	<u>6,081</u>	<u>4,585</u>

No provision for Hong Kong profits tax has been made in the financial statements as the Group had no assessable profit for the period (six months ended 30 September 2023: Nil).

Overseas taxation represents tax charges on the estimated assessable profits of subsidiaries operating overseas including the PRC, calculated at rates applicable in the respective jurisdictions for the period.

8. DIVIDEND

No dividend has been paid or proposed by the Company for the six months ended 30 September 2024 and 2023.

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following:

	(Unaudited)	
	Six months ended 30 September	
	2024	2023
	HK\$'000	HK\$'000
Earnings		
Earnings for the purpose of calculating basic earnings per share	14,206	8,215
Finance costs saving on conversion of convertible bonds outstanding	–	801
Change in fair value of convertible bonds	–	–
Earnings for the purpose of calculating diluted earnings per share from continuing operations	<u>14,206</u>	<u>9,016</u>

The weighted average number of ordinary shares for the purpose of calculating diluted earnings per share is adjusted as follows:

Number of shares	2024	2023
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	6,635,536,560	5,987,128,640
Effect of dilutive potential ordinary shares arising from share options issued by the Company	32,602,381	11,805,118
Effect of dilutive potential ordinary shares arising from convertible bonds outstanding	–	145,165,122
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<u>6,668,138,941</u>	<u>6,144,098,881</u>

10. TRADE AND OTHER PAYABLES

	At 30 September 2024 <i>HK\$'000</i>	Audited At 31 March 2024 <i>HK\$'000</i>
Current portion		
Advance from customers	141,259	–
Trade payables	93,957	96,994
Accruals	1,866	3,059
Received in advance for subscription shares	–	21,000
Other payables	15,116	11,695
	<u>252,198</u>	<u>132,748</u>
Non-current portion		
Other payables	374,175	345,112
	<u>626,373</u>	<u>477,860</u>

The aging analysis of trade payables based on the demand note date, is as follows:

	Unaudited At 30 September 2024 <i>HK\$'000</i>	Audited At 31 March 2024 <i>HK\$'000</i>
0 to 90 days	93,151	96,188
91 to 365 days	–	–
Over 365 days	806	806
	<u>93,957</u>	<u>96,994</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in gold exploration, mining and mineral processing and gold refinery.

FINANCIAL REVIEW

Revenue

For the six months ended 30 September 2024 (the “**Reporting Period**”), the Group’s revenue was approximately HK\$537.7 million, representing an increase of approximately 533.8% from approximately HK\$84.8 million as compared with that of the corresponding period last year.

The increase in revenue was due to the acquisition of a production line of gold refinery which extends Group’s gold industry chain from mining and mineral processing to gold concentrates refinery and production and sale of gold ingots and other minerals.

Gross profit and gross profit margin

During the Reporting Period, the Group’s gross profit was approximately HK\$49.7 million, representing an increase of approximately 18.5% from approximately HK\$42.0 million as compared with that of the corresponding period last year. During the Reporting Period, the Group’s overall gross profit margin was approximately 9.3% (six months ended 30 September 2023: 49.5%).

The decrease in gross profit margin was due to the Company has to purchase additional gold concentrates from other mines to fulfil the large refinery scale which beyond the Company’s current mining capacity and gold refinery by industrial norms typically has large cashflows and revenues but relatively low gross profit margins because the cost of raw materials is also based on gold price. The Company acquired the gold refinery to form a complete gold production chain which is to enhance the Company’s revenue scales and profit potential, to recover other mineral resources such as silver, copper and lead not feasible with mining and processing, and to be in a better position to reach the end user market for future growth and diversification.

Selling and distribution expenses

During the Reporting Period, the Group’s selling and distribution expenses were approximately HK\$5.1 million, representing an increase of approximately 63.5% from approximately HK\$3.1 million as compared with that of the corresponding period last year. This is caused by the increase in revenue.

Administrative and other expenses

During the Reporting Period, the Group’s administrative and other expenses were approximately HK\$18.0 million, representing an increase of approximately 20.2% from approximately HK\$15.0 million as compared with that of the corresponding period last year. The increase was mainly attributable to the operation of gold refinery.

Profit for the Reporting Period

Unaudited profit of the Company amounted to approximately HK\$23.9 million for the Reporting Period (six months ended 30 September 2023: approximately HK\$15.4 million).

As a result of the above factors, the Group recorded an unaudited net profit attributable to equity holders of the Company approximately of HK\$14.2 million (six months ended 30 September 2023: approximately HK\$8.2 million).

The increase in net profit was mainly due to i) an increase in revenue; and ii) the gain on other income.

Earnings per share

Basic earnings per share was approximately HK cents 0.21 for the Reporting Period representing an increase of approximately 50.0% as compared with that of the corresponding period last year (six months ended 30 September 2023: approximately HK cents 0.14).

Dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2024 (six months ended 30 September 2023: nil).

Liquidity, financial resources and funding

As at 30 September 2024, the Group had cash and cash equivalents amounted to approximately HK\$68.4 million (31 March 2024: approximately HK\$47.5 million) and net current assets amounted to approximately HK\$178.2 million (31 March 2024: approximately HK\$174.60 million) whereas inventories of the Group amounted to approximately HK\$229.2 million (31 March 2024: approximately HK\$149.4 million).

As at 30 September 2024, the current ratio is approximately 1.18 (31 March 2024: approximately 1.87).

As at 30 September 2024, the Group's gearing ratio was approximately 32.9% (31 March 2024: approximately 27.3%), calculated based on total borrowings over total assets.

Charge on the Group's assets

As at 30 September 2024, the trade receivables of approximately HK\$16.9 million (31 March 2024: approximately HK\$29.14 million) were pledged to secure the Group's borrowings.

During the Reporting Period, the Group has obtained bank overdraft facilities from a bank to the extent of HK\$20.0 million secured by the fixed deposits of HK\$20.0 million, HK\$18.9 million of the banking facilities were utilised by the Group.

Treasury policies

The Group's monetary assets and transactions are principally denominated in HK\$ and RMB. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The Group adopted a conservative treasury policy with most of the bank deposits being kept in HK\$ or RMB, or in the local currencies of the operating subsidiaries to minimise exposure to foreign exchange risk. The Group monitors and maintains a sufficient level of cash and cash equivalents to finance the Group's operations and mitigate the effects of fluctuation in cash flows. Management reviews and monitors the Group's working capital requirements regularly.

Segment information

The Group's segmental information is set out in note 3 to the unaudited condensed consolidated financial statements.

Exposure to exchange risks

Since the Group's borrowings and its source of income are primarily denominated in the respective group companies' functional currency which are mainly in HK\$ or RMB, the exposure to foreign exchange rate fluctuations is minimal.

Capital structure

As at 30 September 2024, the Company's issued share capital was HK\$7,428,201 which were divided into 7,428,201,720 shares of HK\$0.001 each.

Capital commitment

As at 30 September 2024, the Group did not have any significant capital commitments (31 March 2024: nil).

Significant investment, material acquisition and disposal of subsidiaries and affiliated companies, and future plans for material investments or capital assets

The Group did not have any significant investment, material acquisition and disposal of subsidiaries and affiliated companies throughout the year.

Contingent liabilities

The Group did not have any material contingent liabilities as at 31 March 2024 and 30 September 2024.

Employees and remuneration policies

As at 30 September 2024, the Group had 173 employees (31 March 2024: 173) situated mainly in the PRC and Hong Kong. The Group's emoluments policies are formulated based on industry practices and performance of individual employees. For the six months ended 30 September 2024, the total staff costs (including directors' emoluments) amounted to approximately HK\$9.7 million (six months ended 30 September 2023: HK\$6.9 million). Details of employees' remuneration are set out in note 6 to the unaudited condensed consolidated financial statements.

USE OF PROCEEDS

On 22 March 2024, the Company and King Tower Global Absolute Return Fund SPC (the "**Subscriber**"), entered into the Subscription Agreement pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue a total of 310,638,298 new ordinary shares (the "**Subscription Shares**") at the Subscription Price of HK\$0.141 per Subscription Share (the "**Subscription Price**").

The gross proceeds from the Subscription is approximately HK\$43.8 million and the net proceeds of the Subscription (after deducting related professional fees and related expenses) is approximately HK\$41.1 million. The net proceeds raised per Subscription Share upon completion of the Subscription is approximately HK\$0.133 per Subscription Share.

The aggregate nominal value of the Subscription Shares is HK\$0.31 million and on the terms and subject to the conditions set out in the Subscription Agreement.

The closing price of HK\$0.176 per Share as quoted on the Stock Exchange on the date of the Subscription Agreement.

The actual net proceeds raised from the Subscription was approximately HK\$41.1 million. As at 30 September 2024, the Group has utilised the net proceeds as follows:

	Intended use of net proceeds HK\$'000	Actual use of net proceeds up to 30 September 2024 HK\$'000	Unutilised net proceeds up to 30 September 2024 HK\$'000	Expected timeline for the intended use
Technical Renovation Projects	26,100	20,500	5,600	On or before June 2025
General Working Capital	15,000	4,800	10,200	On or before June 2025
	<u>41,100</u>	<u>25,300</u>	<u>15,800</u>	

Notes:

1. Details of Subscription is set out in the announcement dated 22 March 2024 of the Company.

MINERAL EXPLORATION, MINE DEVELOPMENT AND ORE MINING ACTIVITIES

Mineral Exploration and Mine Development

During the Reporting Period, Taizhou Mining completed certain mining development projects, including the excavation of approximately 8,264 meters of various tunnels, excavation of approximately 661 meters of slope supporting, excavation of approximately 991 meters of ore chute as well as excavation of approximately 2,479 meters for track laying and ditches.

During the Reporting Period, the Group's total expenditure for the mine development and mineral exploration amounted to approximately HK\$53.1 million.

Ore Mining

During the Reporting Period, the aggregate expenditure on the ore mining operation of the Group was approximately HK\$15.9 million.

PROSPECT

The future prospects may be reflected through the following planned actions:

- Continue exploration in the expanded permitted area to further enlarge our reserves and resources from the current levels, and thus the asset scale and mine's lifespan;
- Increase production capacity and improve its efficiency through continued technical renovation in mining, processing and refinery production line to substantially increase the matching mining and processing capacity which will also better match up the refinery scale;

- Identify, screen and complete acquisitions of mining and related assets of carefully selected targets;
- Initiate an innovative approach to tailing treatment which aims to turn the waste into a reusable material, helping sustainable operation and minimizing adverse impacts to the environment as well as to create new revenue source;
- Expand and diversify the Company business scope, by entering into new business sectors and/or new geological areas as and when appropriate.

With our business and capital market partners, the Company is confident for our promising future prospects and we will ultimately achieve the strategic goal of generating the returns our investors and shareholders expect.

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors or their respective close associates (as defined in GEM Listing Rules) have any interests in any business which compete or may compete with the Group or any other conflicts of interest with the Group.

AUDIT COMMITTEE

The Company established the audit committee of the Company (the “**Audit Committee**”) with written terms of reference that sets out the authorities and duties of the committee.

The Audit Committee comprises three independent non-executive Directors, namely Mr. Guo Wei (“**Mr. Guo**”), Mr. Lam Albert Man Sum (“**Mr. Lam**”) and Mr. Cheung Wai Hung (“**Mr. Cheung**”). Mr. Lam is the chairman of the Audit Committee.

The primary duties of the Audit Committee are to review the financial information of the Company, oversee the financial reporting process, risk management and internal control systems of the Group, maintain an appropriate relationship with the Company’s auditors and provide advice and comments to the Board.

The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Company for the six months ended 30 September 2024 and is of the view that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

PURCHASE, SALE OR REDEMPTION OF COMPANY’S LISTED SECURITIES

During the six months ended 30 September 2024, issue of 310,638,298 new ordinary shares on 24 April 2024 pursuant to the subscription agreement dated 22 March 2024 and issue of 1,130,434,782 new ordinary shares on 1 August 2024 pursuant to the exercise of the conversion rights attached to the Convertible Bonds issued by the Company.

Save as disclosed above, during the Reporting Period, neither the Company nor any of its subsidiaries has purchased or sold any of its listed securities.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “**Required Standard of Dealings**”). The Company also made specific enquiry with all Directors, and the Company was not aware of any non-compliance with the Required Standard of Dealings and its code of conduct regarding securities transactions by Directors during the Reporting Period.

CODE ON CORPORATE GOVERNANCE PRACTICE

The Company strives to attain and maintain the highest standard of corporate governance as it believes that effective corporate governance practices are fundamental to enhancing its corporate value and safeguarding shareholder interests.

The principles of corporate governance adopted by the Group emphasize a quality board, sound internal control, transparency and accountability to all its shareholders.

The Company has adopted the code provisions (the “**Code Provision(s)**”) set out in the Corporate Governance Code and Corporate Governance Report (the “**Code**”) set out in Appendix C1 to the GEM Listing Rules and the Company had complied with all Code Provisions as set out in the Code in the Reporting Period, except for the following deviation:

Code Provision A.2.1

Code Provision A.2.1 of the Code stipulates that the roles of the chairman and the chief executive should be separate and should not be performed by the same individual.

During the Reporting Period, the role of the chairman is performed by Dr. Li Dahong but the office of the chief executive officer is vacated. The Board will keep reviewing the current structure of the Board from time to time and should candidate with suitable knowledge, skill and experience be identified, the Company will make appointment to fill the post as appropriate.

SHARE OPTION SCHEME

The following is a summary of the principal terms of the Share Option Scheme approved and adopted by resolutions of the shareholders at the extraordinary general meeting held on 27 September 2021.

(1) Who may join?

(i) Any non-executive director including independent non- executive director of the Group or any entity in which the Group holds 30% or more of its equity interest (the “**Invested Entity**”); (ii) employee(s) (whether full time or part time employee(s), including any executive director but not any non-executive director) of the Group any Invested Entity; (iii) any supplier of goods or services to any member of the Group or any Invested Entity; (iv) any customer of the Group or any Invested Entity; (v) any consultant, adviser, agent and contractor engaged by the Group or any Invested Entity; and (vi) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity, provided that the Board shall have absolute discretion to determine whether one falls within the aforesaid categories (collectively, the “**Participants**”).

(2) Purpose

The purpose of the Share Option Scheme is to provide incentives or rewards to Participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any Invested Entity.

(3) Maximum number of shares subject to the share options

The number of share options (the “**Options**”) available for grant under the Share Option Scheme is 149,678,216. The Shares which may be issued upon exercise of the Options to be granted under the Share Option Scheme and other share option schemes of the Company (and to which the provisions of Chapter 23 of the GEM Listing Rules are applicable) shall not exceed 149,678,216 Shares (representing 10% of the aggregate of the Shares in issue as at the date of approval of the Share Option Scheme on 27 September 2021 (the “**Scheme Mandate Limit**”). The percentage of the issued share that it represents as at the date of this announcement is 2.0%.

The overall limit on the number of shares which shall be issued upon exercise of all outstanding options granted, and yet to be exercised, under the Share Option Scheme, and other share option schemes of our Company (and to which the provisions of Chapter 23 of the GEM Listing Rules are applicable), shall not exceed 30% of the Shares in issue from time to time (“**Scheme Limit**”).

(4) Maximum entitlement of each Participant

The maximum number of Shares issued and to be issued upon exercise of the Options granted to each Participant (including both exercised, cancelled and outstanding Options) in any 12-month period shall not exceed 1% of the total number of shares in issue. Any further grant of Options to any Participant must be separately approved by the shareholders in general meeting with such Participant and his associates abstaining from voting.

(5) Option period

The period within which the shares shall be taken up under an Option shall be a period to be notified by the Board to each grantee of the Option at the time of making an offer, which shall be determined by the Board in its absolute discretion at the date of grant of the relevant Option, but such period shall not expire later than 10 years from the date of grant of the relevant Option.

(6) Minimum period for which an option must be held before it can be exercised

The minimum period, if any, for which an Option must be held before it can be exercised shall be determined by the Board at its absolute discretion and notified by the Board to each grantee of the Option at the time of making an offer. Unless the Directors otherwise determined and stated in the offer of the grant of Options to a Participant, there is no minimum period for which an Option granted under the Share Option Scheme must be held before it can be exercised.

(7) Payment on acceptance of Option offer

An Option shall remain open for acceptance by the Participant concerned for a period of 28 days exclusive of the date on which the offer is made to the Participant. HK\$1.00 is payable by the grantee of the Option to the Company on acceptance of the offer of the Option.

(8) Subscription price

The subscription price shall be such price determined by the Board at its absolute discretion and notified to the Participant in the offer at the time of the offer, and shall be no less than the highest of:

- (a) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant of the relevant Option, which shall be a business day;
- (b) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant of the relevant Option; and
- (c) the nominal value of a Share on the date of grant of the relevant Option.

(9) Remaining life of the Share Option Scheme

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme becomes unconditional. The Share Option Scheme will expire on 26 September 2031.

SHARE OPTION SCHEME

Pursuant to a share option scheme adopted by the Company on 21 September 2021 (the “**Share Option Scheme**”), the Directors may, at their discretion, offer to employees, Directors of the Company or its subsidiaries and other eligible participants options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The exercise price of options is at least the highest of the nominal value of the shares, the closing price of the shares on the Stock Exchange on the date of grant and the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant.

As at the date of this announcement, the total number of shares available for issue under the Share Option Scheme was 89,806,930, representing 1.21% of the issued Shares of the Company.

As at 1 April 2024 and 30 September 2024, the total number of Options available for grant under the Share Option Scheme was 559,644 shares which represents 0.01% of the issued shares.

The number of shares that may be issued in respect of options granted under the Share Option Scheme of the Company during the Reporting Period in nil. represented approximately 0% of the weighted average number of ordinary shares in issue during the reporting period.

The movements in share options granted under the Scheme during the years ended 30 September 2024 are shown below:

Name of category of participants	Number of share options					At 30 September 2024	Date of granted	Validity period (Note 3)	Exercise price of share options HK\$ per share	Note
	At 1 April 2024	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period					
Director										
Li Dahong	23,948,516	–	–	–	–	23,948,516	31-8-23	31-8-23-30-8-33	0.117	1
Ma Xiaona	20,954,950	–	–	–	–	20,954,950	31-8-23	31-8-23-30-8-33	0.117	1
Guo Wei	2,993,564	–	–	–	–	2,993,564	31-8-23	31-8-23-30-8-33	0.117	1
Lam Albert Man Sum	2,993,564	–	–	–	–	2,993,564	31-8-23	31-8-23-30-8-33	0.117	1
Cheung Wai Hung	2,993,564	–	–	–	–	2,993,564	31-8-23	31-8-23-30-8-33	0.117	1
Sub-total	53,884,158	–	–	–	–	53,884,158				
Employees in aggregate	9,792,000		–	–	–	9,792,000	24-5-22	24-5-22-23-5-32	0.088	2
	5,987,128	–	–	–	–	5,987,128	31-8-23	31-8-23-30-8-23	0.117	1
Sub-total	15,779,128	–	–	–	–	15,779,128				
Consultant										
Billion Winning Holdings Ltd.	19,584,000	–	–	–	–	19,584,000	24-5-22	24-5-22-23-5-32	0.088	2
Total	89,247,286	–	–	–	–	89,247,286				

Notes:

- For all Options granted on 31 August 2023, the first 30% of the total Options can be exercised 3 years after the date of grant, and second 30% of the total Options will become exercisable in subsequent year. For the remaining Options, 40% can be exercised 5 years after the date of grant, exercise price was HK\$0.117. The closing price of the Shares immediately before 31 August 2023, the date that those Options were granted, was HK\$0.116.
- For all Options granted on 24 May 2022, the Options can be exercised 3 years after the date of grant, exercise price was HK\$0.088. The closing price of the Shares immediately before 24 May 2022, the date that those Options were granted, was HK\$0.088. Billion Winning Holding Ltd. is independent third party, for providing the Group in the area of business advisory services.
- The vesting period of Options are three years after Date of Grant. The Options are valid from the date of acceptance of the Options to ten years from Date of Grant.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2024, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”) which were recorded in the register required to be kept under section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “Required Standard of Dealings”) were as follows:

Name of Directors	Nature of interest	Number of ordinary shares of the Company interested	Number of underlying ordinary shares of the Company	Approximate percentage of shareholding
Dr. Li Dahong	Beneficial owner	–	23,948,516 (Note 1)	0.32%
Ms. Ma Xiaona	Beneficial owner	–	20,954,950 (Note 1)	0.28%
Mr. Cheung Wai Hung	Beneficial owner	–	2,993,564 (Note 1)	0.04%
Mr. Guo Wei	Beneficial owner	–	2,993,564 (Note 1)	0.04%
Mr. Lam Albert Man Sum	Beneficial owner	–	2,993,564 (Note 1)	0.04%
		–	53,884,158	0.73%

Note:

- Such interest was in the form of Options which granted on 31 August 2023.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Reporting Period were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

So far as is known to any Director or chief executives of the Company, as at the date of this interim report, the following persons (other than the Directors and chief executives of the Company whose interests are set out in the section “Directors’ and chief executives’ interests and short positions in Shares, underlying shares and debentures” above) had an interest or short position in the Shares or underlying shares which were recorded in the register required to be kept under Section 336 of the SFO:

Long Positions in Shares and Underlying Shares of the Company

Name	Capacity	Number and class of securities		
		Shares	Underlying Shares	Approximate % of the issued Shares
Ma Qianzhou (“Mr. Ma”)	Beneficial owner	4,029,354,894	–	54.24%
	Interest of spouse	179,613,860 (Note 1)	–	2.42%
Zhao Yuebing	Beneficial owner	179,613,860	–	2.42%
	Interest of spouse	4,029,354,894 (Note 1)	–	54.24%

Note:

1. Mr. Ma is the spouse of Ms. Zhao Yuebing. Mr. Ma and Ms. Zhao Yuebing is accordingly deemed to be interested in the Shares beneficially owned by each other under the SFO.

Save as disclosed above, as the date of this interim report, the Company had not been notified of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the Shares or underlying shares which were required to be kept under Section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available and within the knowledge of the Directors, the Company has maintained a sufficient public float as at the date of this announcement.

EVENTS AFTER THE REPORTING PERIOD

No significant events occurred subsequent to 30 September 2024 and up to the date of this announcement.

By Order of the Board
GT Gold Holdings Limited
Li Dahong
Chairman

Hong Kong, 12 November 2024

As at the date of this announcement, the Board comprises of Dr. Li Dahong (executive Director), Ms. Ma Xiaona (executive Director), Mr. Guo Wei (independent non-executive Director), Mr. Lam Albert Man Sum (independent non-executive Director) and Mr. Cheung Wai Hung (independent non-executive Director).

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange’s website at www.hkexnews.hk for at least seven days from the date of its publication and on the websites of the Company at <http://www.gt-gold.com/>.