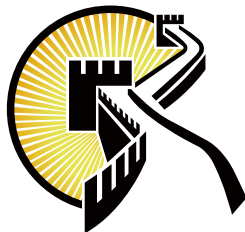


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PERSISTENCE RESOURCES GROUP LTD

集海資源集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2489)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

For the six months ended 30 June 2025, the Group's revenue was approximately RMB303,493,000 (30 June 2024: RMB236,173,000), representing an increase of approximately 28.5% as compared to the previous period.

For the six months ended 30 June 2025, the Group's net profit was approximately RMB85,501,000 (30 June 2024: RMB78,867,000), representing an increase of approximately 8.4% as compared to the previous period.

For the six months ended 30 June 2025, the profit attributable to owners of the parent was approximately RMB62,762,000 (30 June 2024: RMB57,284,000), representing an increase of approximately 9.6% as compared to the previous year.

For the six months ended 30 June 2025, the basic and diluted earnings per share attributable to ordinary equity holders of the parent amounted to approximately RMB3.14 cents (30 June 2024: RMB2.86 cents), representing an increase of 9.6% as compared to the previous period.

INTERIM DIVIDEND

On 29 August 2025, the Board declared an interim dividend of HK3.00 cents per ordinary share (30 June 2024: HK2.95 cents). The total payout for the interim dividend will amount to approximately HK\$60,000,000 (30 June 2024: HK\$59,000,000). The aforesaid interim dividend will be paid on 2 October 2025 to the shareholders (the “**Shareholders**”) of the Company whose names appear on the register of members of our Company at the close of business on 16 September 2025.

The board (the “**Board**”) of directors (the “**Directors**”) of Persistence Resources Group Ltd (the “**Company**”) is pleased to announce the consolidated unaudited results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**”), together with the unaudited comparative figures for the six months ended 30 June 2024 as set forth below.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	<i>Notes</i>	Six months ended 30 June	
		2025	2024
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
REVENUE	5	303,493	236,173
Cost of sales		<u>(147,982)</u>	<u>(110,693)</u>
Gross profit		155,511	125,480
Other income and gains		8,305	10,725
Administrative expenses		(31,514)	(19,445)
Other expenses		(633)	(586)
Finance costs		<u>(3,027)</u>	<u>(1,397)</u>
PROFIT BEFORE TAX	6	128,642	114,777
Income tax expense	7	<u>(43,141)</u>	<u>(35,910)</u>
PROFIT FOR THE PERIOD		<u>85,501</u>	<u>78,867</u>
Attributable to:			
Owners of the parent		62,762	57,284
Non-controlling interests		<u>22,739</u>	<u>21,583</u>
		<u>85,501</u>	<u>78,867</u>

		Six months ended 30 June	
		2025	2024
	Note	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
OTHER COMPREHENSIVE INCOME			
<i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translation of financial statements of subsidiaries		<u>7,567</u>	<u>(2,388)</u>
		7,567	(2,388)
<i>Other comprehensive income that may not be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translation of financial statements of the Company		<u>(9,019)</u>	<u>4,103</u>
		(9,019)	4,103
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		<u>(1,452)</u>	<u>1,715</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>84,049</u>	<u>80,582</u>
Attributable to:			
Owners of the parent		61,310	58,999
Non-controlling interests		<u>22,739</u>	<u>21,583</u>
		<u>84,049</u>	<u>80,582</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT FOR THE PERIOD			
Basic and diluted	9	<u>RMB3.14 cents</u>	<u>RMB2.86 cents</u>

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		30 June 2025	31 December 2024
	<i>Notes</i>	RMB'000	RMB'000
		(Unaudited)	(Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	498,275	343,899
Right-of-use assets		139,262	105,051
Intangible assets		379,364	110,341
Deferred tax assets		8,508	8,015
Other long-term assets		23,181	265
Goodwill		36,160	–
Total non-current assets		1,084,750	567,571
CURRENT ASSETS			
Inventories		23,739	18,040
Prepayments, other receivables and other assets		26,213	8,540
Restricted and pledged deposits		35,047	21,212
Cash and cash equivalents		655,053	639,599
Total current assets		740,052	687,391
CURRENT LIABILITIES			
Trade payables	11	24,402	11,501
Other payables and accruals		105,273	23,826
Interest-bearing bank borrowings		90,100	–
Lease liabilities		461	638
Tax payable		99,726	93,746
Provision		1,223	2,296
Current portion of other long-term liabilities		18,264	7,369
Total current liabilities		339,449	139,376
NET CURRENT ASSETS		400,603	548,015
TOTAL ASSETS LESS CURRENT LIABILITIES		1,485,353	1,115,586

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT LIABILITIES		
Provision	48,661	27,299
Interest-bearing bank borrowings	84,650	–
Other long-term liabilities	83,976	17,510
Deferred tax liabilities	93,576	17,210
Lease liabilities	466	108
	<hr/>	<hr/>
Total non-current liabilities	311,329	62,127
	<hr/>	<hr/>
NET ASSETS	1,174,024	1,053,459
	<hr/>	<hr/>
EQUITY		
Equity attributable to owners of the parent		
Share capital	18,172	18,172
Reserves	945,896	865,292
	<hr/>	<hr/>
	964,068	883,464
	<hr/>	<hr/>
Non-controlling interests	209,956	169,995
	<hr/>	<hr/>
TOTAL EQUITY	1,174,024	1,053,459
	<hr/>	<hr/>

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASHFLOW

		Six months ended 30 June	
		2025	2024
	Notes	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		128,642	114,777
Adjustments for:			
Finance costs		3,027	1,397
Depreciation of items of property, plant and equipment	6	26,404	21,383
Depreciation of right-of-use assets	6	4,995	5,160
Amortisation of intangible assets	6	3,477	3,652
		166,545	146,369
Decrease in inventories		3,520	4,539
Decrease in prepayments, other receivables and other assets		6,299	3,393
Increase in trade payables		1,799	636
Increase in restricted and pledged bank deposits		(1,781)	(1,664)
Decrease in other payables and accruals		(62,887)	(7,404)
Cash generated from operations		113,495	145,869
Tax paid		(38,942)	(37,811)
Net cash flows from operating activities		74,553	108,058
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of items of property, plant and equipment		(51,708)	(30,644)
Additions to intangible assets		–	(314)
Additions to right-of-use assets		–	(2,608)
Net acquisition cost for a subsidiary		(6,708)	–
Advances of loans to third parties		(2,300)	–
Repayment of loans from third parties		1,000	–
Net cash flows used in investing activities		(59,716)	(33,566)

Six months ended 30 June

2025	2024
RMB'000	RMB'000
(Unaudited)	(Unaudited)

CASH FLOWS FROM FINANCING ACTIVITIES

Payment of listing expenses	–	(936)
Repayment of other long-term liabilities	(507)	(221)
Interest paid	(1,365)	(572)
New bank and other loans	114,800	–
Repayment of bank and other loans	(104,861)	–
Dividends paid to non-controlling interests	(25,000)	(10,000)
Contribution from non-controlling shareholders	19,294	10,000
Principal portion of lease payments	(292)	–

Net cash flows from/(used in) financing activities	2,069	(1,729)
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**NET INCREASE IN CASH AND CASH
EQUIVALENTS**

16,906	72,763
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Cash and cash equivalents at the beginning of period	639,599	586,840
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Effects of exchange rate changes on cash and cash equivalents	(1,452)	1,715
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**CASH AND CASH EQUIVALENTS AT THE END
OF PERIOD**

655,053	661,318
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**ANALYSIS OF BALANCES OF CASH AND CASH
EQUIVALENTS**

Cash and cash equivalents	655,053	661,318
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**CASH AND CASH EQUIVALENTS AS STATED
IN THE CONSOLIDATED STATEMENTS OF
FINANCIAL POSITION AND STATEMENTS OF
CASH FLOWS**

655,053	661,318
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NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2025

1. CORPORATE AND GROUP INFORMATION

Persistence Resources Group Ltd (the “**Company**” or “**Group**”) is a limited liability company incorporated in the Cayman Islands. The address of the registered office of the Company is PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company and its subsidiaries (collectively referred to as the “**Group**”) were involved in the mining, processing and sale of gold bullion in the People’s Republic of China (the “**PRC**”).

In the opinion of the directors, the holding company of the Company is Majestic Gold Corp., which was incorporated in the province of British Columbia, Canada.

Information about subsidiaries

Particulars of the Company’s subsidiaries are as follows:

Name	Place of incorporation/ registration and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Majestic Yantai Gold Ltd.*	British Virgin Islands	USD50,000	100%	–	Investment holding
PRG Res Holding 1 Ltd.*	British Virgin Islands	USD50,000	100%	–	Investment holding
PRG Res Holding 2 Ltd.*	British Virgin Islands	USD50,000	100%	–	Investment holding
煙台中嘉礦業有限公司 Yantai Zhongjia Mining Co., Ltd. (“Yantai Zhongjia”) **	PRC/Mainland China	RMB228,705,500	–	75%	Mining, processing and sale of gold
PRG Res HK 1 Limited**	Hong Kong	HKD1	–	100%	Investment holding
PRG Res HK 2 Limited**	Hong Kong	HKD1	–	100%	Investment holding
集海資源企業管理(深圳) 有限公司 Jihai Resources Enterprise Management (Shenzhen) Co., Ltd. **	PRC/Mainland China	RMB5,000,000	–	100%	Investment holding
煙台市牟金礦業有限公司 Yantai City Mujin Mining Company Limited (“Yantai Mujin”) **	PRC/Mainland China	RMB79,500,000	–	52%	Mining, processing and sale of gold

* This company is a wholly-owned subsidiary of the Company.

** This company is a subsidiary indirectly owned by the Company.

The English name of the subsidiary registered in the PRC represents the best efforts made by management of the Company to translate the Chinese name of this company as it does not have an official English name.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024. The Interim Financial Information is presented in Renminbi ("RMB"), and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period's financial information.

Amendments to IAS 21

Lack of Exchangeability

The nature and impact of the amended IFRS Accounting Standard are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

4. OPERATING SEGMENT INFORMATION

For management purpose, the Group has one reportable operating segment which is mining and processing gold that is ultimately sold as gold bullion. Management monitors the operating results of its business units as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

No geographical information is presented as the Group's revenue from the external customers is derived solely from its operation in Mainland China and no non-current assets of the Group are located outside Mainland China.

Information about the major customer

Revenue from the major customer is set out below:

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Customer A	303,493	236,173

5. REVENUE

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	303,493	236,173

Disaggregated revenue information for revenue from contracts with customers

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Types of goods or services		
Sale of gold bullion	303,493	236,173
Timing of revenue recognition		
Recognised at a point in time	303,493	236,173

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Cost of inventories sold	147,982	110,693
Depreciation of property, plant and equipment*	26,404	21,383
Depreciation of right-of-use assets*	4,995	5,160
Amortisation of intangible assets*	3,477	3,652
Research and development costs	6,763	4,169

* The depreciation of property, plant and equipment, depreciation of right-of-use assets and amortisation of intangible assets for the period is included in "Cost of sales" and "Administrative expenses" in the consolidated statement of profit or loss and other comprehensive income.

7. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and British Virgin Islands, the Company and its subsidiary incorporated in the Cayman Islands and British Virgin Islands, respectively, are not subject to any income tax.

The subsidiaries of the Group operating in Mainland China were generally subject to the PRC corporate income tax at a rate of 25% for the period.

	For the six months ended 30 June	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Current tax:		
PRC corporate income tax	43,880	33,615
Deferred tax	(739)	2,295
Total tax charge for the period	<u>43,141</u>	<u>35,910</u>

A reconciliation of income tax expense applicable to profit before tax at the statutory tax rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled to the income tax expense at the effective income tax rate is as follows:

	For the six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Profit before tax	128,642	114,777
At the statutory income tax rate of 25%	32,161	28,694
Effect of tax rate differences in other jurisdictions	777	410
Effect of withholding tax at 10% on the distributable profits of the Group's PRC subsidiaries	6,293	5,828
Expenses not deductible for tax	2,532	978
Unrecognized deductible losses	1,378	–
Total	43,141	35,910

8. DIVIDEND

On 29 August 2025, the board of directors declared an interim dividend of HK3.00 cents (six months ended 30 June 2024: HK2.95 cents) per ordinary share, amounting to a total of approximately HK\$60,000,000 (six months ended 30 June 2024: HK\$59,000,000). The interim dividend has not been recognised as a liability at the end of the reporting period.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 2,000,000,000 (for the six months ended 30 June 2024: 2,000,000,000) in issue during the period used in the calculation is the number of ordinary shares in issue during the period.

The calculation of basic earnings per share is based on:

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation: (RMB'000)	62,762	57,284
Number of shares		
	2025	2024
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation:	2,000,000,000	2,000,000,000

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired assets of property, plant and equipment at a total cost of RMB32,712,000 (for the six months ended 30 June 2024: RMB29,563,000), excluding property, plant and equipment acquired through a business combination.

There was no assets disposed of by the Group during the six months ended 30 June 2025 (for the six months ended 30 June 2024: nil), resulting in no net gain on disposal (for the six months ended 30 June 2024: nil).

The ownership certificates of certain property, plant and equipment with an aggregate net carrying value of RMB6,140,000 (for the six months ended 30 June 2024: RMB2,010,000) have not yet been obtained as at 30 June 2025, of which RMB4,291,000 were acquired through a business combination.

11. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	As at 30 June 2025 <i>RMB'000</i> (Unaudited)	As at 31 December 2024 <i>RMB'000</i> (Audited)
Within one year	23,356	11,501
1 to 2 years	1,046	–
Total	24,402	11,501

The trade payables are non-interest-bearing and normally settled in 30 to 90 days.

MANAGEMENT DISCUSSION AND ANALYSIS

I. Results for the Six Months Ended 30 June 2025

Gold Production

For the Reporting Period, the Group's total gold production volume (after smelting) was approximately 446.04 kg (or approximately 14,340.49 ounces), representing a decrease of approximately 1.7% as compared to the corresponding period of 2024. The decrease in gold production was mainly due to the slope management work reinforced by Shandong Provincial Emergency Management Department and Shandong Bureau of the State Mine Safety Supervision Administration ("**Safety Bureau**") after carrying out the Yantai Audit-Style Support and Supervision Programme for safety inspection in mid-February 2025. However, the decrease in production volume was partially improved by the inclusion of production from Yantai City Mujin Mining Co., Ltd. ("**Yantai Mujin**"), which was acquired and consolidated into the Group's financial statements at the end of February 2025.

Revenue

For the Reporting Period, the Group's revenue was approximately RMB303,493,000 (corresponding period of 2024: RMB236,173,000), representing an increase of approximately 28.5% as compared to the corresponding period of 2024. The increase was mainly due to a higher average selling price of approximately 34.2%, partially offset by the decrease in sales volume by 4.3%.

Net Profit

For the Reporting Period, the Group's net profit was approximately RMB85,501,000 (corresponding period of 2024: RMB78,867,000), representing an increase of approximately 8.4% as compared to the corresponding period of 2024. The increase in net profit was primarily due to the increase in gross profit as a result of increase in revenue, partially offset by the increase in cost of sales, a decrease in interest income on the Group's cash and cash equivalent balances and an increase in research and development expenses and the administrative expenses of Yantai Mujin.

Earnings Per Share

For the Reporting Period, the basic and diluted earnings per share attributable to ordinary equity holders of the parent amounted to approximately RMB3.14 cents, (basic and diluted earnings per share for the corresponding period of 2024: RMB2.86 cents), representing an increase of 9.6% as compared to the corresponding period of 2024.

II. Market Overview

During the Reporting Period, the continuous swinging U.S. foreign and economic policy and the geopolitical risks have become more severe and complicated, bringing many uncertain impacts to the global economy. However, gold prices have rallied significant in the first half of the year. The increase in gold demand in the first half of 2025 as compared with 2024 was mainly attributed to a weaker U.S. Dollars and lower U.S. interest rate and the economic and geopolitical uncertainties.

In the first half of 2025, the global gold spot price peaked at approximately US\$3,500 per ounce in April, slowed down significant in June under the influence of the fairly stable situation in the Russia-Ukraine war and the Middle East (Israel-Hamas) war and the expectation of the Federal Reserve's interest rate cut. The average global gold spot price was approximately US\$3,070 per ounce in the first half of 2025. The rise in gold spot price was primarily driven by the economic and geopolitical uncertainty, the unpredicted US trade policy and strong buying from various central banks. Gold as a traditional safe-haven asset, the gold spot price has further increased in China since the China Central Bank has been continuing its gold purchasing power due to the risks associated with the economic outlook and in particular the impact from the US tariff policy. China's gold spot price continued to rise in the first half of 2025, reaching the highest price at approximately RMB827 per gram in the second quarter and the average gold spot price was approximately RMB720 per gram in the first half of 2024.

Shifting geopolitical conflicts in the Russia-Ukraine war and the Middle East (Israel-Hamas) war, rapidly changing monetary policy expectations and U.S. recession probabilities as well as escalating concerns regarding U.S. debt and weakening U.S. dollars and the long term trend of central bank purchasing will still support the gold prices in the near future.

III. Business Review

In the first half of 2025, the gold production volume (after smelting) of the Group was approximately 446.04 kg (equivalent to approximately 14,340.49 ounces), representing a decrease of approximately 7.67 kg (equivalent to approximately 246.53 ounces) or 1.7% as compared with the corresponding period of 2024. The decrease in gold production was mainly due to the slope management work reinforced by Safety Bureau after carrying out the Yantai Audit-Style Support and Supervision Programme for safety inspection in mid-February 2025. However, the decrease in production volume was partially improved by the inclusion of production from Yantai Mujin, which was acquired and consolidated into the Group's financial statements at the end of February 2025. Nevertheless, the Group's revenue increased by approximately 28.5% to approximately RMB303,493,000 (corresponding period of 2024: RMB236,173,000) as compared with the corresponding period of 2024. The net profit of the Group was approximately RMB85,501,000 (corresponding period of 2024: RMB78,867,000), representing an increase of approximately 8.4%. The basic and diluted earnings per share amounted to approximately RMB3.14 cents (corresponding period of 2024: RMB2.86 cents).

For the six month ended 30 June 2025, Yantai Mujin had completed a concealed hazard exploration program for a total of 22 drill holes at the Chahe Underground Mine for preliminary preparation work to accommodate the planned production in the year 2028. The total contract sum for this exploration program was approximately RMB3,550,000 and was recorded as other long-term assets in the interim condensed consolidated statements of financial position. Save as foresaid, the cost of sales was directly attributable to the expenditure incurred on mining production activity. This amount of cost of sales was presented in the interim condensed consolidated statement of profit or loss and other comprehensive income on page 3 in this announcement.

IV. Financial Analysis

Revenue

For the Reporting Period, the Group's revenue was approximately RMB303,493,000 (corresponding period of 2024: RMB236,173,000), representing an increase of approximately 28.5% as compared to the corresponding period of 2024. The increase was mainly attributable to the increase in average selling price by 34.2%, partially offset by the decrease in sales volume by 4.3%.

Cost of Sales

For the Reporting Period, the Group's cost of sales was approximately RMB147,982,000 (corresponding period of 2024: RMB110,693,000), representing an increase of approximately 33.7% as compared to the corresponding period of 2024. The increase was attributed to several factors including the cost of sales for inclusion of Yantai Mujin, an increase in tailing processing fees, open pit and underground mine safety production expense, depreciation expenses, and resources tax.

Gross Profit and Gross Profit Margin

For the Reporting Period, the Group's gross profit was approximately RMB155,511,000 (corresponding period of 2024: RMB125,480,000), representing an increase in gross profit of approximately 23.9%. The increase in gross profit was primarily due to the increase in average selling price.

For the Reporting Period, the Group's gross profit margin was approximately 51.2% (corresponding period of 2024: 53.1%), representing a decrease in gross profit margin of approximately 1.9% as compared to the corresponding period of 2024. The decrease was mainly attributable to the increase in average selling price by 34.2%, offset by the increase in cost of sales by 33.7%.

Other Income and Gains

For the Reporting Period, the Group's other income and gains were approximately RMB8,305,000 (corresponding period of 2024: RMB10,725,000), representing a decrease of approximately 22.6% as compared to the corresponding period of 2024. The decrease in other income and gains was mainly due to the decrease in interest income earned on the Group's cash and cash equivalent balances as most of the Net Proceeds from the Global Offering have been nearly utilized.

Administrative Expenses

The Group's administrative expenses were approximately RMB31,514,000 during the Reporting Period (corresponding period of 2024: RMB19,445,000), representing an increase of approximately 62.1% as compared to the corresponding period of 2024. The increase of administrative expenses was mainly due to the back payment for soil and water conservation compensation fee to the State Taxation Administration, the increase in legal and professional fee for the acquisition of Yantai Mujin as well as the increase in research and development expenses which were included in the administrative expenses.

Other Expenses

For the Reporting Period, the Group's other expenses were approximately RMB633,000 (corresponding period of 2024: RMB586,000), representing an increase of approximately 8.0% as compared to the corresponding period of 2024.

Finance Costs

For the Reporting Period, the Group's finance costs were approximately RMB3,027,000 (corresponding period of 2024: RMB1,397,000), representing an increase of approximately RMB1,630,000 as compared to the corresponding period of 2024. The increase was mainly due to the increase in interest expenses for interest-bearing bank borrowings of Yantai Mujin.

Income Tax Expense

For the Reporting Period, the Group's income tax expense was approximately RMB43,141,000 (corresponding period of 2024: RMB35,910,000), representing an increase of approximately 20.1% as compared to the corresponding period of 2024. The increase was primarily due to the increase in profit before tax of the Group. During the Reporting Period, the corporate income tax within the territory of the PRC has been provided at a rate of 25% (corresponding period of 2024: 25%) on the taxable income. The effective tax rate of the Group was approximately 33.5% during the Reporting Period (corresponding period of 2024: approximately 31.3%). The increase in the effective tax rate was mainly due to the additional tax expenses arising out of the tax adjustments before the annual tax settlement in April 2025.

Profit Attributable to Owners of the Parent

For the Reporting Period, the Group's profit attributable to the owners of the parent was approximately RMB62,762,000, representing an increase of approximately 9.6% from approximately RMB57,284,000 for the corresponding period of 2024. The increase was mainly due to the increase in the profit after tax.

Liquidity and Capital Resources

The cash and cash equivalents of the Group were RMB655,053,000 as at 30 June 2025 (31 December 2024: approximately RMB639,599,000). The Group will continue to maintain a healthy liquidity position to fund its business development.

Cash Flows and Working Capital

The Group's cash and cash equivalents have increased from approximately RMB639,599,000 as at 31 December 2024 to approximately RMB655,053,000 as at 30 June 2025. The increase was mainly due to net cash generated from the Group's operating activities. The Group's working capital as at 30 June 2025 was RMB400,603,000, compared to RMB548,015,000 as at 31 December 2024.

As at 30 June 2025, the cash and cash equivalents of the Group denominated in Hong Kong dollars amounted to approximately RMB53,422,000 (31 December 2024: RMB171,204,000), those denominated in Canadian dollars amounted to approximately RMB639,000 (31 December 2024: RMB605,000), those denominated in United States dollars amounted to approximately RMB106,372,000 (31 December 2024: RMB65,983,000). All other cash and cash equivalents held by the Group are denominated in RMB.

Bank Borrowings

As at 30 June 2025, the Group had outstanding bank borrowings of approximately RMB174,750,000 (31 December 2024: Nil), all of which were denominated in RMB. As at 30 June 2025, 100% of the interest-bearing bank loans held by the Group were at fixed interest rates.

Gearing Ratio

The Group monitors capital using gross gearing ratio which is total debt divided by total equity and net gearing ratio which is net debt divided by total capital plus net debt. Total debt includes interest bearing bank borrowings. Net debt includes interest-bearing bank borrowings, trade payables, financial liabilities included in other payables and accruals, and other long-term liabilities, less cash and cash equivalents. Capital represents equity attributable to owners of the parent.

As at 30 June 2025, the gross gearing ratio was approximately 14.9% (31 December 2024: Nil). As at 30 June 2025 and 31 December 2024, the Group's cash and cash equivalents exceeded the financial liabilities. As such, no net gearing ratio as at 30 June 2025 and 31 December 2024 was presented.

Market Risks

The Group is exposed to a variety of financial risks such as interest rates risk, credit risk, foreign currency risk and liquidity risk. Generally, the Group introduces conservative strategies on its risk management. The Group has not used any derivatives and other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes.

Gold Prices and Other Commodities Prices Risks

The Group's revenue and profit were affected by fluctuations in the gold prices and other commodity prices as all of our products were sold at market prices and such fluctuations in prices were beyond our control. Our revenue is generated from the sale of gold bullion smelted by third party smelters derived from gold concentrate processed by us, with reference to the prevailing Au (T+D) spot price as quoted on the Shanghai Gold Exchange. Historically, while the gold price has increased in value over time, it has fluctuated widely and there can be no assurance that the gold price will not continue to fluctuate in the future or that such prices will otherwise remain at sufficiently high levels to support our profitability and cash flow.

Interest Rate Risk

The Group's exposure to risk for changes in market interest rates relates primarily to the Group's interest-bearing bank borrowings. The Group had not used any derivative financial instruments to hedge interest rate risk during the Reporting Period, and obtains all bank borrowings with a fixed rate.

Credit Risk

The Group trades only with recognised and creditworthy customers with no requirement for collateral. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In order to minimise the credit risk, the Group reviews the recoverable amount of each individual trade receivable periodically and management also has monitoring procedures to ensure the follow-up action is taken to recover overdue receivables. The balances of trade receivables were nil as at 30 June 2025 and as at 31 December 2024. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Foreign Exchange Risk

The Group's transactions are mainly denominated in Renminbi. As such, the fluctuations in exchange rates may affect international and domestic gold prices, which may therefore affect the Group's operating results. The Group has currency exposures mainly arising from cash at banks denominated in USD and CAD. At present, the Group does not intend to seek to hedge its exposure to foreign exchange fluctuations. The Group constantly monitors the economic situation and the Group's foreign exchange risk profile and will consider appropriate hedging measures in the future should the need arise.

Risk of Change in Industry Policies

An array of laws, regulations and rules on the gold mining and refining industry in China constitutes the external regulatory and legal environment for the Company's ordinary and continuous operation and have great influence on the Company's business development, production and operation (including licences and permits), etc. Changes in relevant industry policies may have corresponding effects on the Company's production and operation.

Pledge

As at 30 June 2025, RMB35,047,000 (31 December 2024: RMB21,212,000) of pledged deposits represented environmental rehabilitation deposits placed in banks for environmental rehabilitation of land the Group developed for the mine as required under the relevant PRC laws and regulations. Furthermore, certain of the Group's mining right and land title deed with a net carrying amount of approximately RMB113,479,000 (31 December 2024: nil) were pledged to secure banking facilities granted to the Group.

Contractual Obligations

As at 30 June 2025, the Group's total capital commitments in respect of the contracted costs which were not provided for in the financial statements were RMB5,040,000 (31 December 2024: Nil).

Commitment

As at 30 June 2025, the Group's total capital commitments in respect of the contracted costs which were not provided for in the financial statements were RMB5,040,000 (31 December 2024: Nil).

V. Business Prospects

The gold market in the second half of 2025 is expected to be influenced by a combination of macroeconomic factors, geopolitical events, and investor behavior including but not limited to the US monetary policy, geopolitical risk in the Middle East and Eastern Europe, Central Bank demand and US Dollar strength. While investment bankers forecast vary, however many expect gold to remain in demand as a safe haven asset and store of value and thus the price may expect to rise in the second half of the year. China's gold market is expected to experience strong investment demand, driven by geopolitical risks and consistent purchases by the People's Bank of China as reserve in the second half of the year. Gold prices are projected to remain high and potential volatility ahead.

In June 2025, the Group has completed the mining infrastructure in accordance with the mining optimization plan as disclosed as mentioned in the heading of Future Plans and Use of Proceeds of our Prospectus dated 14 December 2023. Further to the Yantai Audit-Style Support and Supervision Programme for safety inspection launched in mid-February 2025, the Group have accepted the proposal from the Safety Bureau and will continue the slope management work of our Open Pit as recommended by the Safety Bureau in the second half of the year. Furthermore, due to the prevailing slow recovering economy in particular in the property and infrastructure market in China, the Group needs more time to arrange other contractors to remove the excess gross waste rock which will affect the normal mining of high grade ore. In this regard, the Group will revise our production plan in the coming months and expect that the overall production volume may be decreased.

In December 2024, the Company has completed the exploration work as disclosed in the heading of Future Plans and Use of Proceeds of our Prospectus dated 14 December 2023. In the meantime, SRK has been appointed to further analyze on the assay results of the exploration work. Together with the completion of the mining infrastructure for bench construction as mentioned in the Use of Proceeds from Global Offering section, SRK will make recommendation for optimizing production utilization plan by the end of 2025.

On 28 July 2025, the Company has made an Insider Information – Suspension of Production of Denggezhuang Underground Mine (the “**DGZ Mine**”) Announcement of Yantai Mujin. Recently, Yantai Mujin has completed all corrective actions and submitted a rectification report as required by the investigation team. It is currently awaiting a response from the Safety Bureau regarding when production can resume. Based on our available information, the Group estimated that suspension cost of DGZ mine was approximately RMB3,671,000 since the date of the suspension of production up to the date of this announcement. At this juncture and subject to the resumption of production of DGZ mine, the Company believes that the suspension of production of DGZ mine has no material impact on the results of the Group as the two major mines, Songjiagou Open-Pit Mine and Songjiagou Underground Mine have been resumed normal operation after safety inspection by Safety Bureau.

VI. Use of Proceeds from Global Offering

Reference is made to the announcement dated 23 August 2024 in relation to, among other things, change in use of the Net Proceeds from the Global Offering (“**the UOP Announcement**”). Unless otherwise specified, capitalised terms used in this section shall have the same meanings as those defined in the UOP Announcement.

The shares of the Company were listed on the Hong Kong Stock Exchange on 22 December 2023 and the Company obtained net proceeds of approximately HK\$218.3 million (after deducting the underwriting commissions and other expenses in connection with the exercise of the Global Offering).

For the period from the listing date (being 22 December 2023) up to 30 June 2025, the Company has utilized approximately HK\$201.2 million of the net proceeds raised from the Global Offering and the unutilised portion of the Net Proceeds amounted to approximately HK\$17.1 million.

Details of the original and the Revised Allocation of the Net Proceeds as at 30 June 2025 are as follows:

Business objective as stated in the Prospectus	% of the Net Proceeds	Actual amount available for utilisation <i>HK\$ million</i>	Utilised amount as of 30 June 2025 <i>HK\$ million</i>	Unutilised Net Proceeds as of 30 June 2025 <i>HK\$ million</i>	Expected timeline for utilisation
Further construction of mining infrastructure in accordance with the mine optimisation plan of the Group	20.4%	44.5	44.5	–	By June 2025
Upgrade gold reserves to increase LoM through additional exploration activities at the existing mine area of the Group	2.0%	4.4	4.4	–	By February 2025
Expand the business of the Group through selective acquisitions of gold mining assets	67.6%	147.6	130.5	17.1	By February 2025 (<i>note</i>)
Working Capital	10.0%	21.8	21.8	–	By December 2025
Total	100.0%	218.3	201.2	17.1	

Note: Due to the delay in obtaining the final approval from local government by a Yantai Mujin shareholder, we injected the share capital into Yantai Mujin for fully utilized the net proceeds for the acquisition of 52% equity share of Yantai Mujin in July 2025 instead of the original expected timeline in February 2025. At the date of this announcement, all the Net Proceeds have been completely utilized.

VII. Other Matters

SHARE OPTION SCHEME

References are made to the annual report of the Company for the year ended 31 December 2024 (the “**Annual Report**”) and the announcement of the Company dated 11 July 2025 (the “**Announcement**”). Unless otherwise stated, capitalised terms used in this section shall have the same meanings as those defined in the Annual Report and the Announcement.

The Share Option Scheme was conditionally adopted on 30 November 2023 and shall be valid until 30 November 2033. The Share Option Scheme is established to recognise and acknowledge the contributions the eligible participants have had or may have made to the

Group. The Share Option Scheme will provide the eligible participants an opportunity to have a personal stake in the Company with the view to achieving the following objectives: (i) motivating the eligible participants to optimise their performance and efficiency for the benefit of the Group; and (ii) attracting and retaining or otherwise maintaining on-going business relationships with the eligible participants whose contributions are or will be beneficial to the Group.

The Company would like to provide the following additional information pursuant to rules 17.09(6) and 17.09(8) of the Listing Rules in relation to the Share Option Scheme.

Time of exercise of an option

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted. Subject to any vesting period applicable to share options as determined by the Board, the Share Option Scheme does not provide for a minimum period for which an option must be held before it can be exercised.

Basis of determining the exercise price of an option

The exercise price of the share options per Share shall be determined by the Board in its absolute discretion but in any event shall not be less than the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the business day on which the share options are granted;
- (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date on which the share options are granted; and
- (iii) the nominal value of the Shares.

As at 1 January 2024 and 31 December 2024, the total number of Shares available for grant under the Share Option Scheme was 200,000,000, representing 10% of the issued Shares. As at the date of the Annual Report, the total number of shares available for issue under the Share Option Scheme was 200,000,000, representing 10% of the issued Shares.

The Company did not grant any share options under the Share Option Scheme to any persons during the Reporting Period that is required to be disclosed under rule 17.07 of the Listing Rules.

On 11 July 2025, the Company granted a total of 21,000,000 options (representing approximately 1.05% of the total Shares in issue (excluding any treasury Shares) as at the date of this announcement) to certain directors and employees participants in accordance with the terms of the Share Option Scheme.

As at the date of this announcement, the total number of Shares available for issue under the Share Option Scheme was 200,000,000, representing 10% of the issued Shares. For details, please refer to the Announcement. The Company will make further disclosure in the 2025 annual report as required by rule 17.07 of the Listing Rules.

OVERVIEW OF SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

The Group did not have other plans for material investments or capital assets, or any other significant investments, acquisitions and disposals during the Reporting Period.

DETAILS OF SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed above, there have been no other material events occurring after the Reporting Period and up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

For the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Save as disclosed below, during the Reporting Period and up to the date of this announcement, the Company had complied with the code provisions of the Appendix C1 to the Listing Rules (collectively, the “**CG Code**”). No Director is aware of any information that reasonably reveals that there was any non-compliance with the code provisions of the CG Code by the Company at any time during the Reporting Period, except for certain deviations as specified with considered reasons for such deviations which are explained below.

Chairman and Chief Executive Office

Under code provision C.2.1 of the CG Code, the roles of the chairman of the Board (the “**Chairman**”) and chief executive officer (the “**CEO**”) of the Company should be separated and should not be performed by the same individual.

The Company has not separated the roles of Chairman and the CEO. Dr. Shao Xuxin (“**Dr. Shao**”) was the Chairman and also the CEO and is responsible for overseeing the operations of the Group. In view of the fact that Dr. Shao has been operating and managing the Group since 2019, the Board believes that it is in the best interests of the Group to have Dr. Shao taking up both roles for effective management and business development. The Board also

believes that vesting the roles of both Chairman and CEO in the same person has the benefit of ensuring the consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. Although Dr. Shao performs both roles of Chairman and CEO, the division of responsibilities between the two roles is clearly established. While the Chairman is responsible for supervising the functions and performance of the Board, the CEO is responsible for the management of the Group's business. The Board considers that the balance of power and authority for the present arrangement will not be impaired given the appropriate delegation of the power of the Board to the Senior Management for the day-to-day management of the Group, and the effective functions of the independent non-executive Directors representing at least one-third of the Board such that no one individual has unfettered power of decisions. This structure will also enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of Chairman and CEO at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole. The Directors will review the corporate governance policies regularly to ensure compliance with the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE “MODEL CODE”)

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. After making specific enquiries with all Directors, all Directors confirmed that they have fully complied with the standards required according to the Model Code set out in Appendix C3 to the Listing Rules during the Reporting Period and up to the date of this announcement. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Group throughout the period from the Listing Date to the date of this announcement.

AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with the Listing Rules. The primary duties of the Audit Committee are to (i) review and supervise the Group's financial reporting process and internal control system of the Group, risk management and internal audit; (ii) provide advice and comments to the Board and perform other duties and responsibilities as may be assigned by the Board.

The Audit Committee consists of three independent non-executive Directors, namely Mr. Chan Ngai Fan, Dr. Malaihollo Jeffrey Francis A and Dr. Zeng Ming. Mr. Chan Ngai Fan serves as the chairperson of the Audit Committee. The Audit Committee has reviewed the unaudited consolidated interim financial statements of the Group as set out in this results announcement for the Reporting Period and formed the view that the unaudited consolidated interim financial statements have been prepared in accordance with applicable accounting standards and requirements and appropriate disclosures were made.

INTERIM DIVIDEND

On 29 August 2025, the Board declared an interim dividend of HK3.00 cents per ordinary share (30 June 2024: HK2.95 cents). The total payout for the interim dividend will amount to approximately HK\$60,000,000 (30 June 2024: HK\$59,000,000). The aforesaid interim dividend will be paid on 2 October 2025 to the Shareholders whose names appear on the register of members of our Company at the close of business on 16 September 2025.

The Company has adopted a dividend policy in recommending dividends, to allow the Shareholders to participate in the Company's profits and for the Company to retain adequate reserves for future growth. The Board wishes to inform the Shareholders that on 28 August, 2025, the Board approved the amendment of the Company's Dividend Policy (the "**Amended Dividend Policy**"). The main contents of the Amended Dividend Policy are summarised below:

1. The Company intends to distribute interim cash dividends to the Shareholders for a year if the net profit attributable to equity holders and accumulated undistributed profits for the previous year are positive and the Company's cash flow can satisfy the Company's normal operations and sustainable development. The percentage of cash dividend will be calculated with reference to 30% of the net profit attributable to equity holders for the previous year.
2. It is anticipated that these distributions will be declared semi-annually following the announcement of the half-year results. Dividends will be declared and paid in Hong Kong dollars. The Board shall also take into account the following factors of the Group when considering the declaration and payment of dividends, *inter alia*:
 - (a) the actual and expected financial performance and the financial results;
 - (b) the actual and available surplus and working capital;
 - (c) the expected working capital requirements and cash flow required for the future expansion plans;
 - (d) the debt-to-equity ratios and the debt level;
 - (e) any restrictions on payment of dividends that may be imposed by the lenders;
 - (f) the general economic conditions, business cycle and other internal and external factors that may have an impact on the business conditions or financial performance, the strategies and the financial position of the Company;
 - (g) the future operations and earnings; and
 - (h) any other conditions or factors that the Board deems relevant.

Any final or special dividends must be approved by the Shareholders at a general meeting and must not exceed the amount recommended by the Board. The Board may from time to time pay to the Shareholders any interim dividends as appear to the Directors to be justified by the profits of the Group. Once declared interim dividends in a year, the Board may not declare further final or special dividends within the same year.

The form, frequency and amount of dividend payment by the Company are subject to any restrictions under the Companies Act (as revised), of the Cayman Islands, Companies Ordinance (Cap. 622 of the Laws of Hong Kong), the Listing Rules, the Articles, any other applicable laws and regulations and any other financial covenants imposed by financial institutions. Save as aforesaid, the Company does not have any predetermined dividend distribution ratio. The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in the future.

The Board will continually review the Dividend Policy and reserve the rights in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time. The Dividend Policy shall in no way constitute a legally binding commitment by the Company in respect of future dividend and/or in no way obligate the Company to declare a dividend at any time or from time to time.

CLOSURE OF REGISTER OF MEMBERS

In order to ascertain the identity of the Shareholders who are entitled to the interim dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on 11 September 2025. The register of members of the Company will be closed from 12 September 2025 to 16 September 2025, both days inclusive, during which no transfer of shares will be registered. The record date is 16 September 2025.

PUBLICATION OF FINANCIAL RESULTS AND INTERIM REPORT

This results announcement is published on the Company's website at www.persisteresources.com and the website of the Stock Exchange at www.hkexnews.hk. The interim report of the Company for the six months ended 30 June 2025 will be despatched to the Shareholders and available on the same websites in due course.

APPRECIATION

The Board would like to take this opportunity to express its sincere gratitude to the management team and staff for their hard work and contributions, and to the Shareholders, investors and business partners for their trust and support.

By order of the Board

Persistence Resources Group Ltd

SHAO Xuxin

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 29 August 2025

As at the date of this announcement, the Board comprises Dr. Shao Xuxin, Mr. Mackie James Thomas and Mr. Lo Cheuk Kwong Raymond as executive Directors; Mr. Chen Li Bei as non-executive Director; and Dr. Malaihollo Jeffrey Francis A, Mr. Chan Ngai Fan, Dr. Zeng Ming and Ms. Liu Li as independent non-executive Directors.