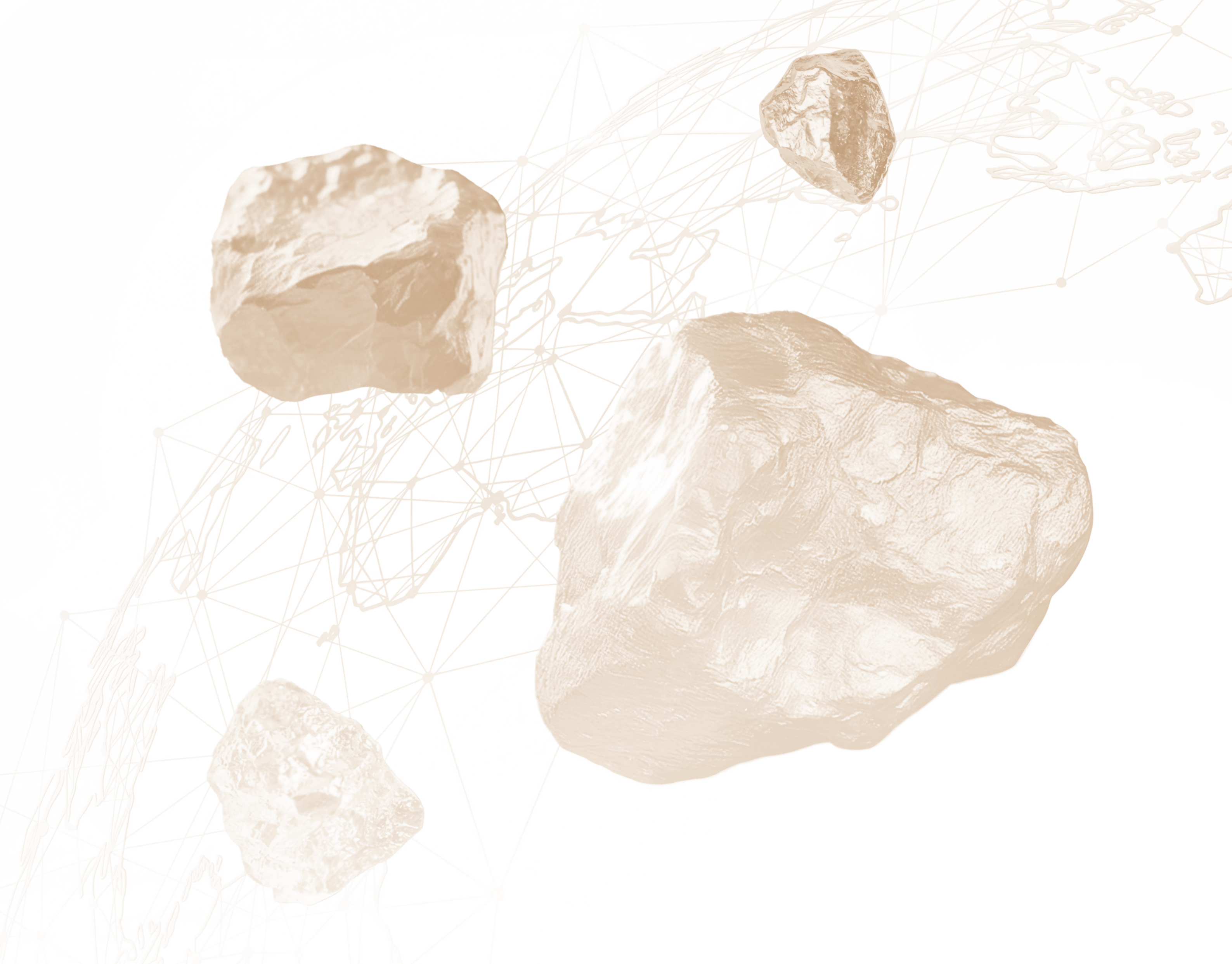
TAUNG GOLD INTERNATIONAL LIMITED
壇金礦業有限公司*

(Incorporated in Bermuda with limited liability)
Stock Code: 621

2026
ANNUAL REPORT

* For identification purpose only



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Ms. Cheung Pak Sum *(Chairman)*
Mr. Phen Chun Shing Vincent

Independent Non-Executive Directors

Mr. Li Kam Chung
Mr. Chong Man Hung Jeffrey
Mr. Tsui Pang

AUDIT COMMITTEE

Mr. Chong Man Hung Jeffrey *(Chairman)*
Mr. Li Kam Chung
Mr. Tsui Pang

REMUNERATION COMMITTEE

Mr. Li Kam Chung *(Chairman)*
Mr. Chong Man Hung Jeffrey
Mr. Tsui Pang

NOMINATION COMMITTEE

Mr. Chong Man Hung Jeffrey *(Chairman)*
Mr. Li Kam Chung
Mr. Tsui Pang
Ms. Cheung Pak Sum

TECHNICAL, SAFETY AND ENVIRONMENT COMMITTEE

Mr. Li Kam Chung *(Chairman)*

COMPANY SECRETARY

Mr. Tung Yee Shing

AUTHORISED REPRESENTATIVES

Mr. Tung Yee Shing
Ms. Cheung Pak Sum

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd.

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditor

LEGAL ADVISERS ON HONG KONG LAW

TC & Co., Solicitors

LEGAL ADVISERS ON BERMUDA LAW

Appleby

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Services (Bermuda) Limited
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1901, 19/F, Nina Tower
8 Yeung Uk Road, Tsuen Wan
New Territories, Hong Kong

REGISTERED OFFICE

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10, Bermuda

STOCK CODE

621

COMPANY WEBSITE

www.taunggold.com

CHAIRMAN'S STATEMENT

Dear Shareholders and Employees,

On behalf of the Board of Directors, we are pleased to present the annual report of Taung Gold International Limited (the "Company" or "Taung Gold") and its subsidiaries (collectively the "Group") for the year ended 31 March 2026.

We would like to express our gratitude to our fellow directors, management and employees for their commitment and dedication to the Company.

The Company's strategy to advance its projects into construction and ultimately into production has made progress in the period under review despite an extremely difficult operating environment. The management of the Company has focused on liaison with potential investors for the Company's mining projects. During the period under revision, being April 2025 to March 2026, the management had meetings with a number of potential investors, which also possess mine development capabilities, including certain PRC state-owned enterprises, to explore and discuss the investment in the mining assets of the Group. The Company has signed non-disclosure agreements with several of these potential investors in preparation for review of project information by the investors.

THE JEANETTE PROJECT

The Company's management in Hong Kong resumed in-person visits to Metallurgical Corporation of China Limited ("MCC") for discussion of the basic design of the project since the easing of PRC travel restrictions after the COVID-19 pandemic. Negotiations with potential financiers also recommenced with a view to securing financing and finalizing funding plans upon, or as close as possible after, completion of the basic design.

In June 2024, the Group engaged Minxcon (Pty) Ltd. ("Minxcon") to update the 2019 phase 1 feasibility study which confirmed the robust feasibility of the project. The project yielded an internal rate of return ("IRR") in real terms of 22% at a gold price of US$1,950/oz and a net present value ("NPV") in real teams of US$500 million at a discount rate of 12.5%. The latter proves that the project will perform much better at the current prevailing gold price.

The Group also sought to proactively address the social risk at its Jeanette Project through implementing a Broad-Based Livelihoods ("BBL") development programme under its Social and Labour Plan ("SLP"). The BBL program aims to unlock the capacity of individuals and households to generate income and start small businesses which are independent of the mining sector and Government interventions. The program focuses on those with no or little economic activity or prospects and seeks to empower them to establish a firm and sustainable foothold in the informal economic sector without relying upon continuous welfare or other external support. The first five-year program SLP ran from 2016 to 2021. The BBL program assists the communities in growing their own food, raising poultry and cattle, agro-processing, starting small businesses and selling produce at market days organised by the Company. The Company's SLP has attracted more than 1,500 participants to-date and approximately ZAR13 million has been invested in its SLPs between 2016 and 2024. The response from the local community, municipality and government to these initiatives has been overwhelmingly positive.

CHAIRMAN'S STATEMENT

Upon completion of the first SLP, the Company submitted a close out report confirming that it had met all of its SLP commitments. A revised five-year SLP for 2023 to 2027 was submitted to the regulatory authorities and, on 26 January 2024, the Company was advised that its second five-year SLP had been approved. Furthermore, the submission of a request for extension to mine was lodged on 15 March 2024. The submission was preceded by several site visits by the Company and management of the Department of Mineral Resources and Energy for the Free State Region to the Company's SLP projects and a favourable presentation was given to the Regional Manager of the Free State Region of the Department of Mineral Resources and Energy and her senior management on 7 March 2024 wherein the reasons for the application were explained. The Minister of Mineral Resources and Energy granted the consent on 14 September 2024 in terms of which the Company was granted an extension to commence mining operations on or before 31 March 2026. The further application for an extension would cater for the current period under revision.

THE EVANDER PROJECT

In early 2024, the Company embarked on an update of the financial models and the bill of quantities for the Evander Project which confirmed the robust feasibility of the project. Further work on progressing the Evander Project construction contract and funding has been scaled back, with the focus being on Jeanette Project. The Company previously recognized that its current projects will take some time to bring into production, as is the case with most mines. A recent 2024 study concluded that it takes an average of approximately sixteen years for a mine to go from discovery to startup with the average mine lead time continuing to trend upwards. During the year under review, management therefore continued to consider gold projects with the potential to enable the Group to transition into a gold producer ahead of the timeline to production for its existing projects. However, none of the opportunities reviewed to date satisfied the Company's investment criteria.

The Evander project has a longer lead time to production and payback, but remains a robust project, even at a very conservative gold price of US$1950/oz. The Company believes that the project's approximately 30-year mine life and attractive long-term returns will appeal to investors with an investment horizon aligned with the development profile of the project.

THE GOLD INDUSTRY

We remain optimistic about the outlook for the gold price and the gold mining industry and are of the view that the Group has a viable, robust and sustainable business prospect for the factors detailed below.

The price of gold in US dollar currency has been more than doubled over the last ten years, representing an overall significant and steadily increasing demand for the precious metal. This increase reflects gold has continued to serve as a safe-haven investment during times of geopolitical and economic uncertainty. Geopolitical crises have weighed heavily on the global economy in recent times and have reinvigorated investor interest. The Directors consider that if the demand for gold continues to grow, the gold price may continue to rise and the gold mining-related business of the Company will meet with solid support upon commencement of production.

CHAIRMAN'S STATEMENT

In general, South African gold mines continue to be highly profitable. The largest gold mining company in South Africa, Harmony Gold Mining Company Limited ("Harmony Gold"), reported record operating free cash flow of ZAR11.14 billion for its 2025 financial year. Similar to the Company, Harmony Gold acquired mature assets from other gold miners and proceeded to exploit the gold that remained. South Africa was the tenth largest gold producer in the world in 2025, producing 90 metric tons of gold, compared with 90 metric tons in 2024. It has the third largest reserves of gold after Australia and Russia.

The Directors note that major gold discoveries in recent decades have become increasingly scarce and are often located in remote areas and face significant infrastructural and environmental challenges. Many require very large capital expenditure to provide the necessary services and utilities to site. Furthermore, the Directors believe the lack of quality discoveries in the recent decade does not bode well for the gold supply which is expected to peak in 2026 at 110 Moz and to then decline to 103 Moz in 2028. The Directors have noted that recent discoveries are scarce and smaller in size than in earlier years. In addition, the trend over the past few decades towards open-pit mining is expected to reverse as existing open-pit operations transition to underground mining in order to access their deeper reserves at a greater cost. Even recent gold discoveries will not have any noticeable impact on gold supply for some decades as the average mine construction lead time continues to trend upward. The Company's South African assets are therefore unique in global terms in that they are high-grade and host substantial resources of gold. Their mineral resources and reserves are SAMREC-compliant. In addition, they are located in the well-established gold-producing regions of Welkom and Evander with substantial existing infrastructure in the form of shafts, which means that the capital cost of re-establishing the necessary services and utilities is relatively low, when compared to projects in more remote areas elsewhere in the world. As a result of the extensive design, engineering, and economic feasibility work done in the past few years, it is anticipated that the Jeanette and Evander Projects will each deliver significant annual production profiles, with all-in sustaining cost parameters of US$591 per ounce for the Jeanette Project and US$774 per ounce for the Evander Project, which are in the lowest quartile of the industry cost curve.

ECONOMIC ENVIRONMENT AND OUTLOOK

Geopolitical tensions relating to trade and the conflict in Ukraine and the Middle East remain supportive of a stronger trending gold price with the gold price increasing to an average of US$ 4500/oz in the period under review. The directors believe that a gold price of US$ 5000/oz and above is realistic for the next 5 years.

We therefore believe that the global political and economic environment are set for a stronger gold price and that this bodes well for the Company's strategy to advance its projects into construction and ultimately into production.

Cheung Pak Sum
Chairman

Hong Kong, 30 June 2026

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS

The Group is principally engaged in investment holding, trading of minerals and exploration, development and mining of gold and associated minerals in South Africa.

During the financial year ended 31 March 2026, the Group recorded a profit attributable to owners of the Company of approximately HK$315,331,000 or basic earnings of HK17.5 cents per share, compared with a loss attributable to owners of the Company for the year ended 31 March 2025 of approximately HK$22,232,000 or basic loss of HK1.2 cents (restated) per share.

DIVIDEND

The directors do not recommend the payment of any dividend in respect of the year ended 31 March 2026 (2025: Nil).

BUSINESS REVIEW

For the year ended 31 March 2026, the Group had no turnover (2025: Nil). The Group recorded a net profit attributable to equity holders of approximately HK$315,331,000 compared with a net loss attributable to equity holders of approximately HK$22,232,000 for the previous financial year. The other comprehensive income of approximately HK$203,454,000 (2025: HK$14,933,000) mainly arose from the exchange difference on the translation of South African operations.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2026, the Group had no outstanding bank borrowings (2025: Nil) and no banking facilities (2025: Nil).

The Group's gearing ratio as at 31 March 2026 was zero (2025: zero), calculated based on the Group's total zero borrowings (2025: zero) over the Group's total assets of approximately HK$3,269,998,000 (2025: HK$2,659,302,000).

As at 31 March 2026, the balance of cash and cash equivalents of the Group was approximately HK$27,676,000 (2025: HK$65,853,000) and was mainly denominated in HK$, US$ and South African Rand ("ZAR"). The Group continues to adopt a policy of dealing principally with clients with whom the Group has enjoyed a long working relationship so as to minimize risks to its business.

On 11 July 2025, the Board proposed to implement the share consolidation on the basis that every ten (10) issued and unissued existing shares with par value of HK$0.01 each in the share capital of the Company be consolidated into one (1) consolidated share with par value of HK$0.10 each ("Share Consolidation"). The Share Consolidation was approved by the shareholders at the special general meeting of the Company held on 6 August 2025 and the same became effective on 8 August 2025.

Following the Share Consolidation, the authorised share capital of the Company is HK$300,000,000 divided into 3,000,000,000 shares of the Company with par value of HK$0.10 each. As at 31 March 2026, 1,815,147,198 shares of the Company have been issued. The board lot size has also been changed from 10,000 shares to 5,000 shares of the Company upon the Share Consolidation becoming effective on 8 August 2025.

For details of the Share Consolidation, please refer to the announcements of the Company dated 11 July 2025, 14 July 2025 and 6 August 2025, and the circular of the Company dated 21 July 2025.

FOREIGN EXCHANGE EXPOSURE

During the year ended 31 March 2026, the Group operated mainly in South Africa, and the majority of the Group's transactions and balances were denominated in HK$, US$ and ZAR. However, as the directors consider that the present currency risk is not significant, the Group does not have a policy of hedging foreign currency.

Nevertheless, the Company's management monitors foreign exchange exposure and will consider hedging foreign currency exposure should this be deemed prudent.

REVIEW OF BUSINESS OPERATIONS

During the year under review, the Group did not carry out any field exploration activities and its attention was focused on the following areas:

- Searching the Taung Gold (Pty) Ltd ("TGL") databases for shallow gold deposits in Southern Africa that may be worth investigation;

- Hosting several visits by potential investors, which included site visits and delivering project presentations;

- Implementing initiatives under the Company's second Social & Labour Plan to support poverty alleviation in the communities surrounding the Jeanette Project. These initiatives included the provision of infrastructure for rainwater harvesting, the expansion of the livestock programme and the provision of equipment to emerging entrepreneurs. The Company previously obtained approval for this second five-year Social and Labour Plan for the Jeanette Project as part of its mining right commitments;

- Engaging with the regulatory authorities to seek an extension to the construction commencement date of the Jeanette Project. The application was submitted in March 2026;

- Preparing a promotional video highlighting the achievements of the Company's Social & Labour Plan at Jeanette Project. This video was presented on 25 June 2025 at a Social and Labour Plan conference attended by senior regulators, sustainable development experts, heads of mining companies, the mining industry body and other stakeholders. One of the TGL's Co-Chief Executive Officers also delivered a presentation at the conference;

- Preparing an updated promotional video highlighting the successes of the Company's Social & Labour Plan at Jeanette Project to be used as part of the Company's application to the regulatory authorities to seek an extension for the construction commencement date;

- Participating in a one day review workshop with the local municipality under which the Jeanette Project falls, to improve cooperation between mining companies and the municipality on the treatment of waste and mine fissure water;

- Investigating financing arrangement with potential financier in the PRC; and

- Identifying and evaluating of near-term gold producing assets for potential acquisition opportunities.

As at 31 March 2026, the Company had not conducted any mining or production activities.

The Jeanette Project

The Jeanette Project is located in the northern region of the Free State goldfield close to the towns of Allanridge, Kutlwanong and Nyakallong, within the southwest limb of the Witwatersrand Basin in the Free State Province of South Africa. Taung Gold Free State (Pty) Limited ("TGFS"), a wholly-owned subsidiary of TGL, is the registered holder of the mining right over the Jeanette Project. The Mining Right No. 33/2017 for the Jeanette Project was registered in the name of TGFS on 6 December 2017.

During the financial year ended 31 March 2026, Minxcon (Pty) Ltd ("Minxcon") has updated the mining approach and plan, and the cost data for the Jeanette Project. Highlights of the updated data are as follows:

Gold Recovered over Life of Project	6.4 Moz
Initial Construction Capital Cost Estimate (2024 base date)	US$806 million
Total Capital Cost over Life of Project	US$1,252 million
Life of Mine	22 years
Cash Operating Costs	US$546/oz
All in Sustaining Costs ("AISC")	US$591/oz
All in Costs ("AIC")	US$806/oz

Note: Financial calculation using long-term gold price of US$1,900/oz and/or an exchange rate of US$1.00 = ZAR18.80.

The Minxcon study also indicated that the two-phase approach proposed by MCCI International Incorporation Limited ("MCCI"), a subsidiary of Metallurgical Corporation of China Ltd ("MCC"), would not enable the project to enter into economic production. The optimization study further indicated that Phase 1 would yield only marginal returns and would be insufficient to fund Phase 2. The Minxcon study revealed that the most profitable approach would be to commission both shafts at the project as soon as possible by developing two raise bore holes, one at each shaft to cater for ventilation. The shafts would then be brought into production independently and joined underground further into the project schedule.

The above would generate the required tons in a relatively short time to reduce the payback period and generate very attractive profit margins once steady state production has been achieved. No changes to the existing underground mine design were deemed necessary.

Expenditure on the Jeanette Project for the year ended 31 March 2026 was as follows:

	ZAR million
Consultants and service providers	3.13
Staffing	6.69
Overheads	1.43
Total	11.25

The Evander Project

The Evander Project is located in the Evander Goldfield on the northeastern limb of the Witwatersrand Basin and is close to the town of Secunda in the Mpumalanga Province of South Africa. Taung Gold Secunda (Pty) Limited ("TGS"), a wholly-owned subsidiary of TGL, is the registered holder of the mining right in terms of the Mineral and Petroleum Resources Development Act of the Evander Project. The Mining Right No. 107/2010 was registered in the name of TGS in November 2013 and permits the mining of gold and associated minerals in the Six Shaft and Twistdraai area.

On 16 May 2016, the Company declared a maiden Mineral Reserve (Probable Reserve) of 4.29 million ounces of gold from the Kimberley Reef horizon of the Evander Project, based on 19.64 million tons of ore at an average head grade of 6.80g/t.

On 12 September 2016, the Company announced the completion of the Bankable Feasibility Study for the Evander Project.

During the financial year ended 31 March 2026, Minxcon has updated the cost data for the Evander Project. The update covered capital costs and the Bill of Quantities (BoQ). No changes to the vertical access nor to the mine design were proposed by Minxcon. Highlights of the updated data are as follows:

Gold Recovered over Life of Project	4.1 Moz
Initial Construction Capital Cost Estimate	US$891 million
Total Capital Cost over Life of Project	US$1,126 million
Life of Mine	20 years
Cash Operating Costs	US$723/oz
AISC	US$774/oz
AIC	US$1,010/oz

Note: Financial calculation using long-term gold price of US$1,750/oz and/or an exchange rate of US$1.00 = ZAR18.80.

Expenditure on the Evander Project for the year ended 31 March 2026 was as follows:

	ZAR million
Consultants and service providers	2.19
Staffing	3.57
Overheads	0.39
Total	6.15

Summary of the Company's Measured and Indicated Mineral Resources

Below shows the summary of the Company's Measured and Indicated Mineral Resources at its Evander and Jeanette Projects.

Measured and Indicated Mineral Resources for Evander Project and Jeanette Project

MINERAL RESOURCE CATEGORY	Tonnes (Mt)	Grade (g/t)	Gold (t)	Gold (Moz)
EVANDER	Mining (Mt)	Mining (g/t)		
Measured	0.11	10.18	1.09	0.04
Indicated	19.75	8.47	167.18	5.37
Total Measured & Indicated	19.86		168.27	5.41
JEANETTE	In-situ (Mt)	In-situ (g/t)		
Indicated	16.90	22.20	375.18	12.06
Total Evander & Jeanette	36.76		543.45	17.47

FUTURE PLANS FOR THE JEANETTE PROJECT AND THE EVANDER PROJECT

The Jeanette Project

On 30 December 2019, the Group entered into the EPC contract with MCC for the execution and construction phase of the Jeanette Project. The primary objective of the EPC contract is to facilitate the commencement of the development of the Jeanette mine. EPC contracts are project finance documents to establish a contractual framework between the project owner and contractor whereby the design and construction risk is shared by the contractor. It therefore regulates the basis or which MCC undertook to deploy the necessary resources to support the development of the mine. The scope of the EPC contract includes final engineering design, procurement, manufacturing and construction of the mine and infrastructure.

In addition, MCC undertook to assist the Company in securing equity and debt financing for the Jeanette Project at the TGFS level from independent third parties, including but not limited to strategic investors in the mining sector and Chinese banks.

During the year under review, the Company's management focused on engaging with potential investors for the Group's mining projects. Management held meetings with a number of potential investors, including certain PRC state-owned enterprises, to discuss potential investment in the Group's mining assets. The Company has appointed advisers in connection with potential fundraising for the development of the mining assets.

The Evander Project

In 2019, the Company and MCCI agreed to defer further commitment of time and resources to the Evander Project, pending the results of the Jeanette Project Feasibility Study. Following the release of the Feasibility Study results on 30 August 2019, which indicated lower capital cost and shorter lead-time to production, the Company prioritised the EPC contract for the Jeanette Project.

The remaining work under the Evander contract is expected to take approximately 12 to 18 months to complete following a decision to resume the project. The Company will update shareholders on any material developments in due course.

Latest discussions with MCC

The Group had continued discussions with MCC regarding the development and financing arrangements for both the Jeanette and Evander Projects. MCC has preliminarily refined the mining plan based on the updated cost data prepared by Minxcon and, together with the Company, is in discussions with potential investors regarding financing arrangements for both projects. In this regard, the Group and MCC are advancing the mining projects in accordance with the estimated timetable below:

Jeanette Project

Stage	Description	Target timetable
Financing stage	Identifying, negotiating, and finalising financing arrangements with financiers	3rd quarter 2026
Construction stage	Construction of the mine and associated infrastructure	3rd quarter 2027
Production stage	Mining operation, extraction, and processing of gold ore	2030–2051

Evander Project

Stage	Description	Target timetable
Research stage	Research on mining plans including dewatering operation	3rd quarter 2027
Financing stage	Identifying, negotiating, and finalising financing arrangements with financiers	2028
Construction stage	Construction of the mine and associated infrastructure and dewatering operation	2029–2034
Production stage	Mining operation, extraction, and processing of gold ore	2034–2051

The estimated timetable for the financing, construction and production stages of the Jeanette Project has been postponed by two years, as the mining licence for the Jeanette Project expired in March 2026 and remains subject to review by the relevant authorities in South Africa. While the Company considers that an extension of the mining licence is highly likely, potential investors may prefer to defer the process until the extension has been confirmed.

Parallel discussions with other contractors

While the Company remains actively engaged in discussions with MCC to finalise a mutually acceptable financing arrangement, it is also exploring broader strategic options. In parallel, as disclosed in the Company's 2025 annual report, the Company has maintained close discussions with other PRC state-owned contractors, namely Contractor A and Contractor B, regarding the development of both the Jeanette and Evander Projects during the year. The Company continues to communicate with both contractors, who have expressed ongoing interest in the Company's mining projects and in entering into EPC contracts with the Company.

REPORT OF THE DIRECTORS

The Board of Directors (the "Board") is pleased to present their report and the audited financial statements of the Company and the Group for the year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries comprise the operation of gold mines in the Republic of South Africa ("South Africa").

BUSINESS REVIEW

The Company's results and business review, including future development, financial performance, principal risks and uncertainties, and key relationships with stakeholders, in accordance with Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), are set out in the Chairperson's Statement on pages 3 to 5, the Management Discussion and Analysis on pages 6 to 12 and the Corporate Governance Report on pages 21 to 41 of this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

Details of the environmental policies and performance of the Group are set out in the Environmental, Social and Governance Report on pages 21 to 41 of this annual report.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

To the best knowledge of the directors, the Group complied in all material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group during the year. There was no material breach of or non-compliance with the applicable laws and regulations during the year.

KEY RELATIONSHIP WITH EMPLOYEES, SUPPLIERS, CUSTOMERS AND OTHER STAKEHOLDERS

The Group recognises the importance of maintaining good relationships with its employees, suppliers, customers and other stakeholders in achieving its immediate and long-term goals. During the year, there were no material and significant disputes between the Group and its employees, suppliers, customers or other stakeholders.

RESULTS AND DIVIDENDS

The Group's results for the year ended 31 March 2026 are set out in the consolidated statement of profit or loss and other comprehensive income on page 65 of this annual report.

The directors do not recommend the payment of any dividend in respect of the year ended 31 March 2026.

REPORT OF THE DIRECTORS

FIVE YEARS SUMMARY

A summary of the Group's results for each of the five years ended 31 March 2026, and the Group's assets and liabilities as at 31 March 2022, 2023, 2024, 2025 and 2026, is set out on page 114 of this annual report.

CAPITAL STRUCTURE

There was no material change in the capital structure of the Company during the year.

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

There was no purchase, sale or redemption of shares or other listed securities of the Company or by any of its subsidiaries during the year.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 12 to the consolidated financial statements.

SHARE CAPITAL, UNLISTED WARRANTS AND SHARE OPTIONS

Details of the Company's share capital, unlisted warrants and share options are set out in notes 22 and 23 to the consolidated financial statements respectively.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

RESERVES

Details of the movements in the reserves of the Group during the year are set out on pages 68 to 69 of the consolidated financial statements and in the consolidated statement of changes in equity.

DISTRIBUTABLE RESERVES

At 31 March 2026, the Company had no reserves available for cash distribution and/or distribution in specie to shareholders of Company. In accordance with the Companies Act 1981 of Bermuda (as amended), the contributed surplus may only be distributed under certain circumstances which the Company is currently unable to satisfy. In addition, the Company's share premium account with a balance of approximately HK$5,307,443,000 as at 31 March 2026 may be distributed in the form of fully paid bonus shares.

EMPLOYEES

As at 31 March 2026, the Group employed approximately 24 staff in both Hong Kong and South Africa. The Group remunerates its employees based on their performance, working experience and prevailing market conditions. Employee benefits include mandatory provident fund (pension) and share options scheme, etc.

MAJOR CUSTOMERS AND SUPPLIERS

As the Group's gold mining operations in South Africa have not commenced yet, there were no major customers and suppliers during the year.

DIRECTORS

The directors of the Company during the year and up to the date of this annual report were as follows:

Executive Directors

Ms. Cheung Pak Sum *(Chairman)*
Mr. Phen Chun Shing Vincent

Independent Non-Executive Directors

Mr. Chong Man Hung Jeffrey
Mr. Li Kam Chung
Mr. Tsui Pang

In accordance with the bye-law 98 of the Company's bye-laws, Mr. Phen Chun Shing Vincent and Mr. Li Kam Chung shall retire by rotation at the forthcoming annual general meeting, and being eligible, shall offer themselves for re-election.

Pursuant to Code Provision B.2.3 of the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities (the "Listing Rules") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), it provides that if an independent non-executive director has served more than nine years, such director's further appointment should be subject to a separate resolution to be approved by shareholders. The circular to shareholders accompanying that resolution should state why the board (or the nomination committee) believes that the director is still independent and should be re-elected, including the factors considered, the process and the discussion of the board (or the nomination committee) in arriving at such determination. As Mr. Li Kam Chung and Mr. Tsui Pang, currently being an Independent Non-executive Directors, who have served the Company for more than nine years, should be subject to a separate resolution to be approved by the Shareholders.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Ms. Cheung Pak Sum, aged 50, has been an Executive Director of the Company since April 2010. She served as Co-Chairman of the Company from September 2018 to June 2024 and has been the Chairman of the Company since June 2024. She has also been a member of the nomination committee since June 2025.

Ms. Cheung is the Head of Human Resources and Administration of the Company and has extensive experience in human resources and administration. She was a senior administration officer of Pineview Industries Limited, a company listed on the Stock Exchange, from May 2006 to May 2008. Ms. Cheung also serves as a director of certain subsidiaries of the Company.

Mr. Phen Chun Shing Vincent, aged 50, was appointed as a Non-executive Director of the Company in July 2015 and was re-designated as an Executive Director in May 2017.

He was an independent non-executive director of Agritrade Resources Limited (stock code: 1131) (resigned in June 2021), a company listed on the Main Board of the Stock Exchange but delisted with effect from 31 January 2022; an executive director of China Partytime Culture Holdings Limited (stock code: 1532) (resigned in April 2020) and a non-executive director of EPI (Holdings) Limited (stock code: 689) (resigned in October 2016), all of which are companies listed on the Main Board of the Stock Exchange.

Mr. Phen has over 15 years of experience in direct investment and corporate banking. He was also an executive director of China Merchants Capital Management (International) Limited from 2012 to 2015, a non-executive director of Comtec Solar Systems Group Limited (stock code: 712), a company listed on the Main Board of the Stock Exchange, from 2010 to 2012 and a director of CMS Capital (HK) Co., Limited (formerly known as "CMTF Asset Management Limited") from 2009 to 2012. He also worked in CLSA Capital Partners from 2007 to 2009. Prior to that, Mr. Phen worked in the international corporate banking division of various financial institutions for approximately 7 years. Mr. Phen holds a bachelor degree in business administration and marketing from the University of North Texas.

Independent Non-executive Directors

Mr. Li Kam Chung, aged 74, has been an Independent Non-executive Director of the Company since April 2009. He is the chairman of each of the remuneration committee and technical, safety and environment committee; and a member of each of the audit committee and nomination committee of the Company.

Mr. Li has been appointed as independent non-executive director of Zhidao International (Holdings) Limited (stock code: 1220), a company listed on the Main Board of the Stock Exchange since January 2012. Mr. Li has over 10 years of experience in trading businesses between Mainland China and Hong Kong. Mr. Li was the chairman of Joint Village Office for Villages in Shuen Wan Tai Po New Territories and a member of Tai Po District Council Environment, Housing and Works Committee.

Mr. Chong Man Hung Jeffrey, aged 48, has been an Independent Non-executive Director of the Company since October 2017. He is the chairman of each of the audit committee and nomination committee of the Company; and a member of the remuneration committee of the Company.

He has been the company secretary of China Partytime Culture Holdings Limited (stock code: 1532) since May 2015 and chief financial officer and company secretary of Yee Hop Holdings Limited (stock code: 1662) since November 2019, all of which are companies listed on the Main Board of the Stock Exchange.

Mr. Chong served as an independent non-executive director of China International Development Corporation Limited (stock code: 264) (resigned in September 2019) and China Gingko Education Group Company Limited (stock code: 1851) (resigned in July 2020) respectively, all of which are companies listed on the Main Board of the Stock Exchange. Mr. Chong obtained his bachelor degree of business administration in accounting from the Hong Kong University of Science and Technology in November 2000 and his master's degree of business administration from the City University of Hong Kong in October 2018. He has been a member and fellow member of the Hong Kong Institute of Certified Public Accountants since January 2005 and March 2018, respectively. Mr. Chong has over 16 years of experience in auditing, financial management, internal control and corporate governance.

Mr. Tsui Pang, aged 43, has been an Independent Non-executive Director of the Company since July 2016. He is a member of each of the audit committee, remuneration committee and nomination committee of the Company.

He is currently a general manager of Chang Yang (Hubei) Mining Limited, which is engaged in the exploration and mining of barium sulphate at barite ores in Yichang City, Hubei Province in China. Before joining the Company, Mr. Tsui worked in Yuet Sing Group from 2004 to 2011, during which he held various positions and participated in mine planning and feasibility studies for mining projects in Enshi City, Hubei Province in China. Mr. Tsui holds a master's degree of business administration from the Hong Kong University of Science and Technology.

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENT AND CONTRACT

No transaction, arrangement and contract of significance in relation to the Group's business to which the Company's subsidiaries, fellow subsidiaries or its parent companies was a party and in which a Director or an entity connected with a Director was materially interested, whether directly or indirectly, subsisted at the end of or during the financial year.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the year ended 31 March 2026, none of the directors or their respective associates was interested in any business that competes or might compete, either directly or indirectly, with the business of the Group.

PERMITTED INDEMNITY PROVISION

Pursuant to the Company's bye-law, every director, officer and auditors shall be entitled to be indemnified and secured harmless out of assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses incurred or sustained by him as a director, auditors or officer of the Company about the execution of the duties of his office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group during the year.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

As at 31 March 2026, none of the directors or chief executive of the Company had any interests or short positions 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 ("SFO")), which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix C3 to the Listing Rules.

SHARE OPTION

A resolution was passed at the special general meeting of the Company held on 28 August 2020 to approve and adopt a share option scheme (the "2020 Share Option Scheme"). As at 31 March 2026, no share options had been granted or exercised under 2020 Share Option Scheme. During the year under review, upon the Share Consolidation becoming effective on 8 August 2025, the scheme mandate limit under the 2020 Share Option Scheme was adjusted from 1,815,147,198 shares to 181,514,719 shares. Further details of the 2020 Share Option Scheme are set out in note 23 to the consolidated financial statements.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 31 March 2026, the following shareholders had, or were deemed to have, interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept under Section 336 of the SFO:

(1) Long positions in shares and underlying shares of the Company

Name of shareholders	Number of shares held *(Note 1)*	Underlying shares of equity derivatives	Total interest *(Note 1)*	Percentage of issued shares as at 31 March 2026
Goldborn Holdings Limited	200,136,207	–	200,136,207	11.03%
Mandra Materials Limited *(Note 2)*	117,743,472	–	117,743,472	6.49%
Mandra Esop Limited *(Note 2)*	1,623,837	–	1,623,837	0.09%
Woo Foong Hong Limited *(Note 2)*	27,653,073	–	27,653,073	1.52%

Notes:

1. The Share Consolidation became effective on 8 August 2025. The number of issued shares held by each of the respective shareholders was adjusted pursuant to the Share Consolidation upon the effective date.

2. Mandra Materials Limited, Mandra Esop Limited and Woo Foong Hong Limited are 50% owned by Mr. Zhang Songyi. Hence, Mr. Zhang Songyi is deemed to be interested in the shares held by Mandra Materials Limited, Mandra Esop Limited and Woo Foong Hong Limited for the purpose of SFO.

(2) Short positions in shares and underlying shares of the Company

There were no short positions in the shares and underlying shares of the Company and its associated corporations, which were recorded in the register as required to be kept under Section 336 of Part XV of the SFO.

Save as disclosed herein, as at 31 March 2026, the Company has not been notified of any other person (other than the directors and chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company which were required to be recorded in the register kept by the Company pursuant to Section 336 of the SFO.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, as at the date of this annual report, there is sufficient public float of not less than 25% of the Company's issued shares as required under the Listing Rules.

ANNUAL CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive directors an annual confirmation of independence and considers that all the independent non-executive directors are independent.

AUDITORS

Crowe (HK) CPA Limited ("Crowe") had tendered its resignation as auditor of the Company with effect from 16 July 2024 and the Board resolved to appoint Baker Tilly Hong Kong Limited ("Baker Tilly") as the new auditor of the Company with effect from 22 July 2024 to fill the causal vacancy following the resignation of Crowe.

Baker Tilly had tendered its resignation as auditor of the Company with effect from 15 April 2025 and the Board resolved to appoint Deloitte Touche Tohmatsu ("Deloitte") as the new auditor of the Company with effect from 15 April 2025 to fill the causal vacancy following the resignation of Baker Tilly.

The Board and the audit committee of the Company (the "Audit Committee") have taken into account, among other things, Deloitte's industry knowledge and technical competence; audit approach; resources and service team; governance, leadership and quality management; audit fees; and the guidelines issued by the Accounting and Financial Reporting Council, and were thus satisfied with their suitability in acting as the auditor of the Company.

The above factors considered have covered the requirements in the guidelines issued by the Accounting and Financial Reporting Council regarding change of auditors, including Guidance Notes on Change of Auditors and Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors.

REPORT OF THE DIRECTORS

The financial statements for the year ended 31 March 2026 were audited by Deloitte whose term of office will expire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting.

On behalf of the Board

Cheung Pak Sum
Chairman

Hong Kong, 30 June 2026

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MESSAGE FROM THE BOARD

Taung Gold International Limited and its subsidiaries (collectively referred to as the "Group") are committed to continuously enhancing their environmental and social performance in support of long-term sustainable development. Environmental, Social, and Governance ("ESG") considerations are systematically embedded into the Group's business operations as well as its day-to-day management practices. To ensure ongoing effectiveness, the Group regularly reviews and refines its ESG strategies, monitors progress against environmental targets, and implements adjustments where necessary.

The Board of Directors holds ultimate responsibility for overseeing ESG governance across the Group. This includes formulating ESG-related strategies and objectives, reviewing and evaluating performance against established targets, and ensuring the effective implementation of ESG initiatives throughout the Group's operations.

Supporting the Board, an internal ESG working group has been established to coordinate the execution of ESG measures. Operating under the Board's direction, the working group is responsible for collecting and consolidating relevant ESG data, facilitating performance assessments, preparing ESG disclosures, and providing regular updates to the Board to support informed decision-making.

To identify and prioritise material ESG issues, the Group conducts regular materiality assessments, incorporating input from the ESG working group and subject to review by the Board. The methodology applied and key outcomes of this process are presented in the "Materiality Assessment" section of this report.

In addition, the Group has established environmental targets that are aligned with its operational activities, including initiatives aimed at reducing emissions and resource consumption within office environments. These targets have been reviewed and endorsed by the Board to ensure alignment with the Group's broader sustainability objectives and are subject to ongoing review and discussion to support continuous improvement.

ABOUT THIS REPORT

The Group has prepared this "Environmental, Social and Governance Report" (the "ESG Report" or the "Report") in accordance with the requirements under the "Environmental, Social and Governance Reporting Code" (the "ESG Code") as set out in Appendix C2 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), which discloses the practice and performance of the Group on various ESG issues last year. The Report aims at strengthening our communication with all stakeholders and the public, so that people from all walks of life can understand the ESG activities of the Group and their related effects.

REPORTING SCOPE

This ESG report covers the reporting period from 1 April 2025 to 31 March 2026 (the "Reporting Period"), which coincides with the annual report for the year ended 31 March 2026. The report primarily focuses on the gold mining business of the Group in the Republic of South Africa ("South Africa"). There have been no significant changes in the scope of disclosure in the Report.

During the Reporting Period, the Group did not engage in any field exploration activities, as both the Evander and Jeanette projects in South Africa remained in the pre-construction phase, with a focus on finalizing permitting work and advancing financing and construction. Consequently, the Group did not carry out any mining or production activities during the period under review. Therefore, the Group considers the emissions data for air emissions, non-hazardous waste, and water consumption to be insignificant and immaterial during the Reporting Period. Key performance indicators ("KPIs") related to production activities are expected to be included in the ESG Report once they commence.

REPORTING PRINCIPLES

This Report has been prepared in accordance with the "Comply or Explain" provisions of the ESG Code under Appendix C2 to the Listing Rules and has also applied the following fundamental reporting principles as outlined in the ESG Code:

1. Materiality: The materiality of the ESG issues of the Group is determined by the board of directors (the "Board") and the Group focuses on matters that impact business growth and are of importance to our stakeholders. For further details regarding the identification process and criterion of material issue, please refer to the section headed "Materiality Assessment" in this Report.

2. Quantitative: All disclosed information, environmental and social KPIs were organised and calculated according to ESG Guide and standardised methodologies. The assumption and calculation principles are illustrated in the relevant sections.

3. Balance: This ESG Report is based on an objective and impartial manner to ensure that the information disclosed faithfully reflects the overall performance of the Group in ESG aspects.

4. Consistency: Unless otherwise specified, the reporting scope and methodologies are consistent with previous years for meaningful comparison.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Recognising stakeholder engagement as a core element of its operations, the Group places strong emphasis on maintaining open, transparent, and constructive communication with its key stakeholders. In line with the commitments outlined in its Social and Labour Plans ("SLPs"), which form an integral part of its mineral rights obligations, the Group seeks to build and sustain collaborative relationships with stakeholders within the communities in which it operates.

To facilitate effective engagement and appropriately address stakeholder expectations, the Group undertakes regular and structured interactions through a range of communication channels. Details of these engagement mechanisms are summarised in the table below:

Stakeholders	Communication Channels
Shareholders	– Company website – General meetings – Corporate reports and announcements
Employees	– Emails and suggestion box – Annual performance review – Employee training
Business partners	– Lawful actions and communications – On-going direct engagement – Inspection on site
Government and regulatory authorities	– Regular submission of information – Regular communication with regulatory authorities – Forum, seminar and conference
Environment	– Communication with local environmental authority/department
Community	– Communication meeting with community
Media	– Company website – Media enquiry

The Group has conducted a comprehensive materiality assessment to identify and prioritise ESG topics that are most significant to both its business operations and stakeholders. A structured list of potential material topics was developed and is subject to annual review, taking into account relevant international standards, industry benchmarks, the Group's overall corporate development strategy, corporate values, operational management systems, and emerging challenges.

In determining industry-specific relevance, the Group referenced the SASB Standards to identify material ESG issues applicable to the metals and mining sector, across the dimensions of (i) Environment, (ii) Social Capital, (iii) Human Capital, (iv) Business Model and Innovation, and (v) Leadership and Governance. In parallel, the Group actively sought input from stakeholders through ongoing engagement and communication channels to capture their views on the Group's ESG performance and priorities.

Following a thorough evaluation and review by the Board of Directors, the Group identified the following material ESG topics and determined their relative importance, which form the basis for the Group's ESG management approach and disclosure focus:

Highly important		Generally important	
Greenhouse gas emissions	Air emissions	Packaging material	Development and training
Hazardous waste	Non-hazardous waste	Labour standards	Supply chain management
Electricity and water saving	Environmental and nature resources	Product responsibility	Anti-corruption
Climate change	Health and safety	Community investment	
Employment			

A. ENVIRONMENTAL

A1: EMISSIONS

During the Reporting Period, the Group remained committed to sustainable development, clean production practices, and responsible environmental management. Environmental protection measures were implemented in strict compliance with applicable local laws and regulations, while also taking into consideration relevant international standards to ensure alignment with recognised best practices.

In South Africa, the Group is required to comply with the conditions stipulated in its Environmental Authorisations, which are a prerequisite for the granting of mineral rights. These authorisations impose requirements relating to solid waste management, air quality control, and effluent discharge in accordance with local regulatory frameworks. Environmental Authorisations are generally granted prior to the execution and registration of Mining Rights, following the completion of Environmental Impact Assessments and the implementation of appropriate mitigation measures. As the Group's projects remained at the pre-construction stage during the Reporting Period, their associated environmental impacts were relatively limited.

Each mining project is also required to obtain a waste management licence. The Jeanette Project has successfully obtained this licence in accordance with the National Environmental Management Act, 1998 (NEMA, No. 107 of 1998), while the Evander Project is expected to secure its waste management licence in due course. In addition, an atmospheric emissions licence, issued by the Department of Economic Development, Tourism and Environmental Affairs under the National Environmental Management: Air Quality Act, 2004, is required for operations. As of the Reporting Period, such licences had not yet been obtained for either the Jeanette or Evander Project.

The Group remained in full compliance with applicable environmental regulations, and no incidents of non-compliance or legal enforcement actions related to environmental matters were reported during the Reporting Period.

Air Emissions

Given the nature of the Group's operations, air pollutant emissions at mining sites are primarily associated with dust generation and the combustion of fuel from vehicles and machinery. The Group adopts the emission limits prescribed under applicable environmental licences as key performance benchmarks to guide its environmental management practices. To effectively manage and minimise air emissions, the Group intends to implement a series of preventive and mitigation measures aimed at reducing pollutant generation and improving overall air quality performance, including:

– Install dust collection system

– Implement wet grinding process at mining sites to prevent creation of dusts

– Adopt the use of wet drilling and blasting, installing sprinkler systems on vehicles

– Conduct regular vehicle and machinery inspection and maintenance to enhance efficiency

– Switch off machinery which is not in use

These measures will be implemented once the construction phase is reached for the respective South African projects. All implementation measures to reduce the impact on the environment are discussed in the relevant licences.

Greenhouse Gas ("GHG") Emissions

The Group's main sources of GHG emissions were petrol and diesel consumed by vehicles (Scope 1) and purchased electricity (Scope 2). The Group has set a long-term reduction pathway as its GHG emission target and measures for reducing emissions are described in the "Energy Management" section.

The details of GHG emissions for the Group in South Africa during the Reporting Period are as follows:

	Unit	Quantity
Scope 1 – Direct GHG emissions		
– Petrol and diesel consumed by vehicles and machinery	kgCO_2-e	10.24
Scope 2 – Indirect GHG emissions		
– Purchase electricity	kgCO_2-e	18.17
Total	kgCO_2-e	28.41

Notes:

– The calculations were based on the Reporting Code on Environmental KPIs issued by the Stock Exchange, 2006 IPCC Guidelines for National Greenhouse Gas Inventories, IPCC Sixth Assessment Report.

– Due to absence of any substantial production in the Reporting Period, Scope 1 GHG emissions covered only two vehicles.

– In response to HKEX climate disclosure requirements, the Group has adopted location-based method to calculate Scope 2 emissions. Grid emission factor of South Africa is referenced from IGES List of Emission Factors published by the Institute for Global Environmental Strategies.

Hazardous Waste

As the Group's mining projects remained in the development phase during the Reporting Period, no hazardous waste was generated. Upon commencement of production activities, the Group intends to adopt a long-term reduction pathway to guide the management of hazardous waste emissions. All hazardous waste handling and disposal processes will be carried out in strict compliance with the National Environmental Management: Waste Act, 2008 (NEM:WA No. 59 of 2008).

To minimise potential environmental impacts, the Group will implement a structured and controlled approach to the management of hazardous waste, covering its collection, storage, transportation, and final disposal. Qualified and licensed contractors with the necessary expertise will be engaged to handle the removal and treatment of hazardous materials, thereby reducing the risk of environmental contamination or unintended exposure. These measures are designed to ensure responsible waste management practices and to protect environmental integrity throughout the lifecycle of the Group's projects.

Non-Hazardous Waste

The Group has established internal guidelines and procedures to manage the various types of non-hazardous waste generated across both its mining operations and office locations. The overarching objective is to minimise waste generation at source while promoting efficient resource utilisation among employees. In this regard, the Group has adopted a long-term reduction pathway as its guiding target for non-hazardous waste management, reflecting its commitment to continuous environmental performance improvement.

At mining sites, the principal forms of non-hazardous waste comprise waste rock and tailings generated during extraction activities. To mitigate environmental impacts, the Group plans to reuse waste rock for beneficial applications such as road construction, underground backfilling, and dam construction. Similarly, tailings will be repurposed for underground and cavity filling, thereby reducing the volume of waste requiring disposal while supporting operational efficiency.

Within office environments, non-hazardous waste is primarily composed of paper and general domestic waste. To address paper consumption, the Group has implemented a range of initiatives aimed at reducing the use of paper and stationery, including:

– Reuse or use double-sided paper

– Encourage the use of teleconference or video conference facilities

– Classify and recycle waste paper and printer cartridges

– Minimize the use of single-use disposable items

A2: USE OF RESOURCES

The Group recognises the importance of responsible resource utilisation across all areas of its operations. It is committed to evolving into a resource-efficient and environmentally responsible organisation, actively supporting environmental stewardship and sustainable practices.

Energy Management

The Group has adopted a long-term reduction pathway as its energy efficiency target, reflecting its commitment to continuous improvement in energy management. To support this objective, the Group has implemented a range of energy conservation measures across both its office environments and mining sites:

– Switch off electrical equipment and lightings when not in use

– Set electrical equipment and appliances on power saver mode

– Use energy saving LED lighting and other electrical appliances

– Adopt natural ventilation where applicable

– Perform regular checking over the air-conditioning system, lightings and electrical appliances

During the Reporting Period, the energy consumption performance in South Africa of the Group is as follows:

	Unit	Quantity
Direct energy consumption		
– Liquid fuel	MWh	36.95
Indirect energy consumption		
– Purchase electricity	MWh	17.71
Total	MWh	54.66

Note: The unit of energy figures is converted into MWh based on the lower heat value referenced from CDP Technical Note: Conversion of fuel data to MWh.

Water Management

The Group's mining projects are situated in areas characterised by limited water resources, making efficient water management a key priority. As part of its environmental management approach, the Group has adopted a long-term reduction pathway as its water consumption target. To support this objective, the Group conducts regular inspections, promptly addresses maintenance issues to prevent leakages, and promotes water conservation awareness among employees to encourage responsible usage practices.

Given that the Group's operations primarily involve underground gold mining in South Africa, which is typically water-intensive, project designs have incorporated measures to optimise water recirculation and minimise discharge. These measures aim to enhance overall water efficiency while reducing reliance on external water sources.

Underground fissure water, originating from sub-surface aquifers, is managed in accordance with the requirements set out in the Group's Environmental Authorisations and Water Use Licences under the National Water Act, 1998. Effective control and utilisation of fissure water will be critical to supporting future mining activities. In addition, water will be utilised within metallurgical plants for ore processing, with both surface and groundwater usage strictly regulated and managed in compliance with the conditions stipulated in the relevant Water Use Licence. To further strengthen water stewardship, recycling and recirculation systems will be implemented to improve water efficiency and support the achievement of a net positive water balance.

As the Group's projects remained in the development phase during the Reporting Period, no significant challenges were encountered in sourcing suitable water for operational needs.

Notably, the Evander site office utilised harvested rainwater stored in 20,000-litre tanks, while the Jeanette site office recorded freshwater consumption of 142 cubic metres during the Reporting Period.

Packaging Material

The Group's final products are gold concentrate, so packaging material is not necessary and is therefore not considered a material ESG aspect of the Group.

As the Group's mining production has not yet commenced and all projects remain at the development stage, energy and water consumption are currently limited to office operations in South Africa. Accordingly, the Group considers the related consumption data to be minimal in scale and not material for disclosure purposes at this stage.

A3: ENVIRONMENT AND NATURAL RESOURCES

Mining activities inherently have the potential to impact surrounding ecological systems. To effectively manage and mitigate such impacts, the Group has established a comprehensive environmental management framework. Each mining project is subject to a detailed Environmental Impact Assessment, which serves as the basis for identifying potential environmental risks and implementing appropriate mitigation measures, supported by ongoing monitoring to ensure their effectiveness.

In addition, independent assessments are conducted to evaluate the Group's compliance with applicable environmental laws and regulatory requirements. Any identified instances of non-compliance may be subject to investigation by relevant authorities and, where necessary, enforcement actions, including legal proceedings.

A4: CLIMATE CHANGE

Climate change has a significant impact on human life and business operations. As the Group's mining operations in South Africa are currently under construction and have not yet commenced commercial activities, the Group has applied an exemption from disclosing Part D: Climate-related Disclosures for the reporting year. The Group remains committed to strengthening its climate-related data management practices and will consider establishing a structured data collection system to capture, monitor, and disclose information once operations commence in the future. Although the Group has not yet commenced mining production, it recognizes that the following climate risks might have potential impacts on its business:

Physical Risk

The Group recognises that changes in climate patterns, including variations in precipitation, temperature fluctuations, and the increasing frequency and intensity of extreme weather events, may have potential adverse impacts on its mining operations. For instance, prolonged periods of high temperature and drought conditions may pose challenges to exploration and project development activities. Accordingly, such climate-related considerations are systematically incorporated into the planning and pre-construction stages of each mining project.

To mitigate the risk of operational disruption arising from extreme weather events, the Group conducts assessments of various weather scenarios that may affect business continuity. In compliance with the Mine Health and Safety Act, precautionary measures have been implemented to safeguard mine infrastructure, including the management of flood risks. In addition, as part of its contingency planning framework, the Group provides guidance to employees on responding to situations where critical equipment or essential services may be temporarily unavailable due to severe weather conditions. The Group also regularly reviews and updates its adverse weather response measures to enhance employee safety and maintain operational resilience. Continuous monitoring of climate-related risks remains an integral component of the Group's broader climate risk management approach.

B. SOCIAL

B1: EMPLOYMENT

The Group places strong emphasis on the contributions and dedication of its employees, recognising their vital role in driving sustainable business development. The Group is committed to upholding high standards of employment practices and ensuring a safe, healthy, and supportive working environment. It seeks to provide employees with comprehensive support, resources, and development opportunities, enabling them to realise their potential, contribute effectively to organisational objectives, and grow alongside the Group.

The Group strictly complies with relevant local laws, regulations, and policies, including but not limited to the "Labour Relations Act of South Africa", "Basic Conditions of Employment Act of South Africa", "Employment Equity Act of South Africa", "Skills Development Act of South Africa", "Unemployment Insurance Act of South Africa", "Employment Ordinance of Hong Kong", "Employees' Compensation Ordinance of Hong Kong", and "Minimum Wage Ordinance of Hong Kong". The Group regulates employee management in accordance with its "Recruitment Policy" and other internal rules and regulations.

During the Reporting Period, the Group complied with relevant laws and regulations on employment and labour practices and was not charged with any violations of such laws and regulations that had a significant impact on the Group.

Recruitment, Promotion and Dismissal

The Group has established comprehensive employment policies designed to promote equal opportunity and fair recruitment practices, in full compliance with applicable local laws and regulations. All candidates are evaluated based on their qualifications, experience, and alignment with the Group's operational and strategic needs, without bias. Discrimination on any grounds, including race, gender, religion, physical ability, marital status, sexual orientation, or other personal characteristics, is strictly prohibited.

For existing employees, the Group is committed to providing a transparent and merit-based framework for career development and advancement. A structured and equitable performance management system is in place to assess employee capabilities, support professional growth, and recognise individual contributions. Regular performance evaluations are conducted to facilitate continuous improvement and development. Where practicable, the Group offers competitive remuneration packages and fair promotion opportunities, ensuring that employees are appropriately rewarded for their performance and commitment.

The Group maintains a zero-tolerance policy toward unfair or unlawful dismissal. Termination of employment is conducted strictly in accordance with the relevant labour laws of Hong Kong and South Africa, and only on legitimate and lawful grounds.

Remuneration, Benefits and Work-life Balance

The Group recognises that a competitive and well-structured remuneration framework, supported by comprehensive employee benefits and welfare programmes, is essential for attracting and retaining talent, as well as fostering a strong sense of belonging among employees. Accordingly, the Group has established a remuneration system designed to ensure fair and equitable compensation, aligned with individual contributions, job responsibilities, and prevailing market practices.

Beyond competitive base remuneration, the Group provides a broad range of employee benefits to support overall well-being and professional development. These include entitlements such as paid annual leave, sick leave, education and examination leave, maternity leave, marriage leave, paternity leave, compensation leave, work injury leave, life and disability insurance coverage, training allowances, and contributions to retirement or provident fund schemes. In addition, the Group offers subsidies for transportation, travel, and communication expenses incurred during overtime work, in accordance with its internal policies and guidelines.

To promote a healthy work-life balance, the Group adheres to standard working hours and statutory leave entitlements as prescribed under applicable local labour laws and regulations. This approach enables employees to effectively balance their professional responsibilities with personal and family commitments, thereby supporting overall well-being and sustainable workforce engagement.

Diversity, Equal Opportunities, and Anti-discrimination

The Group is committed to cultivating a diverse and inclusive workforce by attracting and retaining talent from a broad range of geographic regions and cultural backgrounds. Recognising the strategic importance of human capital, the Group strives to create an environment that supports both organisational growth and individual development. Equal opportunity principles are embedded across all stages of employment, including recruitment, training, promotion, and retention practices. The Group is firmly dedicated to maintaining a workplace that is free from discrimination and harassment, and strictly prohibits any form of physical or verbal misconduct based on race, religion, colour, national origin, age, gender, sexual orientation, disability, or any other personal characteristic.

Information of our workforce and turnover rate by different categories is illustrated below:

	Number of employees
By gender	
Male	12
Female	12
By employee category	
Full-time	22
Contract	2
By age group	
Below 30	1
30–50	11
Over 50	12
By region	
South Africa	11
Hong Kong	13
Total	24

	Turnover rate
By gender	
Male	8%
Female	0%
By age group	
Below 30	0%
30–50	9%
Over 50	0%
By region	
South Africa	0%
Hong Kong	8%
Overall	4%

B2: HEALTH AND SAFETY

The Group places the highest priority on ensuring the health, safety, and well-being of its employees and is committed to providing a safe, healthy, and supportive working environment. It fully complies with all applicable local laws and regulations, including the "Occupational Health and Safety Act", "Compensation for Occupational Injuries and Diseases Act", "Workmen's Compensation Act", and "Mine Health and Safety Act" of South Africa, as well as the "Occupational Safety and Health Ordinance" of Hong Kong. To support compliance and foster a strong safety culture, the Group has implemented the "Taung Gold Safety Way", an occupational health and safety management framework that aligns with industry best practices, local regulatory requirements, international standards, and internal expertise.

To further strengthen safety performance across its operations, the Group has established a comprehensive safety responsibility system. In recognition of the specific risks associated with mining activities, the Group provides regular occupational health and safety training to both employees and subcontractors in South Africa, ensuring full alignment with legal and regulatory requirements. Employees are equipped with appropriate personal protective equipment, including safety helmets, reflective vests, and safety footwear, all of which comply with relevant local standards. In addition, each operational site is equipped with adequate first-aid kits, fire protection equipment, protective gear, and other emergency response resources. Dedicated on-site occupational safety officers are also appointed to oversee the implementation of safety measures and reinforce compliance with established safety protocols.

During the Reporting Period, the Group recorded no material instances of non-compliance with health and safety-related laws and regulations. Furthermore, there were no work-related injuries or fatalities resulting in lost workdays over the past three years. No reportable lost days due to work-related injuries were recorded during the Reporting Period.

B3: DEVELOPMENT AND TRAINING

The Group recognises that the continuous development of human capital is essential to achieving long-term success, supporting sustainable business growth, and maintaining a competitive advantage. In this regard, the Group regularly assesses the development needs of its workforce, with a particular focus on enhancing employee knowledge, competencies, and professional capabilities.

To enhance and update the Directors' knowledge and skills in performing their roles, functions, and duties as directors of a listed company, the Group provides continuous professional development training through webinars, e-learning programmes, and selected reading materials. These initiatives enable the Directors to stay informed of current trends and issues relevant to the Group, including the latest commercial developments, as well as legal and regulatory updates.

To support employee development, the Group provides a range of structured learning opportunities, including on-the-job training, internal and external training programmes, and specialised courses such as occupational safety and first aid. These initiatives are designed to align individual career progression with the Group's operational and strategic requirements. Furthermore, the Group encourages continuous professional advancement through the implementation of incentive policies that support employees in obtaining recognised certifications and completing relevant professional training. Selected programmes are supplemented by training subsidies and examination leave arrangements.

During the Reporting Period, employees participated in a variety of training sessions and seminars covering areas such as accounting, corporate governance, and regulatory developments. The percentage of employees trained by employee category is as follows:

	Training rate
Gender ratio among employees trained	
Male	40%
Female	60%
Employee category ratio among employees trained	
Executive directors	40%
General staff	60%
Percentage of employees trained to all employees	21%

Note: The percentage of employees trained is calculated by using the total number of employees trained as the denominator.

	Average training hours completed per employee
By gender	
Male	2.75
Female	4.00
By employee category	
Executive directors	6.00
General staff	2.50
All employees	3.38

B4: LABOUR STANDARDS

Prevention of Child and Forced Labour

The Group maintains a strict zero-tolerance stance against all forms of child labour, forced labour, and compulsory labour, and is firmly committed to upholding fundamental labour rights across its operations. It ensures that no individuals below the minimum legal working age, as defined by applicable laws and regulations, are employed. The Group also expressly prohibits any form of forced or bonded labour, as well as practices involving physical punishment, unlawful detention, threats, or coercion. All recruitment activities are conducted in accordance with principles of fairness, transparency, and voluntary participation, with no tolerance for deceptive or coercive practices.

The Human Resources and Administrative Department is responsible for overseeing compliance with relevant labour laws and regulatory requirements. Robust recruitment procedures, including stringent age verification measures, are implemented to prevent the employment of underage workers, while periodic internal reviews are conducted to ensure ongoing compliance and to detect any potential irregularities.

In the event of any breach of these standards, the Group will take immediate and appropriate corrective action, including conducting thorough investigations to identify root causes and implementing preventive measures to avoid recurrence. The Group also undertakes educational and awareness initiatives to ensure that employees fully understand its policies, as well as the legal and ethical implications associated with child labour and forced labour. While adhering to local legal requirements as a baseline, the Group is committed to applying, where appropriate, more stringent internal standards to maintain a high level of compliance and uphold its corporate responsibility.

During the Reporting Period, the Group did not employ any individuals involved in child or forced labour, and no incidents of non-compliance or legal proceedings related to such practices were reported.

B5: SUPPLY CHAIN MANAGEMENT

The Group recognises that engaging responsible and sustainable business partners is fundamental to fulfilling its corporate social responsibility commitments. In this regard, the Group seeks to establish and maintain partnerships with suppliers and subcontractors that demonstrate strong capabilities and performance in managing environmental and social risks.

During the Reporting Period, the Group engaged a total of 12 major suppliers, all of which were based in South Africa. To ensure the selection of responsible partners, the Group has implemented a supplier management policy that emphasises environmental stewardship and corporate social responsibility. A structured supplier selection and assessment mechanism is in place, evaluating criteria such as product and service quality, pricing, delivery reliability, payment terms, and overall reputation.

The Group recognises the inherent environmental and social risks associated with its supply chain and therefore integrates environmental, social, and governance considerations into its procurement processes to enhance overall sustainability and resilience. All suppliers and subcontractors are required to adhere to the Group's established standards covering business ethics, human rights, labour practices, occupational health and safety, and environmental management.

In supplier selection and procurement decisions, the Group prioritises environmentally responsible products and services, with particular emphasis on those characterised by low energy consumption, high recyclability, and reduced packaging. In South Africa, the procurement process follows a structured approach that includes obtaining a minimum of three quotations, while also considering key evaluation criteria such as Black Economic Empowerment (BEE) ratings and, where applicable, carbon emission performance.

Regular evaluations and performance reviews are conducted to ensure that suppliers and subcontractors continue to meet the Group's standards and comply with applicable laws and regulations.

B6: PRODUCT RESPONSIBILITY

As the Group's mining projects remained at the pre-construction and development stages during the Reporting Year, no mining or production activities had commenced. Accordingly, disclosure relating to product responsibility policies is not applicable at this stage. Relevant information will be provided in future reports once mining and production operations begin.

B7: ANTI-CORRUPTION

The Group maintains a strong commitment to upholding the highest standards of integrity and ethical conduct across its operations. It enforces a zero-tolerance approach to corruption and strictly prohibits any form of bribery, as well as the misuse of position for personal gain through unlawful activities such as extortion, fraud, or money laundering. To reinforce these principles, the Group has established a comprehensive governance framework, including policies on anti-corruption, anti-money laundering, and whistleblowing. These are underpinned by a formal Code of Conduct, which clearly defines the expected standards of behaviour for all employees and relevant stakeholders, thereby promoting a culture of accountability, transparency, and ethical business practices.

During the Reporting Period, the Group was not aware of any material instances of non-compliance with applicable laws and regulations relating to bribery, extortion, fraud, money laundering, data privacy, or intellectual property. Furthermore, neither the Group nor any of its employees were involved in legal proceedings related to corrupt practices.

Whistle-blowing

The Group has established a whistle-blowing policy to promote a culture of integrity, transparency, and accountability. This policy encourages employees to report any suspected misconduct or unethical behaviour without fear of retaliation. It provides clear guidance on the scope of reportable matters, prohibited conduct, available reporting channels, procedures for handling reports, and the confidentiality of whistle-blowing activities, all in accordance with relevant internal governance frameworks.

Employees may report suspected misconduct in writing to the Chairman of the Audit Committee, depending on the nature and seriousness of the issue. Upon receipt of a report, the Chairman will promptly review the matter and determine the appropriate course of action, including initiating further investigation where necessary. The Group is committed to ensuring strict confidentiality throughout the whistle-blowing process and implements appropriate safeguards to protect the identity of reporting individuals. In addition, the Group maintains the integrity and reliability of all information received and reserves the right to take disciplinary action against any employee found to have knowingly submitted false or misleading reports.

Anti-corruption

Employees are strictly prohibited from soliciting, accepting, or offering any form of advantage, including gifts, entertainment, or contributions, from or to customers, suppliers, public officials, employees of government departments or public bodies, or any other parties in connection with the Group's business, except under circumstances permitted by applicable policies.

Any breach of these requirements will be treated with the utmost seriousness. Employees found to have engaged in such misconduct will be subject to disciplinary actions, including dismissal, and may be deemed ineligible for future employment with the Group. In cases involving serious violations, the Group will refer the matter to relevant law enforcement authorities for further investigation and potential prosecution.

To promote a strong understanding of applicable legal and regulatory requirements, the Group provides regular training on ethical business conduct to all employees. The training covers key areas such as integrity, professional discipline, confidentiality, and the management of conflicts of interest. In addition, directors are provided with internal training sessions and relevant reading materials on topics including corporate governance, connected and notifiable transactions, as well as legal, regulatory, and business developments, to support informed decision-making and effective governance.

B8: COMMUNITY INVESTMENT

The Group is committed to generating a positive and lasting impact in the communities where it operates, recognising the importance of contributing to long-term social and economic development. Local communities are regarded as key stakeholders and play an essential role in the success and sustainability of the Group's mining projects. In this regard, the Group implements targeted education and development programmes under its Social and Labour Plans (SLPs), with the objective of fostering sustainable community upliftment and enhancing overall socio-economic well-being.

The objectives of SLPs 2024-2028 are to:

- Broaden the base of participation, through expanding into additional areas and increasing participation in areas of existing implementation;

- Investigate productive water infrastructure solutions, in partnership with local municipality, to secure ongoing economic activity in the host community;

- Continue support of local market days to stimulate internal cash circulation and growth of the local economy; and

- Expand activities to offer additional pathways into economic activity for participants.

The Group is committed to contribute ZAR 10,000,000 to implement the SLPs over the period of 2024 to 2028. There are several local economic development projects under the current SLPs:

MyFood teaches horticulture methods which put the available land to use. Whatever space the participant has, it can be made to be productive to support the families and also for establishing commercial activities with the surplus which can be sold into local markets.

MyFuture teaches participants how to set goals and how to reach those goals through leading young and old to discover their talents and rejoice in crafting livelihoods around the things they love doing. It provides a platform for healing the hurts, hang-ups and habits that destroy lives, making space for hope and hard work towards a clear goal-directed future. All MyFuture participants receive a certificate of attendance upon completing the programme.

MyLivestock and **MyPoultry** have enabled participants to start up, or improve, productive animal rearing operations for greater productivity and profitability.

MyBusiness teaches ordinary residents learn powerful business tools how to set prices, track sales, manage profit, produce for the market, receiving everything they need to expand their businesses. The Market Development component will focus on building the existing internal markets within host communities, improving local cash circulation and growing the informal economy.

Productive Infrastructure funds the building of tall-crop vegetable tunnels for participants who meet the qualifying criteria, in order to enhance their productivity, profitability, and diversification and expansion of economic activities. Participants are also taught how to construct their own vegetable tunnels, so that they can continue their commercial expansion independent of the mine's investment.

The Group has established and will continue to maintain good relationships with the surrounding communities in the areas in which it operates by holding regular meetings with the local municipalities as well as the Department of Mineral Resources and Energy to oversee the SLPs.

ESG CODE INDEX

Part C (A)	Environmental	Section	Explanation
ASPECT A.1	**Emissions**		
General Disclosures		A1	
KPI A.1.1	The types of emissions and respective emissions data	A1	
KPI A.1.2	[Repealed starting from 1 January 2025]	Not applicable	
KPI A.1.3	Total hazardous waste produced and intensity	Not applicable	Note 1
KPI A.1.4	Total non-hazardous waste produced and intensity	Not applicable	Note 1
KPI A.1.5	Description of emissions target(s) set and steps taken to achieve them	A1	
KPI A.1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of waste reduction target(s) set and steps taken to achieve them	A1	
ASPECT A.2	**Use of Resources**		
General Disclosures		A2	
KPI A.2.1	Direct and/or indirect energy consumption by type in total and intensity	A2	Note 2
KPI A.2.2	Water consumption in total and intensity	A2	Note 2
KPI A.2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	A2	
KPI A.2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	A2	
KPI A.2.5	Total packaging material used for finished products, with reference to per unit produced	Not applicable	Note 1
ASPECT A.3	**Environment and Natural Resources**		
General Disclosures		A3	
KPI A.3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	A3	
ASPECT A.4	**Climate Change**		
General Disclosures		A4	
KPI A.4.1	Description of significant climate-related issues that have affected and may affect the issuer, and the corresponding actions	A4	

Part C (B)	Social	Section	Explanation
ASPECT B.1	**Employment and Labour Practices**		
General Disclosures		B1	
KPI B.1.1	Total workforce by gender, employment type, age group and geographical region	B1	
KPI B.1.2	Employee turnover rate by gender, age group and geographical region	B1	
ASPECT B.2	**Health and Safety**		
General Disclosures		B2	
KPI B.2.1	Number and rate of work-related fatalities occurred in each of the past three years (including the reporting year)	B2	
KPI B.2.2	Lost days due to work-related injury	B2	
KPI B.2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	B2	
ASPECT B.3	**Development and Training**		
General Disclosures		B3	
KPI B.3.1	The percentage of employees trained by gender and employee category	B3	
KPI B.3.2	The average training hours completed per employee by gender and employee category	B3	
ASPECT B.4	**Labour Standards**		
General Disclosures		B4	
KPI B.4.1	Description of measures to review employment practices to avoid child and forced labour	B4	
KPI B.4.2	Description of steps taken to eliminate violation practices when discovered	B4	
ASPECT B.5	**Supply Chain Management**		
General Disclosures		B5	
KPI B.5.1	Number of suppliers by geographical region	B5	
KPI B.5.2	Description of practices relating to engaging suppliers, number of suppliers on which the practices are being implemented, how they are implemented and monitored	B5	
KPI B.5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	B5	
KPI B.5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	B5	

Part C (B)	Social	Section	Explanation
ASPECT B.6	**Product Responsibility**		
General Disclosures		Not applicable	Note 1
KPI B.6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not applicable	Note 1
KPI B.6.2	Number of products and service related complaints received and how they are dealt with	Not applicable	Note 1
KPI B.6.3	Description of practices relating to observing and protecting intellectual property rights	Not applicable	Note 1
KPI B.6.4	Description of quality assurance process and product recall procedures	Not applicable	Note 1
KPI B.6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Not applicable	Note 1
ASPECT B.7	**Anti-corruption**		
General Disclosures		B7	
KPI B.7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	B7	
KPI B.7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	B7	
KPI B.7.3	Description of anti-corruption training provided to directors and staff	B7	
ASPECT B.8	**Community Investment**		
General Disclosures		B8	
KPI B.8.1	Focus areas of contribution	B8	
KPI B.8.2	Resources contributed to the focus area	B8	
Part D	**Climate-related Disclosures**		
28	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	A1	

Notes:

1. There was no substantive data available during the Reporting Period due to absence of production of the Group's mining business and no record being kept at developmental stage.

2. No applicable data on intensity was available during the Reporting Period.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES

The Board considers that good corporate governance of the Company can protect and safeguard the interests of the shareholders and to enhance the performance of the Company. The Board is committed to maintaining and ensuring high standards of corporate governance. The Company has adopted the principles and code provisions ("Code Provision") of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange").

Throughout the year ended 31 March 2026, the Company has complied with all the Code Provisions of the CG Code as set out in Appendix C1 to the Listing Rules.

CORPORATE PURPOSE, VALUE AND CULTURE

The Board is committed to fostering a sound corporate culture and ensuring alignment between the Company's vision, values and business strategies. It upholds high standards of business ethics and corporate governance across all activities and operations. Directors, management and staff are expected to conduct themselves in a lawful, ethical and responsible manner. The requisite standards and norms are clearly set out in the Group's policies, including the Code of Conduct, Anti-corruption Policy and Whistleblowing Policy of the Group.

CORPORATE STRATEGY

The Company's principal strategy is to acquire gold properties with the potential to be developed into world-class operating mines. In line with this strategy, the Group has formulated long-term development plans for its flagship projects, Evander and Jeanette. The Chairperson's Statement, and Management Discussion and Analysis, set out on pages 3 to 12 of this annual report, provide an overview of the Group's performance, the basis on which the Group generates and preserves long-term value, and the strategies for achieving its objectives.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding directors' securities transactions. The Company has made specific enquiries of all Directors and all the Directors confirmed that they complied with the required standards of the Model Code during the year ended 31 March 2026.

The Company has also established written guidelines on no less exacting terms than the Model Code (the "Written Guidelines") for securities transactions by the relevant employees, including the Directors, who are likely to possess inside information of the Company.

No incidents of non-compliance of the Written Guidelines by the relevant employees were noted by the Company.

CHAIRMAN AND CHIEF EXECUTIVE

Code Provision C.2.1 requires the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. During the year under review, Ms. Cheung Pak Sum is the Chairman of the Company. After the retirement of Mr. Neil Andrew Herrick as Chief Executive Officer of the Company since 28 August 2020, there is no officer carrying the title of Chief Executive Officer up to the date of this annual report. The role of Chief Executive Officer has been performed by all the Executive Directors collectively. Therefore, in the opinion of the Directors, the roles of the Chairman and the Chief Executive Officer have been/will be properly segregated in the absence of an officer carrying the title of Chief Executive Officer. The balance of power and authority is ensured by the operations of the Board, which comprises experienced and high calibre individuals who meet regularly to discuss operation issues of the Group.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Independent Non-executive Directors, with a balanced mix of skills, experience and expertise, provide independent, constructive and informed views and judgement on matters relating to strategy, policy, performance, accountability, resources, key appointments and standards of conduct through their active participation at Board and Board committee meetings. The Independent Non-executive Directors also take the lead in situations involving potential conflicts of interest and are responsible for scrutinising the Company's performance in achieving agreed corporate goals and objectives, as well as monitoring performance reporting. The Independent Non-executive Directors of the Company are not appointed for specific terms but are subject to retirement by rotation in accordance with the bye-laws of the Company.

In order to ensure independent views and input from the Independent Non-executive Directors are available to the Board, the Nomination Committee and the Board are committed to assess their independence taking into account the following factors:

- required character, integrity, expertise, experience and stability to fulfill their roles;
- time commitment and attention to the Company's affairs;
- firm commitment to their independent roles and to the Board;
- declaration of conflict of interest in their roles as Independent Non-executive Directors; and
- no involvement in the daily management of the Company nor in any relationships or circumstances which would affect the exercise of their independent judgement.

Each Independent Non-executive Director has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all Independent Non-executive Directors meet the independence guidelines as set out in Rule 3.13 of the Listing Rules and are independent. The Independent Non-executive Directors are identified in all corporate communications of the Company.

CORPORATE GOVERNANCE REPORT

Throughout the year ended 31 March 2026, the Company complied with the Listing Rules relating to the appointment of at least three Independent Non-executive Directors, at least one Independent Non-executive Director with appropriate professional qualifications, or accounting or related financial management expertise, and a sufficient number of Independent Non-executive Directors representing at least one-third of the Board, respectively.

BOARD OF DIRECTORS

The Board assumes overall responsibilities for the leadership and control of the Company and is collectively responsible for promoting its success by directing and supervising the Company's affairs. The Board focuses on overall corporate strategies and policies, with particular attention to the financial performance of the Company, including approval of major acquisition and disposal; approval of annual and interim results; approval of major capital transaction, such as change in share capital; repurchases and the issuance of new securities; recommendation on change of directors, chief executives and company secretary of the Company; establishment or amendment of board committees and their respective terms of reference; monitor and review of the risk management and internal control system of the Company; adoption and review of the corporate governance policy and the relevant report to be disclosed annually; and consideration of all other significant operation and financial matters.

The Board has also established the following terms of reference in respect of its corporate governance responsibilities:

i. To develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;

ii. To review and monitor the training and continuous professional development of Directors and senior management of the Company;

iii. To review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

iv. To develop, review and monitor the code of conduct and compliance manual of the Company (if any) applicable to employees and Directors; and

v. To review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

Composition of the Board

The Board currently comprises five Directors as follows:

Name of Directors	Position	Length of tenure (No. of Year(s))	Current period of appointment[1] (No. of Year(s))
Ms. Cheung Pak Sum	Executive Director & Chairman	16	1
Mr. Phen Chun Shing Vincent	Executive Director	10	2
Mr. Li Kam Chung	Independent Non-executive Director	17	3
Mr. Chong Man Hung Jeffrey	Independent Non-executive Director	8	2
Mr. Tsui Pang	Independent Non-executive Director	9	1

Note:

(1) Since Directors' last re-election at the annual general meeting.

The biographical information of the Directors, including their relationships with other Board members (if any), are set out in the "Biographical Details of Directors and Senior Management" section on pages 15 to 17 of this annual report. An updated list of the Directors, identifying their respective roles and functions, is available on the websites of the Stock Exchange and the Company.

The Board held six Board meetings and two general meetings during the year ended 31 March 2026. Details of the attendance of individual Director are set out below:

	Meetings attended/held			
Name of Directors	Regular Board Meeting	Other Board Meeting	Annual General Meeting	Special General Meeting
Executive Directors				
Ms. Cheung Pak Sum	4/4	2/2	1/1	1/1
Mr. Phen Chun Shing Vincent	4/4	2/2	1/1	1/1
Independent Non-executive Directors				
Mr. Li Kam Chung	4/4	2/2	1/1	1/1
Mr. Chong Man Hung Jeffrey	4/4	2/2	1/1	1/1
Mr. Tsui Pang	4/4	2/2	1/1	1/1

CORPORATE GOVERNANCE REPORT

The Board and the Management

There is a clear division of the responsibilities between the Board and the management. The Board delegated its responsibilities to the directors and senior management to oversee the day-to-day operations and review such arrangements on a periodic basis. Management has an obligation to provide the Board and Board committees with adequate and timely information, and is required to report to, and obtain prior approval from the Board before making decisions on key matters or entering into any commitments on behalf of the Company. The Board comprises a balanced mix of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business.

The Board meets regularly in person to discuss and formulate overall strategic direction and objectives and to approve annual and interim results, as well as other significant matters of the Company. Execution of daily operational matters is delegated to management.

The Company Secretary assists the Chairman in preparing notices and agendas for the meetings and ensures that the Company complies with the applicable corporate governance practices and other regulatory requirements. At least 14 days' notice of all regular Board meetings were given to all Directors and reasonable notice were given for other Board meetings to enable all Directors to have an opportunity to include matters in the agenda for discussion.

All Directors have access to the Company Secretary who is responsible for the Company's compliance with the continuing obligations under the Listing Rules, Codes on Takeovers and Mergers and Share Buy-backs, Companies Ordinance, Securities and Futures Ordinance and other applicable laws, rules and regulations.

Minutes of the Board and committee meetings are recorded in sufficient detail the matters considered and decisions reached, including any concerns raised or dissenting views expressed by Directors. Draft and final versions of minutes are sent to all Directors or committee members within a reasonable time after the meetings and are taken as true records of the proceedings. All minutes are kept by the Company Secretary and are open for inspection at any reasonable time on reasonable notice by any Director. All Directors are entitled to have access to Board papers and related materials save where there are legal or regulatory restrictions on disclosure.

If a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with by a physical Board/committee meeting. Non-executive Director and Independent Non-executive Director who, and whose close associates, have no material interest in the transaction, will be present at that Board meeting.

INDEMNITY AND INSURANCE PROVISIONS

The Company has arranged for appropriate liability insurance throughout the year to indemnify the Directors against liabilities arising out of corporate management activities.

BOARD COMMITTEES

To enhance the effectiveness and efficiency of the Board, the Company has established audit committee, nomination committee, remuneration committee and technical, safety and environment committee with written terms of reference respectively clearly defining their roles and the authority delegated by the Board. The terms of reference of each of committees are available on the website of the Stock Exchange at www.hkexnews.hk and on the Company's website at www.taunggold.com under the "Corporate Governance" section of "About Us".

The Board committees are also provided with sufficient resources to perform their duties and, where necessary, to seek independent professional advice at the Company's expense.

Audit Committee

The Company has established the Audit Committee ("AC") in 2004. The AC comprises three Independent Non-executive Directors, namely Mr. Chong Man Hung Jeffrey, Mr. Li Kam Chung and Mr. Tsui Pang, and is chaired by Mr. Chong Man Hung Jeffrey. The members possess sufficient accounting and financial management expertise and business experience to discharge their duties. None of them is a former partner of the Company's existing auditing firm.

The principal duties of the AC include reviewing the Group's financial controls, internal control and risk management systems; monitoring the integrity of the financial statements; reviewing the annual and interim financial statements and reports before submission to the Board and considering and making recommendations to the Board on the appointment, re-appointment and removal of external auditors of the Company.

The AC meets with the external auditors and the management of the Group to ensure that the audit findings are addressed properly.

The AC also meets regularly to review the financial results and other information for shareholders, as well as the effectiveness of the internal control and risk management systems. The AC also serves as an important link between the Board and the Company's auditors on matters within the scope of its terms of reference and keeps the independence of the auditors under review.

During the year ended 31 March 2026, the AC held seven meetings with senior management and the independent auditor to discuss and review various matters, including but not limited to the following:

- reviewed the Group's audited financial statements, annual report and annual results announcement for the year ended 31 March 2025;
- reviewed the Group's unaudited financial statements, interim report and interim results announcement for the six months ended 30 September 2025;
- reviewed the internal audit report prepared by an independent consulting firm for significant findings and recommendations;
- reviewed the overall adequacy and effectiveness of the Group's risk management and internal control systems;
- reviewed the audit plan, terms of engagement, independence, remuneration and qualifications of the external auditor;
- considered and recommended the change of the external auditor; and
- reviewed the accounting principles and practices adopted by the Group.

The individual attendance of each AC member is set out below:

Name of Audit Committee members	Meetings attended/held
Mr. Chong Man Hung Jeffrey *(Chairman)*	7/7
Mr. Li Kam Chung	7/7
Mr. Tsui Pang	7/7

Nomination Committee

The Company has established the Nomination Committee ("NC") in 2005. The NC comprises three Independent Non-executive Directors, namely Mr. Chong Man Hung Jeffrey, Mr. Li Kam Chung and Mr. Tsui Pang and one Executive Director, namely Ms. Cheung Pak Sum. Mr. Chong Man Hung Jeffrey is the Chairman of the NC.

The principal responsibilities of the NC include reviewing the structure, size and composition of the Board; monitoring the implementation and effectiveness of the Board Diversity Policy and the Nomination Policy; assisting the Board in maintaining a Board skills matrix, making recommendations to the Board on nomination, rotation and re-appointment of Directors and succession planning for Directors; assessing the independence of Independent Non-executive Directors; reviewing the implementation and effectiveness of the independence mechanism annually; and supporting the Company's regular evaluation of Board performance.

All Directors are subject to re-election by shareholders at annual general meeting pursuant in accordance with the bye-laws of the Company. Pursuant to the Company's bye-laws, one-third of the Directors who have been longest in office since their last election or re-election are subject to retirement by rotation at least once every three years. All retiring Directors are eligible for re-election.

During the year ended 31 March 2026, the NC held one meeting. The work performed by the Nomination Committee included, but not limited to the following:

- reviewed the structure, size and composition of the Board;
- reviewed the implementation and effectiveness of the Board Diversity Policy, the Nomination Policy and the mechanism for ensuring that independent views and input are available to the Board;
- assessed the independence of the Independent Non-executive Directors, including Independent Non-executive Director who have served for more than nine years;
- reviewed and made recommendation to the Board for re-election of Directors;
- reviewed and made recommendation to the Board for appointment of an additional member to the Nomination Committee;
- reviewed and revised the terms of reference of the Nomination Committee.

The individual attendance of each NC member is set out below:

Name of Nomination Committee members	Meetings attended/held
Mr. Chong Man Hung Jeffrey *(Chairman)*	1/1
Mr. Li Kam Chung	1/1
Mr. Tsui Pang	1/1
Ms. Cheung Pak Sum *(Note)*	0/0

Note: Ms. Cheung Pak Sum was appointed as member of the Nomination Committee on 30 June 2025. No Nomination Committee meeting was held during the reporting period after her appointment.

Board Diversity Policy

The Board adopted the Board Diversity Policy which sets out the approach to achieving diversity on the Board. The Company seeks to achieve board diversity through consideration of a number of factors, including but not limited to skills, regional and industry experience, background, race, gender and other qualities. The Company will also takes into account of its own business model and specific needs from time to time in determining the optimum composition of the Board. The ultimate decision will be based on merit and contributions that the selected candidates will bring to the Board.

The Board Diversity Policy is reviewed by the NC and the Board annually, as appropriate, to ensure its implementation and effectiveness. The NC is also responsible for setting measurable objectives for achieving diversity on the Board and making recommendation to the Board for adoption. For the purpose of implementation of the Board Diversity Policy, the measurable objectives are as follows:

– at least one third of the Directors shall be independent non-executive Directors;

– at least one Director shall have obtained accounting or other professional qualifications;

– at least one Director shall be female; and

– achieve or maintain the percentage of women in the workforce at or above 40%.

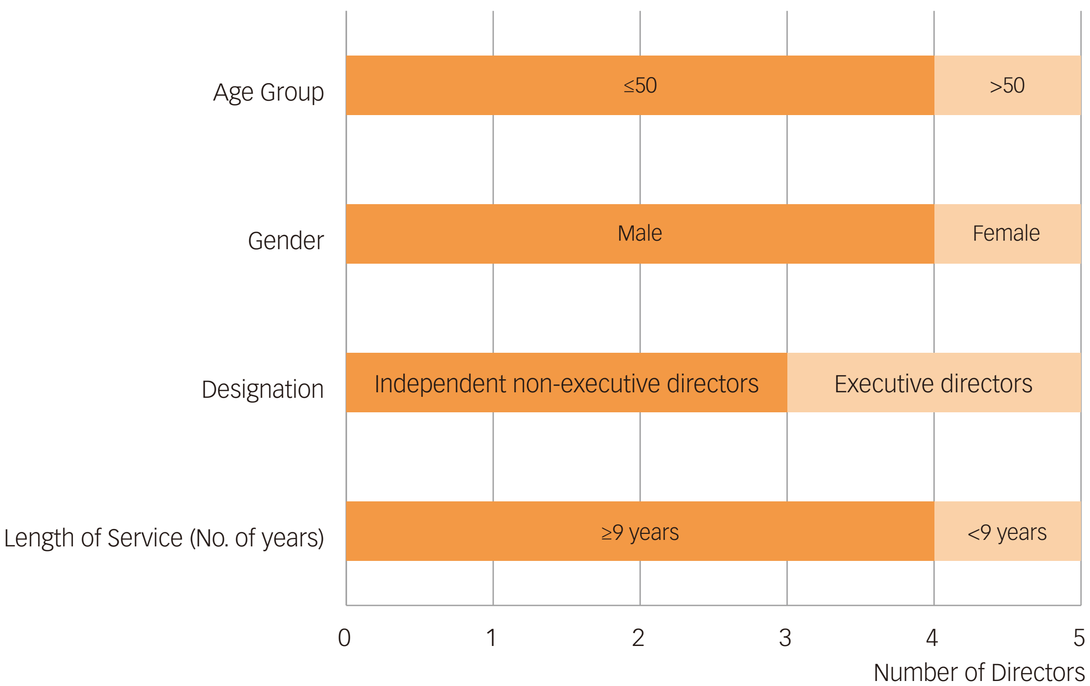
As at 31 March 2026, the Board comprised five Directors, including four male Directors and one female Director, with diverse age groups, educational backgrounds and professional experience. The Group maintained gender balance, comprising workforce with approximately 50% female and 50% male employees. Details of the gender ratio and relevant data are set out in the environmental, social and governance report on pages 21 to 41 of this annual report. During the year ended 31 March 2026, all the measurable objectives had been achieved, and the NC and the Board considered that the current level of gender diversity to be satisfactory.

Board Skills Matrix

The Board possesses professional skills and experience as shown in the chart below:

Note: Multiple skills and/or expertise may apply to one Director.

The diversity profile of the Board as at 31 March 2026 is as follows:



Nomination Policy

The Company has adopted the Nomination Policy, which sets out the written guidelines and procedures for the nomination and appointment of new Directors to the Board.

The NC is responsible for identifying and nominating suitable candidates for the Board's consideration. In assessing potential candidates, the NC takes into account a range of criteria ("Selection Criteria") including, *inter alia*:

- Reputation for integrity, accomplishment and experience in the Company's related businesses
- Professional and educational background
- Potential time commitment for the Board/committee
- Independence of the Independent Non-executive Directors

Subject to the provisions in the Company's bye-laws, if the Board recognises the need to appoint an additional Director, the following procedures should be adopted:

1. the NC identifies or selects candidates, with or without assistance from external agencies or the Company, pursuant to the Selection Criteria;
2. the NC may use any process it deems appropriate to evaluate the candidates, which may include personal interviews, background checks, presentations, written submissions by the candidates or third-party references;
3. the NC provides to the Board with all the information required including information set out in Rule 13.51(2) of the Listing Rules in relation to the candidates;
4. the NC makes recommendation to the Board including the terms and conditions of the appointment;
5. the Board deliberates and decides on the appointment based upon the recommendation of the NC; and
6. all appointments of Director should be confirmed by a letter of appointment setting out the key terms and conditions of the appointment of the Directors, which should be approved by the NC and the Board.

The Nomination Committee recognizes the importance of Directors devoting sufficient time to the affairs of the Company in order to effectively discharge their responsibilities. As at 31 March 2026, all Directors had disclosed their other directorships and significant external commitments to the Company, and no Director concurrently held more than six directorships in listed companies. Taking into account professional qualifications and work experience, existing listed company directorships and other significant external time commitments, the Nomination Committee considered that each Director had devoted sufficient time and attention to the affairs of the Company and had effectively discharged his/her responsibilities at the Board and the Board committees during the year.

Remuneration Committee

The Company established the Remuneration Committee ("RC") in 2005. The RC comprises three Independent Non-executive Directors, namely Mr. Li Kam Chung, Mr. Chong Man Hung Jeffrey and Mr. Tsui Pang. Mr. Li Kam Chung is the Chairman of the RC.

The principal responsibilities of the RC include making recommendations to the Board on the Company's policy and structure for the remuneration of directors' and senior management, and on the establishment of a formal and transparent procedure for developing remuneration policies; reviewing and approving the management's remuneration proposals with reference to the Board's corporate goals and objectives; considering salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere within the group; reviewing and approving compensation payable to executive Directors and senior management for any loss or termination of office or appointment, reviewing and approving compensation arrangements relating to dismissal or removal of directors for misconduct, ensuring no director or any of his/her associates is involved in deciding his/her own remuneration; and reviewing and approving matters relating to share schemes pursuant to the Listing Rules.

During the year ended 31 March 2026, the RC held one meeting. The work performed by the RC included, but not limited to, the following:

- reviewed the remuneration of the Directors and senior management of the Company with reference to the corporate and individual performance, the financial performance of the Company and prevailing employment and market conditions;

- assessed the performance of the Directors; and

- ensured that no Director or senior management, or any of his/her associates, was involved in deciding his/her own remuneration.

The remuneration paid to each Director for the year ended 31 March 2026 is set out in note 9 to the financial statements.

The individual attendance of each RC member is set out below:

Name of Remuneration Committee members	Meetings attended/held
Mr. Li Kam Chung *(Chairman)*	1/1
Mr. Chong Man Hung Jeffrey	1/1
Mr. Tsui Pang	1/1

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Board acknowledges its responsibilities for preparation of the consolidated financial statements of the Group for the year ended 31 March 2026, which give a true and fair view of the financial position and financial performance of the Group in accordance with the applicable statutory requirements and accounting standards. The Board is not aware of any material uncertainties relating to events or conditions which may cast significant doubt on the Group's ability to continue as a going concern. The Board is also responsible for maintaining proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Company.

The statement of the Company's auditors regarding their reporting responsibilities in respect of the financial statements is set out in the Independent Auditor's Report on pages 60 to 64 of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it has overall responsibility for the establishment and maintenance of an adequate and effective risk management and internal control system of the Company and through the Audit Committee and, if necessary, an external firm of qualified accountants to provide internal control services, conducts reviews on the effectiveness of these systems at least annually, covering material controls, including financial, operational, compliance and strategic risk control functions.

The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

During the year under review, the Board, through the Audit Committee, conducted review of both design and implementation effectiveness of the risk management and internal control systems of the Group, covering all material controls, including financial, operational and compliance controls, with a view to ensuring that resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions as well as those relating to the Company's environmental, social and governance ("ESG") performance and reporting are adequate. In this respect, the Audit Committee communicates any material issues identified to the Board.

There is currently no internal audit function within the Group. The Directors have reviewed the need for an internal audit function and are of the view that in light of the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professionals to perform internal audit function for the Group in order to meet its needs. During the year, the Board has appointed an independent consulting firm, BT Corporate Governance Limited ("BTCGL"), to assist in identifying and assessing the risks of the Group, and independently perform internal control review and assess effectiveness of the Group's risk management and internal control systems. The Directors will continue to review at least annually the need for an internal audit function.

Our Enterprise Risk Management Framework

The Group reviewed its enterprise risk management framework during the year ended 31 March 2026. While the Board has the overall responsibility to ensure that sound and effective internal controls are maintained, management is responsible for designing and implementing an internal control system to manage all kinds of risks faced by the Group.

Through the risk identification and assessment processes, risks are identified, assessed, prioritized and allocated treatments. Our risk management framework follows the COSO Enterprise Risk Management – Integrated Framework, which allows the Board and management to manage the risks of the Group effectively. The Group has set up a risk management mechanism which includes an internal control environment and proper segregation of duties among the senior management executives. Through regular management meetings with the participation of the executives of various departments, management of the Group are able to perform risk identification, risk assessment, and risk management. The Board also receives regular reports through the Audit Committee that oversights risk management and internal audit functions.

Principal Risks

In FY2026, the following principal risks of the Group were identified and classified into strategic risks, operational risks, financial risks and compliance risks.

Risk Areas	Principal Risks
Compliance Risks	• Failure to comply with the Hong Kong Listing Rules or relevant regulations • Failure ot comply with the Hong Kong Listing Rules' requirements on ESG reporting
Operational Risks	• Foreign exchange control imposed by the government of South Africa
Financial Risks	• No significant risk identified
Strategic Risks	• Risk of being unable to obtain sufficient financing for gold mines development • Risk of changes of political environment in South Africa

Our Risk Control Mechanism

The Group adopts a "three-layer" corporate governance structure with operational management and controls performed by operations management, coupled with risk management monitoring carried out by the finance team and independent internal audit outsourced to and conducted by BTCGL. The Group maintains a risk register to keep track of all identified major risks of the Group. The risk register provides the Board, the Audit Committee, and management with a profile of its major risks and records management's action taken to mitigate the relevant risks. Each risk is evaluated at least annually based on its likelihood of occurrence and potential impact upon the Group. The risk register is updated by management as the risk owners with addition of new risks and/or removal of existing risks, if applicable, at least annually, after the annual risk evaluation has been performed. This review process can ensure that the Group proactively manages the risks faced by it in the sense that all risk related parties have access to the risk register and are aware of and alert to those risks in their area of responsibility so that they can take follow-up action in an efficient manner.

Our risk management activities are performed by management on an ongoing process. The effectiveness of our risk management framework will be evaluated at least annually, and periodic management meeting is held to update the progress of risk monitoring efforts. Management is committed to ensuring that risk management forms part of the daily business operation processes in order to align risk management with corporate goals in an effective manner. The Company will continue to engage external independent professionals to review the Group's system of internal controls and risk management annually and further enhance the Group's internal control and risk management systems as appropriate.

Details of the ESG-related risks of the Group are set out in the ESG Report contained in this annual report.

The Company has also established a policy ("Continuous Disclosure Policy") on handling and dissemination of inside information that set out the procedures in handling inside information in an accurate and secure manner and to avoid possible mishandling of inside information within the Group.

The Board has reviewed the effectiveness of the risk management and internal control system of the Group annually, including financial, operational and compliance controls. In conducting its review, the Audit Committee has considered the internal control review report prepared by BTCGL to evaluate the effectiveness of the Group's internal control systems for the year ended 31 March 2026; and no significant areas of concern were identified in the report. Based on the monitoring of the Group on an ongoing basis, the results of the risk assessments and the outcome of the internal control review the Board and the Audit Committee are of the opinion that the Group has maintained adequate and effective risk management and internal control system to protect and safeguard the interest of shareholders and assets of the Company during the year ended 31 March 2026.

DIRECTORS' TRAINING

To develop and refresh the Directors' knowledge and skills in relation to their roles, functions and duties as directors of a listed company director, the Company arranges and provides continuous professional development ("CPD") training to the directors in the forms of webinars, e-learning and selected reading materials to keep abreast of current trends and issues relevant to the Group, including the latest developments in the commercial (including industry-specific and innovative developments), as well as legal and regulatory updates. During the year, approximately 15 hours of the CDP training had been provided to Directors. The Directors are required to provide the Company with details of CPD training undertaken by them from time to time. Training records are maintained by the Company Secretary and are made available for regular review by the Board.

Each newly appointed Director receives a comprehensive, formal and tailored induction training upon appointment to ensure that he/she has a proper understanding of the Company's business as well as the duties and responsibilities of a director.

A summary of the training undertaken by each Director during the year ended 31 March 2026 is set out below:

Name of Directors	Legal and Regulatory	Corporate Governance/ ESG	Financial Reporting/ Risk Management and Internal Controls	Industry Trends and Updates	Digital/ Information Technology
Executive Directors					
Ms. Cheung Pak Sum	✓	✓	✓	✓	✓
Mr. Phen Chun Shing Vincent	✓	✓	✓	✓	✓
Independent Non-executive Directors					
Mr. Li Kam Chung	✓	✓	✓	✓	✓
Mr. Chong Man Hung Jeffrey	✓	✓	✓	✓	✓
Mr. Tsui Pang	✓	✓	✓	✓	✓

DIVIDEND POLICY

The Company has adopted a Dividend Policy which sets out the guidelines for the Board in determining whether dividends should be declared and paid to the shareholders and the level of dividend to be paid. Under the Dividend Policy, in deciding whether to propose a dividend and in determining the dividend amount, the Board will take into account, among other things, the following factors:

– the Group's financial results;

– the financial condition of the Group;

– future cash requirements and availability for business operations, business strategies and future development needs;

– the availability of funds to meet the financial covenants of our Group's bank loans; and

– any other factors that our Board may consider appropriate.

The payment of the dividend by the Company is also subject to any restrictions under the Companies Act of Bermuda and the bye-laws of the Company. Any final dividends declared by the Company must be approved by an ordinary resolution of its shareholders at an annual general meeting. The Board may from time to time pay to the shareholders such interim and/or special dividends as it considers to be justified by the profits of the Group.

AUDITOR'S REMUNERATION

The consolidated financial statements for the year ended 31 March 2026 of the Company have been audited by Deloitte Touche Tohmatsu ("Deloitte"). The auditor's remuneration for the year ended 31 March 2026 is HK$2,100,000 which was related to audit services for the consolidated financial statements of the Company. Deloitte's overseas network of member firms also provided statutory audit services of the subsidiaries of the Company, for which the aggregate auditor's remuneration for the year ended 31 March 2026 is HK$534,000.

COMPANY SECRETARY

During the year ended 31 March 2026, the Company Secretary has received no less than 15 hours of relevant professional training.

INVESTOR RELATIONS

Constitutional Documents

There was no change in the Company's constitutional documents during the year ended 31 March 2026.

Communication with Shareholders

Shareholders' Communication Policy

The Company has adopted a Shareholders' Communication Policy with the objective of ensuring that shareholders have timely access to the Company's publicly available information and are provided with appropriate channels to communicate with the Company and exercise their rights as shareholders in an informed manner.

Annual General Meeting

The annual general meeting provides a principal communication channel and is an important event for the Company to communicate with the shareholders, providing an opportunity for the shareholders to express their views and meet with the Board and senior management. The annual general meeting is attended by the Directors, senior management and external auditor. The Chairman of the Board, the Chairman or members of Board committees and senior management are available to answer queries raised by shareholders.

Shareholders are encouraged to communicate directly with the Directors and senior management at the annual general meeting, and queries raised by shareholders will be addressed in a timely manner.

Corporate Communication

The Company is committed to maintaining a high standard of disclosure and financial transparency through publication of annual and interim reports, notices, announcements, circulars, terms of reference of various Board committees and other important corporate information on the websites of the Company and the Stock Exchange.

SHAREHOLDERS' RIGHTS

The Company also encourages the shareholders to participate the decision making process of the Company by the following means under different circumstances:

Procedures for Directing Shareholders' Enquiries to the Board

Shareholders should put their enquiries regarding their shareholdings to the Company's Hong Kong Branch Share Registrar via hotline 2980 1333 or email to is-enquiries@vistra.com.

Shareholders may request for the Company's publicly available information and/or send their enquiries and concern to the Company at the head office and principal place of business of the Company or email their enquiries to the Company to contact@taunggold.com.hk.

All the enquiries will be directed to and reviewed by the Company Secretary of the Company. The Company Secretary should summarize the enquiries and submit a copy of the summary to the Board in the next board meeting. Records of all the communications with the shareholders should be maintained by the Company Secretary.

Procedures to put forward proposals in General Meeting

Any number of shareholders representing not less than one-twentieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the general meeting to which the requisition relates or not less than 100 shareholders holding shares of the Company, are entitled in writing to require a move in the general meeting.

Written requisition attention to the Company Secretary shall be signed and deposited in accordance with the Bermuda Companies Act 1981 (as amended) to put forward proposals in general meeting.

Procedures to Convene Special General Meeting ("SGM")

Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the voting right at the general meeting are entitled to require a SGM to be held by written requisition, duly signed by all the concerned shareholders, deposited to the Company Secretary of the Company at the head office and principal place of business of the Company.

Written requisition attention to the Company Secretary shall be signed and deposited in accordance with the Company's bye-laws and the Bermuda Companies Act 1981 (as amended) to require a SGM to be convened by the Board for the transaction of business specified in the written requisition.

Deloitte. 德勤

TO THE SHAREHOLDERS OF TAUNG GOLD INTERNATIONAL LIMITED
(incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Taung Gold International Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 65 to 113, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTERS *(Continued)*

Key audit matter	How our audit addressed the key audit matter
Reversal of impairment loss on mining assets	
We identified the reversal of impairment loss on mining assets in South Africa as a key audit matter due to the significance of this balance to the consolidated statement of financial position and significant judgment and estimates associated with determining their recoverable amounts. The determination of the recoverable amount requires the Group to estimate the future cash flows expected to arise from the cash-generating units ("CGUs") and a suitable discount rate to be applied in the discounted cash flows model. The recoverable amounts of the Group's mining assets in South Africa as at 31 March 2026 have been arrived at on the basis of a value in use calculation carried out by an independent qualified professional valuer not connected to the Group (the "Valuer"). The value in use calculation is dependent on certain significant inputs that involve judgment and estimates made by the management of the Group together with the Valuer, including, among other factors, expected future inflation rate, future gold price, exchange rate of United States Dollars ("US$") against South African Rand ("ZAR") and discount rate. As at 31 March 2026, the carrying amount of the Group's mining assets is HK$3,184,818,000. A reversal of impairment loss amounting to HK$427,985,000 has been recognised in the consolidated financial statements for the year ended 31 March 2026. Further details of the impairment assessment on the Group's mining assets are set out in note 14 to the consolidated financial statements.	Our procedures in relation to reversal of impairment loss on mining assets included: • obtaining an understanding of the management's basis and assessment in relation to impairment of mining assets; • involving our internal valuation expert to evaluate the appropriateness of the valuation methodology and model used by the Valuer to determine the recoverable amount of the CGUs; • evaluating the reasonableness of key assumptions (including the expected inflation rate, future gold price, exchange rate of US$ against ZAR and discount rate) used in the valuation model by assessing the publicly available information and expected future performance of the CGUs; and • comparing the input data such as operating expenses and capital expenditure used in the value in use calculation to feasibility reports.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Lam Shu Lung (practising certificate number: P07408).

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
30 June 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 HK$'000	2025 HK$'000
Other income	6	**1,209**	2,534
Other gains and losses, net	6	**2,590**	(1,834)
Administrative expenses		**(26,060)**	(24,274)
Finance costs	7	**(1,187)**	(1,436)
Reversal of impairment loss on mining assets	14	**427,985**	–
Share of results of associates	15	**(12)**	(8)
Profit (loss) before tax	8	**404,525**	(25,018)
Income tax expense	10	**–**	–
Profit (loss) for the year		**404,525**	(25,018)
Other comprehensive income			
Item that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		**203,454**	14,933
Total comprehensive income (expense) for the year		**607,979**	(10,085)
Profit (loss) for the year attributable to:			
Owners of the Company		**315,331**	(22,232)
Non-controlling interests		**89,194**	(2,786)
		404,525	(25,018)
Total comprehensive income (expense) attributable to:			
Owners of the Company		**475,206**	(10,498)
Non-controlling interests		**132,773**	413
		607,979	(10,085)
			(restated)
Earnings (loss) per share	11		
Basic (HK cents)		**17.5**	(1.2)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2026

	Notes	**2026 HK$'000**	2025 HK$'000
Non-current assets			
Property, plant and equipment	*12*	**1,740**	1,721
Right-of-use assets	*13*	**1,663**	340
Mining assets	*14*	**3,184,818**	2,549,008
Interests in associates	*15*	**1,242**	1,254
Financial assets at fair value through profit or loss ("FVTPL")	*16*	**33,309**	28,667
Deposit on purchase of capital asset	*17*	**1,000**	–
Rental deposits	*17*	**465**	485
Pledged bank deposits	*18*	**664**	660
		3,224,901	2,582,135
Current assets			
Other receivables, prepayments and deposits	*17*	**17,421**	11,314
Bank balances and cash	*18*	**27,676**	65,853
		45,097	77,167
Current liabilities			
Lease liabilities	*20*	**1,358**	369
Other payables and accruals	*19*	**8,074**	7,591
		9,432	7,960
Net current assets		**35,665**	69,207
Total assets less current liabilities		**3,260,566**	2,651,342
Non-current liabilities			
Lease liabilities	*20*	**353**	–
Provisions for rehabilitation costs	*21*	**11,315**	10,423
		11,668	10,423
Net assets		**3,248,898**	2,640,919

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2026

	Note	**2026** **HK$'000**	2025 HK$'000
Capital and reserves			
Share capital	*22*	**181,515**	181,515
Reserves		**2,410,905**	1,935,699
Equity attributable to owners of the Company		**2,592,420**	2,117,214
Non-controlling interests		**656,478**	523,705
Total equity		**3,248,898**	2,640,919

The consolidated financial statements on pages 65 to 113 were approved and authorised for issue by the board of directors on 30 June 2026 and are signed on its behalf by:

Phen Chun Shing Vincent	**Cheung Pak Sum**
Director	*Director*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2026

	Attributable to owners of the Company									
	Share capital HK$'000	Share premium HK$'000	Capital reserve HK$'000 *(note (a))*	Other reserve HK$'000 *(note (b))*	Contributed surplus HK$'000 *(note (c))*	Translation reserves HK$'000	Accumulated losses HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
At 1 April 2024	181,515	5,307,443	(829)	(74,746)	147,828	(1,549,958)	(1,883,541)	2,127,712	523,292	2,651,004
Loss for the year	–	–	–	–	–	–	(22,232)	(22,232)	(2,786)	(25,018)
Exchange differences arising on translation of foreign operations	–	–	–	–	–	11,734	–	11,734	3,199	14,933
Total comprehensive income (expense) for the year	–	–	–	–	–	11,734	(22,232)	(10,498)	413	(10,085)
At 31 March 2025	181,515	5,307,443	(829)	(74,746)	147,828	(1,538,224)	(1,905,773)	2,117,214	523,705	2,640,919
Profit for the year	–	–	–	–	–	–	315,331	315,331	89,194	404,525
Exchange differences arising on translation of foreign operations	–	–	–	–	–	159,875	–	159,875	43,579	203,454
Total comprehensive income for the year	–	–	–	–	–	159,875	315,331	475,206	132,773	607,979
At 31 March 2026	181,515	5,307,443	(829)	(74,746)	147,828	(1,378,349)	(1,590,442)	2,592,420	656,478	3,248,898

Notes:

a: Capital reserve mainly included the difference between the nominal value of the share capital of Taung Gold International Limited (the "Company") issued on acquisition of assets through acquisition of subsidiaries and the fair value of the consideration shares issued.

b: Other reserve mainly represented the difference between the fair values of consideration given by a subsidiary of the Company and the share of net assets of Taung Gold (Pty) Limited ("TGL"), a partially owned subsidiary of the Company, attributable to additional interests in TGL acquired by the Group which were held by the non-controlling shareholders in prior years.

c: Contributed surplus represented amounts of HK$51,562,000 and HK$96,266,000 arising from (i) the difference between the nominal value of the aggregate share capital of the subsidiaries acquired pursuant to the group reorganisation completed on 2 October 1995 over the nominal value of the share capital of the Company issued in exchange thereof; and (ii) the capital reorganisation during the year ended 31 March 2010 (the "Capital Reorganisation") respectively. Pursuant to the Capital Reorganisation, (i) the issued share capital of the Company was reduced by cancelling the paid-up capital to the extent of HK$0.90 on each issued share such that the par value of each issued share was reduced from HK$1.00 to HK$0.10, thereby giving rise to a credit of HK$104,094,000 (the "Capital Reduction"); (ii) the share subdivision involved the sub-division of each authorised but unissued share into ten new shares ("Share Subdivision"); and (iii) upon the Capital Reduction and the Share Subdivision becoming effective, the entire amount standing to the credit of the share premium account of the Company was reduced to nil (the "Share Premium Reduction"). The total credit amount arising from both the Capital Reduction and the Share Premium Reduction was transferred to the contributed surplus account of the Company which would be utilised in accordance with the bye-laws of the Company and all applicable laws including, without limitation, to set-off against the accumulated losses of the Company. The special resolution in relation to the Capital Reorganisation was duly passed by the shareholders at the special general meeting held on 12 November 2009 and became effective on the same date.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	2026 HK$'000	2025 HK$'000
Operating activities		
Profit (loss) before tax	**404,525**	(25,018)
Adjustments for:		
Interest income	**(1,047)**	(2,369)
Finance costs	**1,187**	1,436
Share of results of associates	**12**	8
Depreciation of property, plant and equipment	**126**	130
Depreciation of right-of-use assets	**1,338**	1,358
Change in provision for rehabilitation costs	**(892)**	(2,951)
Fair value (gain) loss on financial assets at FVTPL	**(2,427)**	1,378
Reversal of impairment loss on mining assets	**(427,985)**	–
Unrealised exchange loss	**2,460**	2,189
Operating cash flows before movements in working capital	**(22,703)**	(23,839)
Increase in other receivables, prepayments and deposits	**(5,776)**	(6,322)
Increase (decrease) in other payables and accruals	**280**	(5,848)
Net cash used in operating activities	**(28,199)**	(36,009)
Investing activities		
Interest received	**1,032**	2,354
Expenditure on exploration assets	**(8,643)**	(7,820)
Deposit paid for purchase of capital asset	**(1,000)**	–
Purchase of property, plant and equipment	**(34)**	(80)
Net cash used in investing activities	**(8,645)**	(5,546)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	2026	2025
	HK$'000	HK$'000
Financing activities		
Repayments of lease liabilities	**(1,319)**	(1,419)
Interest paid	**(72)**	(45)
Cash used in financing activities	**(1,391)**	(1,464)
Net decrease in cash and cash equivalents	**(38,235)**	(43,019)
Cash and cash equivalents at the beginning of the year	**65,853**	108,868
Effect of foreign exchange changes	**58**	4
Cash and cash equivalents at the end of the year, represented by bank balances and cash	**27,676**	65,853

1. GENERAL

The Company is a public limited company incorporated in Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of registered office and principal place of business of the Company are disclosed in the "Corporate Information" section in the annual report.

The Company is an investment holding company. Its principal subsidiaries hold mining assets in South Africa.

The functional currency of the Company is United States dollars ("US$"). For the convenience of the users of the consolidated financial statements, the consolidated financial statements are presented in Hong Kong dollars ("HK$") as the shares of the Company are listed on the Stock Exchange.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") for the first time, which are mandatorily effective for the annual period beginning on 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current or prior years.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS *(Continued)*

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency[3]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[3]

[1] Effective for annual periods beginning on or after a date to be determined.
[2] Effective for annual periods beginning on or after 1 January 2026.
[3] Effective for annual periods beginning on or after 1 January 2027.

Except as HKFRS 18 Presentation and Disclosure in Financial Statements which introduces new requirements to present specified categories and defined subtotals in the consolidated statement of profit or loss, provide disclosures on management-defined performance measures (MPMs) in the notes to the consolidated financial statements, and improve aggregation and disaggregation. The application of HKFRS 18, and amendments to other standards, is expected to affect the presentation of the consolidated statement of profit or loss and other comprehensive income and disclosures in the future financial statements. The application of HKFRS 18 is not expected to have significant impact on the financial performance and financial positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss and other comprehensive income.

Other than the above, the directors of the Company anticipate that the application of the other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Stock Exchange and the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Retirement benefits costs

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense except that those cost related to activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource are recognised as exploration and evaluation asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries and annual leave) after deducting any amount already paid.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit (loss) before tax because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Exploration and evaluation assets

Mining assets, mainly represent exploration and evaluation assets, are recognised at cost on initial recognition. Subsequent to initial recognition, exploration and evaluation assets are stated at cost less any accumulated impairment losses. Costs of exploration are capitalised pending a determination of whether sufficient quantities of potential mineral reserves have been discovered.

Exploration and evaluation assets include the cost of exploration rights and the expenditures incurred in the search for mineral resources as well as the determination of the technical feasibility and commercial viability of extracting those resources. Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrated, any previously recognised exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to either mineral rights or property, plant and equipment under the heading of construction in progress.

Impairment of exploration and evaluation assets

At the end of the reporting period, the Group reviews the carrying amounts of its mining assets to determine whether there is any indication that those assets have suffered an impairment loss, or impairment loss recognised in prior periods may no longer exists or may have decreased. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment or reversal of impairment, if any.

The carrying amount of exploration and evaluation assets is reviewed whenever there is an indication that they may be impaired, or impairment loss recognised in prior periods may no longer exists or may have decreased. Impairment test is performed in accordance with HKAS 36 Impairment of Assets whenever one of the following events or changes in circumstances indicate that the carrying amount may not be recoverable (the list is not exhaustive):

- the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;

- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;

- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area; or

- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Impairment of exploration and evaluation assets *(Continued)*

The recoverable amount of mining assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a CGU) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. The impairment loss is allocated to the assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of CGUs. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU or the group of CGUs) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a CGU or the group of CGUs) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Provision for rehabilitation and environmental expenditure

Long-term environmental obligations are provided for based on the Group's environmental plans, in compliance with current environmental and regulatory requirements.

Full provision is made based on the net present value of the estimated cost of restoring the environmental disturbance that has occurred up to the end of the reporting period. The estimated cost is capitalised in mining assets as decommissioning assets. The estimated cost of rehabilitation is reviewed annually and adjusted as appropriate for changes in legislation or technology and unwinding for the time value of money. Changes in estimated costs are added or deducted from the cost of the relevant assets in the period such changes occurred.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in profit or loss.

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any interest earned on the financial asset and is included in the “other gains and losses” line item.

Impairment of financial assets

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including rental deposit, other receivables and deposits, pledged bank deposits and bank balances and cash). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group measures the loss allowance equal to 12m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

Financial liabilities at amortised cost

Financial liabilities (including other payables) are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application the Group's accounting policies, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Reversal of impairment loss on mining assets

Determining whether the impairment loss on mining assets are reversed requires an estimation of the value in use of the CGUs to which these assets have been allocated. The value in use calculation of the Group's mining assets in South Africa have been carried out by an independent qualified professional valuer not connected to the Group. The calculation requires the Group to estimate the future cash flows expected to arise from the CGUs and a suitable discount rate in order to calculate the present value. Assumptions adopted in the estimation of future cash flows by the management of the Group are based on estimation, among others factors, on the expected future inflation rate, future gold price, exchange rate of US$ against South African Rand ("ZAR") and discount rate. Where the actual future cash flows are higher than expected, a material reversal of impairment loss may arise.

As at 31 March 2026, the carrying amount of the Group's mining assets was HK$3,184,818,000 (2025: HK$2,549,008,000) which represented mainly the exploration and evaluation assets in South Africa. Details of the value in use calculation of mining assets are disclosed in note 14. During the year ended 31 March 2026, a reversal of impairment loss amounting to HK$427,985,000 (2025: nil) is recognised in profit or loss.

5. SEGMENT INFORMATION

HKFRS 8 "Operating Segments" requires operating segments to be identified on the basis of internal reporting on the components of the Group that are regularly reviewed by the chief operating decision maker ("CODM") in order to allocate resources to the segments and assess their performance.

The CODM has been identified as the executive directors of the Company. They review the Group's internal reporting for the purpose of resource allocation and assessment of segment performance. No operating segments have been aggregated in arriving at the reportable segments of the Group.

The Group's operating and reportable segments are as follows:

(a) Gold exploration and development in South Africa; and

(b) Trading of minerals.

5. SEGMENT INFORMATION *(Continued)*

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments.

	Gold exploration and development in South Africa HK$'000	Trading of minerals HK$'000	Total HK$'000
For the year ended 31 March 2026			
Segment revenue			
Revenue	**–**	**–**	**–**
Segment results	**416,404**	**–**	**416,404**
Unallocated other income			**134**
Unallocated corporate expenses			**(11,929)**
Finance costs			**(72)**
Share of results of associates			**(12)**
Profit before tax			**404,525**
For the year ended 31 March 2025			
Segment revenue			
Revenue	–	–	–
Segment results	(13,004)	–	(13,004)
Unallocated other income			1,394
Unallocated corporate expenses			(13,355)
Finance costs			(45)
Share of results of associates			(8)
Loss before tax			(25,018)

5. SEGMENT INFORMATION *(Continued)*

Segment revenue and results *(Continued)*

The accounting policies of the operating and reportable segment are the same as the Group's accounting policies described in note 3. Segment results represents profit (loss) from the segment without allocation of certain other income, central administrative expenses, interest on lease liabilities and share of results of associates. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segments:

	2026 **HK$'000**	2025 HK$'000
Segment assets		
Gold exploration and development in South Africa	**3,220,350**	2,579,793
Trading of minerals	**–**	–
Total segment assets	**3,220,350**	2,579,793
Unallocated corporate assets	**49,648**	79,509
Consolidated assets	**3,269,998**	2,659,302
Segment liabilities		
Gold exploration and development in South Africa	**14,461**	13,036
Trading of minerals	**–**	–
Total segment liabilities	**14,461**	13,036
Unallocated corporate liabilities	**6,639**	5,347
Consolidated liabilities	**21,100**	18,383

Segment assets and segment liabilities comprise total assets (excluding unallocated corporate assets that include interests in associates, right-of-use assets, other receivables, prepayments and deposit, certain property, plant and equipment, rental deposits and bank balances and cash) and total liabilities (excluding certain other payables and accruals and lease liabilities) of each segment, respectively.

5. SEGMENT INFORMATION *(Continued)*

Other segment information

	Gold exploration and development in South Africa HK$'000	Trading of minerals HK$'000	Unallocated HK$'000	Total HK$'000
For the year ended 31 March 2026				
Amounts included in the measure of segment results and segment assets:				
Additions to property, plant and equipment	**24**	**–**	**10**	**34**
Additions to mining assets	**8,643**	**–**	**–**	**8,643**
Depreciation of property, plant and equipment	**35**	**–**	**91**	**126**
Depreciation of right-of-use assets	**–**	**–**	**1,338**	**1,338**
Fair value gain on financial assets at FVTPL	**(2,427)**	**–**	**–**	**(2,427)**
Reversal of impairment loss on mining assets	**(427,985)**	**–**	**–**	**(427,985)**
Interest income	**(913)**	**–**	**(134)**	**(1,047)**
Finance costs	**1,115**	**–**	**72**	**1,187**
For the year ended 31 March 2025				
Amounts included in the measure of segment results and segment assets:				
Additions to property, plant and equipment	9	–	71	80
Additions to mining assets	7,820	–	–	7,820
Depreciation of property, plant and equipment	30	–	100	130
Depreciation of right-of-use assets	–	–	1,358	1,358
Fair value loss on financial assets at FVTPL	1,378	–	–	1,378
Interest income	(975)	–	(1,394)	(2,369)
Finance costs	1,391	–	45	1,436

5. SEGMENT INFORMATION *(Continued)*

Geographical information

Information about the Group's non-current assets (excluding financial assets) are based on geographical location of the assets.

	2026 HK$'000	2025 HK$'000
Hong Kong	**4,086**	1,857
South Africa	**3,186,377**	2,550,466
	3,190,463	2,552,323

6. OTHER INCOME, OTHER GAINS AND LOSSES, NET

	2026 HK$'000	2025 HK$'000
Rental income	**162**	154
Interest income from bank deposits	**1,032**	2,354
Interest income from rental deposits	**15**	15
Others	**–**	11
Other income – total	**1,209**	2,534
Foreign exchange gain (loss), net	**163**	(456)
Fair value gain (loss) on financial assets at FVTPL	**2,427**	(1,378)
Other gain and losses, net – total	**2,590**	(1,834)

7. FINANCE COSTS

	2026 **HK$'000**	2025 HK$'000
Interest on lease liabilities	**72**	45
Unwinding of discount of provision for rehabilitation costs	**1,115**	1,391
	1,187	1,436

8. PROFIT (LOSS) BEFORE TAX

	2026 **HK$'000**	2025 HK$'000
Profit (loss) before tax has been arrived at after charging:		
Staff costs (including directors' emoluments *(note 9)*)		
– Salaries and other benefits	**13,335**	12,651
– Retirement benefit schemes contributions	**168**	160
	13,503	12,811
Capitalised in mining assets	**(4,620)**	(3,907)
	8,883	8,904
Auditor's remuneration	**2,100**	2,100
Depreciation of property, plant and equipment	**126**	130
Depreciation of right-of-use assets	**1,338**	1,358

9. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

(a) Directors' and chief executive's emoluments

	Fees HK$'000	Salaries and allowances HK$'000	Retirement benefits schemes contributions HK$'000	Total HK$'000
For the year ended 31 March 2026				
Executive directors				
Cheung Pak Sum *(Chief Executive)*	**–**	**624**	**18**	**642**
Phen Chun Shing Vincent	**–**	**770**	**18**	**788**
Independent non-executive directors				
Li Kam Chung	**250**	**–**	**–**	**250**
Tsui Pang	**250**	**–**	**–**	**250**
Chong Man Hung Jeffrey	**250**	**–**	**–**	**250**
	750	**1,394**	**36**	**2,180**
For the year ended 31 March 2025				
Executive directors				
Cheung Pak Sum *(Chief Executive)*	–	624	18	642
Phen Chun Shing Vincent	–	743	18	761
Independent non-executive directors				
Li Kam Chung	250	–	–	250
Tsui Pang	250	–	–	250
Chong Man Hung Jeffrey	250	–	–	250
	750	1,367	36	2,153

9. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS *(Continued)*

(a) Directors' and chief executive's emoluments *(Continued)*

The executive directors' and chief executive's emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration which accrued during both years.

(b) Employees' emoluments

The five highest paid employees in the Group during the year included one of the directors (2025: one of the directors), details of whose emoluments are set out in (a) above. Details of the emoluments for the year of the remaining four (2025: four) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2026 HK$'000	2025 HK$'000
Salaries and allowances	**5,408**	4,899
Retirement benefit schemes contributions	**18**	18
	5,426	4,917

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

	2026 No. of employees	2025 No. of employees
Nil to HK$1,000,000	**1**	1
HK$1,000,001 to HK$1,500,000	**1**	3
HK$1,500,001 to HK$2,000,000	**2**	–
	4	4

No emoluments were paid by the Group to the directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group.

10. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made as the Group does not have assessable profits arising in Hong Kong for both years.

Corporate income tax in South Africa is calculated at 27% on the estimated assessable profits for the year. No provision for South Africa income tax was made as these subsidiaries had no assessable profit for both years.

Income tax expense for the year is reconciled to profit (loss) before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2026 **HK$'000**	2025 HK$'000
Profit (loss) before tax	**404,525**	(25,018)
Tax at South Africa income tax rate of 27%	**109,222**	(6,755)
Tax effect of expenses not deductible for tax purposes	**4,273**	5,083
Tax effect of income not taxable for tax purposes	**(116,698)**	(1,432)
Tax effect of tax losses not recognised	**3,200**	3,102
Tax effect of share of results of associates	**3**	2
Income tax expense for the year	**–**	–

At the end of the reporting period, the Group had estimated unused tax losses of HK$101,472,000 (2025: HK$89,622,000) available for offset against future profits which may be carried forward indefinitely. No deferred tax asset was recognised due to the unpredictability of future profit streams.

11. EARNINGS (LOSS) PER SHARE

The calculation of the basic earnings (loss) per share attributable to owners of the Company is based on the following data:

	2026 **HK$'000**	2025 HK$'000
Earnings (loss)		
Earnings (loss) for the purpose of basic earnings (loss) per share	**315,331**	(22,232)

	2026 **'000**	2025 '000 (restated)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	**1,803,506**	1,803,506

In the previous years, TGL granted loans to certain of its non-controlling shareholders which were secured by the pledge of 11,641,043 shares (after share consolidation as detailed in note 22) of the Company. The Group took possession of the pledged shares when there was no settlement on the due date after serving the demand notice. The foreclosed shares are included as equity and treated as the Company's treasury shares.

The weighted average number of ordinary shares for the years ended 31 March 2026 and 2025 has been adjusted to account for the effect of share consolidation of the Company (as set out in note 22) which became effective on 8 August 2025.

No diluted earnings (loss) per share has been presented as there are no potential ordinary shares in issue during both years.

12. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery HK$'000	Furniture and equipment HK$'000	Motor vehicles HK$'000	Total HK$'000
COST				
At 1 April 2024	1,372	5,115	3,713	10,200
Additions	–	80	–	80
Exchange realignment	8	11	–	19
At 31 March 2025	1,380	5,206	3,713	10,299
Additions	–	34	–	34
Exchange realignment	105	151	9	265
At 31 March 2026	1,485	5,391	3,722	10,598
ACCUMULATED DEPRECIATION				
At 1 April 2024	–	4,973	3,462	8,435
Provided for the year	–	63	67	130
Exchange realignment	–	13	–	13
At 31 March 2025	–	5,049	3,529	8,578
Provided for the year	–	72	54	126
Exchange realignment	–	150	4	154
At 31 March 2026	–	5,271	3,587	8,858
CARRYING VALUES				
At 31 March 2026	1,485	120	135	1,740
At 31 March 2025	1,380	157	184	1,721

The above items of property, plant and equipment are depreciated on a straight-line basis, after taking into account the residual value, at the following rates per annum:

Plant and machinery	10%–16.7%
Furniture and equipment	16.7%–33%
Motor vehicles	20%

13. RIGHT-OF-USE ASSETS

	Leased properties	
	2026	2025
	HK$'000	HK$'000
At 31 March		
Carrying amount	**1,663**	340
For the year ended 31 March		
Depreciation	**1,338**	1,358
Additions to right-of-use assets	**2,661**	–
Expenses relating to short-term leases	**102**	92
Total cash outflow for leases	**1,493**	1,556

For the year ended 31 March 2026, the Group leases various offices for its operations. Lease contracts are entered into for fixed terms of 2 years (2025: 2 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

14. MINING ASSETS

	HK$'000
At 1 April 2024	2,528,771
Additions	7,820
Change in provision for rehabilitation costs	(181)
Exchange realignment	12,598
At 31 March 2025	**2,549,008**
Additions	**8,643**
Change in provision for rehabilitation costs	**(63)**
Reversal of impairment loss	**427,985**
Exchange realignment	**199,245**
At 31 March 2026	**3,184,818**

Mining assets comprise of exploration and evaluation assets and decommissioning assets. As at 31 March 2026, the carrying amount of the Group's exploration and evaluation assets is HK$3,171,063,000 (2025: HK$2,537,012,000). At 31 March 2026, the carrying amount of the Group's decommissioning assets is HK$13,755,000 (2025: HK$11,996,000).

Exploration and evaluation assets represent the cost incurred for evaluating the technical feasibility and commercial viability of extracting mineral resources in the Group's exploration and evaluation mines. The management considers that the determination of commercial viability is still in progress at the end of the reporting period.

The mining assets represent the gold mining projects in South Africa, namely the Evander Project and the Jeanette Project. The mining right for the Evander Project is valid for 26 years commencing from 18 July 2012 until 28 April 2038, and the mining right for the Jeanette Project is valid for 30 years commencing from 7 June 2017 until 6 June 2047. In the opinion of the directors of the Company, the renewal upon application for extension of expiry dates of the mining rights for the Evander Project and the Jeanette Project are highly probable so long as the Group complies with the requirements as set out in the Mineral and Petroleum Resources Development Act of South Africa.

14. MINING ASSETS *(Continued)*

During the year ended 31 March 2026, the capitalised expenses relating to the mining assets in gold exploration and development operation in South Africa and presented as investing activities of the consolidated statement of cash flows are HK$8,643,000 (2025: HK$7,820,000).

The management of the Group has performed impairment testing on the mining assets as at 31 March 2026 and 2025 based on the latest development of the mining plans. During the year ended 31 March 2025, the Group completed an optimisation study and/or updated the cost estimates under the latest mining plans for both projects based on the technical aspects in the previous feasibility studies.

The recoverable amounts of the relevant CGUs, in which the mining assets relating to the Evander Project and the Jeanette Project are allocated, were determined by the management of the Group based on value in use calculations using the discounted cash flows model. The value in use calculations as at 31 March 2026 and 2025 have been carried out by an independent qualified professional valuer. Details of the key inputs adopted in the value in use calculations are set out below.

Jeanette Project

The Group had completed an optimisation study and the cost estimates had been updated under the latest mining plan for the Jeanette Project based on the technical aspects in the previous feasibility studies. With the optimisation plan, the originally planned 2-phase approach have effectively been merged into a single ongoing development scenario, which shorten production years and maximizes the existing infrastructure in combination with new infrastructure to overcome the structural limitations posed under the previous plan.

The discounted cash flows approach applied to determine the value in use of the Jeanette Project was based on a pre-tax discount rate of 28.05% (2025: 23.82%) and a cash flow projection prepared from a financial forecast covering a mine life period until the mine resources run out based on probable reserves.

The amount of reserve used in the projection was 17.64 mt (2025: 17.64 mt) and it was assumed the mineral reserve would be mined 22 years from 2030 (2025: 22 years from 2029) at an average rate of 0.79 mt (2025: 0.79 mt) per annum. Other key assumptions for the value in use calculation related to the estimation of cash inflows/outflows which included total operating costs of approximately US$4,735,271,000 (2025: US$4,253,947,000), total capital expenditure of approximately US$1,711,062,000 (2025: US$1,537,228,000), expected future inflation rate ranged from 2.1% to 3.9% (2025: 2.1% to 4.5%) per annum affecting operating and capital costs, US$/ZAR exchange rate of 16.94 (2025: 18.31) and gold price of US$4,565 (2025: US$2,769) per ounce and an average production rate of 11.3 g (2025: 11.3 g) per ton.

14. MINING ASSETS *(Continued)*

Evander Project

The directors of the Company considered the development of the Jeanette Project would be the primary focus of the Group at the current stage and the development of the Evander Project would be deferred later than originally planned. The Group has updated the cost estimates under the latest mining plan for the Evander Project based on the technical aspects in the previous feasibility studies. The original plant design which contemplated construction in a 3-phased modular approach was re-costed in a single phase with the same scope.

The discounted cash flows approach applied to determine the value in use of the Evander Project was based on a pre-tax discount rate of 27.85% (2025: 23.41%) and a cash flow projection prepared from a financial forecast covering a mine life period until the mine resources run out based on probable reserves.

The amount of reserve used in the projection was 19.64 mt (2025: 19.64 mt) and it was assumed the mineral reserve would be mined 20 years from 2034 (2025: 20 years from 2033) at an average rate of 0.98 mt (2025: 0.98 mt) per annum. Other key assumptions for the value in use calculation related to the estimation of cash inflows/outflows which include total operating costs of US$4,603,480,000 (2025: US$4,135,551,000), total capital expenditure of US$1,622,455,000 (2025: US$1,457,582,000), expected future inflation rate ranged from 2.1% to 3.9% (2025: 2.1% to 4.5%) per annum affecting operating and capital costs, US$/ZAR exchange rate of 16.94 (2025: 18.31) and gold price of US$4,565 (2025: US$2,769) per ounce and an average production rate of 6.5 g (2025: 6.5 g) per ton.

As a result of the impairment assessment, a reversal of impairment loss of HK$427,985,000 has been recognised in the consolidated financial statements for the year ended 31 March 2026.

15. INTERESTS IN ASSOCIATES

	2026 HK$'000	2025 HK$'000
Cost of investments in associates – unlisted	27,905	27,905
Share of post-acquisition losses and other comprehensive expense	(26,663)	(26,651)
	1,242	1,254

Details of the Group's associates as at 31 March 2026 and 2025 are as follows:

Name of associates	Form of business structure	Place of incorporation	Proportion of nominal value of issued capital held by the Group indirectly 2026	2025	Principal activities
Goldster Global Limited	Incorporated	British Virgin Islands	45%	45%	Inactive
Onshine Investments Limited	Incorporated	British Virgin Islands	44%	44%	Inactive

The current year and cumulative unrecognised share of losses of associates is insignificant.

16. FINANCIAL ASSETS AT FVTPL

	2026 HK$'000	2025 HK$'000
Loan to Sephaku Gold Holdings (Proprietary) Limited ("SepGold")	30,403	26,174
Loan to Taung Gold EPP RF (Pty) Limited ("TG EPP")	2,906	2,493
	33,309	28,667

The Group made loans to SepGold and TG EPP, which are qualified Black Economic Empowerment ("BEE") companies in South Africa, for subscription of shares in TGL in order to meet domestic requirements in South Africa. SepGold and TG EPP then became shareholders of TGL (i.e. shareholders of a subsidiary of the Company).

16. FINANCIAL ASSETS AT FVTPL *(Continued)*

Loan to SepGold

SepGold is a historically disadvantaged South African company in terms of BEE requirements in South Africa. SepGold is a qualified BEE company in South Africa. The loan to SepGold with outstanding principal amount of ZAR487,732,919 (equivalent to approximately HK$222,114,000) as at 31 March 2026 (2025: ZAR487,732,919 (equivalent to approximately HK$206,359,000)) is secured by the pledge of 3,940,207 shares (after share consolidation as set out in note 22) of TGL, representing 15.39% of the issued share capital of TGL. 50% of any dividend declared by TGL in any financial year due to SepGold shall be applied towards the repayment of the loan. The loan repayment date is 31 December 2027 following due consideration of the appropriate timing and amount of dividends expected from TGL after the planned commencement of the Evander Project and the Jeanette Project.

Loan to TG EPP

On 22 April 2016, the Group and TG EPP, which is the qualified BEE company, entered into a loan agreement. Pursuant to the loan agreement, the Group made an interest-free loan with outstanding principal amount of ZAR36,926,000 (equivalent to approximately HK$16,816,000) as at 31 March 2026 (2025: ZAR36,926,000 (equivalent to approximately HK$15,623,000)) with a maturity date on 31 December 2021 to TG EPP for the purpose of enabling TG EPP to acquire a particular percentage of TGL's issued share capital when the shareholding owned by the qualified BEE company in TGL dropped below 26%. Given the status of the Jeanette Project and the Evander Project, the directors of the Company do not expect the loan to TG EPP can be settled within one year of the end of the reporting period and, thus, the entire balance of the loan to TG EPP is classified as non-current assets as at 31 March 2026 and 2025. The loan is secured by the pledge of 505,833 shares (after share consolidation as set out in note 22) in TGL, representing 2% of the issued share capital of TGL.

The loans to SepGold and TG EPP are classified as financial assets at FVTPL. The directors of the Company assessed the fair value of the loans to SepGold and TG EPP by taking into account the returns from the Jeanette Project and the Evander Project, including considering their exploration and development status, their expected commencement of commercial production, their expected reserves and the future gold price, where appropriate, in order to estimate the timing of repayment of these loans. The Group engaged the Valuer to perform estimation of future cash flows expected to arise from the loans and the appropriate discount rates. Details of the valuation techniques and key inputs are set out in note 25.

A fair value gain of HK$2,427,000 (2025: fair value loss of HK$1,378,000) in relation to the loans to SepGold and TG EPP is recognised in profit or loss during the year ended 31 March 2026.

17. OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

	2026 **HK$'000**	2025 HK$'000
Rental deposits	**465**	485
Other deposits	**6,781**	1,655
Deposit on purchase of capital asset	**1,000**	–
Value added tax ("VAT") recoverable	**523**	644
Others	**10,117**	9,015
	18,886	11,799
Current	**17,421**	11,314
Non-current	**1,465**	485
	18,886	11,799

18. PLEDGED BANK DEPOSITS AND BANK BALANCES AND CASH

As at 31 March 2026, pledged bank deposits of approximately ZAR1,458,000 (equivalent to approximately HK$664,000) (2025: approximately ZAR1,561,000 (equivalent to approximately HK$660,000)) mainly related to performance guarantees provided to the Department of Mineral Resources of South Africa in relation to application of the mining permits on exploration of various small mining projects which require rehabilitation and management of negative environmental impacts on the mining areas. The pledged bank deposits carry effective interest rates ranging from 5.47% to 6.97% (2025: 5.72% to 8.07%) per annum.

Bank balances comprising cash and short-term deposits with an original maturity of three months or less, being carried interest at rates ranging from 0.001% to 7.25% (2025: 0.001% to 7.5%) per annum.

19. OTHER PAYABLES AND ACCRUALS

	2026 **HK$'000**	2025 HK$'000
VAT payables	**1,051**	846
Other payables	**32**	30
Other accruals	**6,991**	6,715
	8,074	7,591

20. LEASE LIABILITIES

	2026 HK$'000	2025 HK$'000
Lease liabilities are payable:		
Within a period not exceeding one year	**1,358**	369
Within a period of more than one year but not exceeding two years	**353**	–
	1,711	369
Less: Amount due for settlement within 12 months shown under current liabilities	**(1,358)**	(369)
Amount due for settlement after 12 months shown under non-current liabilities	**353**	–

21. PROVISIONS FOR REHABILITATION COSTS

	HK$'000
At 1 April 2025	10,423
Unwinding of discounting effects for the year	1,115
Revaluation credited to profit or loss	(892)
Revaluation recognised as reversal of decommissioning assets	(63)
Exchange realignment	732
At 31 March 2026	11,315

The provision for mine rehabilitation includes the anticipated costs of future rehabilitation, restoration and dismantling of mining areas from which natural resources have been extracted. These provisions include future cost estimates associated with plant closures, waste site closures, monitoring, demolition, decontamination, water purification, and permanent storage of historical residues.

22. SHARE CAPITAL

	Number of shares	Par value	Amount HK$'000
Ordinary shares			
Authorised:			
At 1 April 2024 and 31 March 2025	30,000,000,000	0.01	300,000
Share consolidation	(27,000,000,000)		–
At 31 March 2026	3,000,000,000	0.10	300,000
Issued and fully paid:			
At 1 April 2024 and 31 March 2025	18,151,471,981	0.01	181,515
Share consolidation	(16,336,324,783)		–
At 31 March 2026	1,815,147,198	0.10	181,515

All shares rank pari passu in all respects with other shares in issue.

On 8 August 2025, the Company has completed a share consolidation on the basis that every 10 issued and unissued existing shares with par value of HK$0.01 each be consolidated into 1 consolidated share with par value of HK$0.10 each. Immediately after the share consolidation, the total number of issued share capital of the Company was adjusted from 18,151,471,981 to 1,815,147,198.

23. SHARE OPTION SCHEME

A resolution was duly passed at a special general meeting of the Company held on 28 August 2020 to approve and adopt the new share option scheme of the Company (the "2020 Share Option Scheme").

The purpose of the 2020 Share Option Scheme is to provide the Company with a flexible and effective means of incentivising, rewarding, remunerating, compensating and/or providing benefits to participants in recognition of their contribution to the Group.

Eligible participants of the 2020 Share Option Scheme include any person who is (or will be on and following the offer date) an employee (whether full time or part time) holding salaried office or employment under a contract with the Company and any of their respective subsidiaries (as defined in the Hong Kong Companies Ordinance), and any entity (including associated company) in which the Company, any of its holding companies or any of their respective subsidiaries holds any equity interest ("Eligible Entity") or is a director (including executive and non-executive directors) of an Eligible Entity or any adviser, consultant, agent, contractor, customer and supplier of any member of the Group or any Eligible Entity whom the board of directors in its sole discretion considers eligible for the 2020 Share Option Scheme on the basis of his or her contribution to the Group.

The maximum number of shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the 2020 Share Option Scheme and all outstanding options granted and yet to be exercised under any other share option schemes of the Company shall not exceed 30% of the total number of shares in issue from time to time.

The total number of shares which may be issued upon exercise of all share options to be granted under the 2020 Share Option Scheme and any options to be granted under any other share option schemes of the Company must not in aggregate exceed 10% of the total number of shares in issue on 28 August 2020. Share options which lapsed in accordance with the terms of the 2020 Share Option Scheme and any other share option schemes of the Company will not be counted for the purpose of calculating the 10% limit. The Company may seek approval of the shareholders in a general meeting for refreshing the 10% limit under the 2020 Share Option Scheme, save that the total number of shares which may be issued upon exercise of all share options granted under the 2020 Share Option Scheme and any other share option schemes of the Company under the limit as refreshed shall not exceed 10% of the total number of shares in issue as at the date of approval of the limit as refreshed. Share options previously granted under the 2020 Share Option Scheme and any other share option schemes of the Company (including share options outstanding, cancelled, lapsed in accordance with the terms of the relevant scheme, or exercised options) will not be counted for the purpose of calculating the limit as refreshed.

The total number of shares issued and to be issued upon exercise of the share options granted to each eligible participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue.

23. SHARE OPTION SCHEME *(Continued)*

Each grant of share options to a director, chief executive or substantial shareholder of the Company, or to any of their respective associates, under the 2020 Share Option Scheme must be subject to approval by independent non-executive directors to whom share options have not been granted. In addition, any grant of share options to a substantial shareholder or an independent non-executive director of the Company, or any of their associates, which would result in the shares issued and to be issued upon exercise of all share options already granted and to be granted under the 2020 Share Option Scheme (including share options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant in aggregate over 0.1% of the shares in issue and with an aggregate value (based on the closing price of the Company's shares at the date of each grant) in excess of HK$5 million, must be approved by the shareholders in a general meeting.

The offer of a grant of share options shall be accepted within 21 days from the date of the offer, upon payment of a nominal consideration of HK$1 in total by the grantee. To the extent that the offer of the grant of share options is not accepted within 21 days from the date of offer, it will be deemed to have been irrevocably declined.

The exercisable period of the share options granted is determined by the directors of the Company, save that such period shall not be more than 10 years from the date of the offer of the share options, subject to the provisions for early termination set out in the 2020 Share Option Scheme.

There is no minimum period for which the share options must be held before the exercise of the subscription right attaching thereto, except as otherwise imposed by the board of directors.

The exercise price of the share options is determined by the board of the Company, but shall not be less than the highest of (i) the closing price of the Company's shares as quoted on the daily quotation sheets of the Stock Exchange on the date of the offer of the share options; (ii) the average closing price of the Company's shares as quoted on the daily quotation sheets of the Stock Exchange for the five trading days immediately preceding the date of the offer; and (iii) the nominal value of the Company's shares.

The 2020 Share Option Scheme became effective on 28 August 2020 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The scheme mandate limit under the 2020 Share Option Scheme is 10% of the issued shares of the Company as at the date of adoption of the 2020 Share Option Scheme. The total number of share options available for grant under the 2020 Share Option Scheme as at 1 April 2025 was 1,815,147,198. After the share consolidation effected on 8 August 2025, the scheme mandate limit has been adjusted to 181,514,719 shares in accordance with the terms and conditions of the 2020 Share Option Scheme and the Listing Rules. The total number of share options available for grant under the 2020 Share Option Scheme as at 31 March 2026 was 181,514,719. There was no service provider sublimit set under the 2020 Share Option Scheme.

23. SHARE OPTION SCHEME *(Continued)*

As at the date of this annual report, the total number of share options available for issue under the 2020 Share Option Scheme was 181,514,719 shares, representing approximately 10% of the issued ordinary shares of the Company as at the date of the annual report. The Company had no treasury shares as at the date of the annual report.

No share options were granted, exercised, cancelled or lapsed under the 2020 Share Option Scheme during the years ended 31 March 2026 and 2025. At 31 March 2026 and 2025, there were no outstanding share options.

24. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Company consists of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital disclosed in note 22 and reserves disclosed in the consolidated statement of changes in equity. Management of the Group reviews the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through new share issues as well as the raising of new debts.

25. FINANCIAL INSTRUMENTS

Categories of financial instruments

	2026 **HK$'000**	2025 HK$'000
Financial assets		
At amortised cost	**45,146**	77,211
At FVTPL	**33,309**	28,667
Financial liabilities		
At amortised cost	**32**	30

Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL, rental deposits, other receivables and deposits, pledged bank deposits, bank balances and cash and other payables. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

25. FINANCIAL INSTRUMENTS *(Continued)*

Financial risk management objectives and policies *(Continued)*

Market risk

Currency risk

Certain subsidiaries of the Company have bank balances and cash, other receivables and deposits, and other payables denominated in foreign currencies, other than the functional currency of respective group companies which expose the subsidiaries to foreign currency risk. The Group currently does not have a foreign currency hedging policy. However, management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's major foreign currency denominated monetary assets and monetary liabilities against their functional currency at the end of the reporting period are as follows:

	Assets		**Liabilities**	
	2026	2025	**2026**	2025
	HK$'000	HK$'000	**HK$'000**	HK$'000
Renminbi ("RMB")	**708**	670	**–**	–
HK$	**7,345**	2,512	**32**	30
US$	**17,872**	57,299	**–**	–

At 31 March 2026, the carrying amounts of inter-company balances (assets) of certain group entities which were denominated in US$ (against ZAR) is HK$142,989,000 (2025: HK$120,857,000).

The directors of the Company expect the foreign exchange exposure on US$ against HK$ to be minimal because HK$ is pegged with US$ under the Linked Exchange Rate System. Accordingly, no sensitivity analysis is presented.

Interest rate risk

The Group's bank balances have exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank balances. The directors of the Company consider that the Group's exposure of the short-term bank deposits to interest rate risk is not significant.

Other price risk

The Group is exposed to other price risk mainly through its loans to SepGold and TG EPP which are measured at FVTPL. The fair value adjustment of loans to SepGold and TG EPP would be affected positively or negatively, primarily, by changes in the timing and amounts of future cash flows for loan repayments and the discount rate applied for discounting the future cash flows.

The sensitivity analysis on the fair values of loans to SepGold and TG EPP is disclosed in the fair value measurements of financial instruments below.

25. FINANCIAL INSTRUMENTS *(Continued)*

Financial risk management objectives and policies *(Continued)*

Credit risk and impairment assessment

At the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risks associated with the financial assets at FVTPL is mitigated because they are secured over shares of TGL.

The credit risk for bank deposits and bank balances exposed is considered minimal as such amounts are placed with various banks with good credit ratings and there is no significant concentration of credit risk for bank deposits and bank balances.

For other receivables and deposits, the gross carrying amount of these balances as at 31 March 2026 is HK$16,806,000 (2025: HK$10,213,000) and the management of the Group measures their loss allowance equal to 12m ECL. In addition, the management of the Group makes periodic individual assessment on their recoverability based on historical settlement records, past experience, and also available reasonable and supportable forward-looking information. No impairment loss was recognised for the years ended 31 March 2026 and 2025. The ECL on the remaining balances of other receivables is insignificant.

25. FINANCIAL INSTRUMENTS *(Continued)*

Financial risk management objectives and policies *(Continued)*

Liquidity risk

In management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

	Weighted average interest rate	On demand or within 3 months	3 months to 1 year	1 year to 2 years	Total undiscounted cash flows	Carrying amount
	%	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 31 March 2026						
Other payables	**N/A**	**32**	**–**	**–**	**32**	**32**
Lease liabilities	**4.51**	**350**	**1,051**	**354**	**1,755**	**1,711**
		382	**1,051**	**354**	**1,787**	**1,743**
At 31 March 2025						
Other payables	N/A	30	–	–	30	30
Lease liabilities	4.51	366	4	–	370	369
		396	4	–	400	399

25. FINANCIAL INSTRUMENTS *(Continued)*

Fair value measurements of financial instruments

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Valuation technique and inputs

	Fair value 2026 HK$'000	Fair value 2025 HK$'000	Fair value hierarchy	Valuation technique(s) and key input(s)
Loans to SepGold and TG EPP	**33,309**	28,667	Level 3	Discounted cash flows based on the estimated future cash flows of the Evander Project and the Jeanette Project in South Africa and the timing of amounts that are expected to be received from SepGold and TG EPP for loans repayment, discounted at a rate of 25.48% (2025: 23.56%).

There were no transfer between Level 1 or 2 during the year.

Sensitivity analysis

A delay in the timing of amounts expected to be received from SepGold and TG EPP for loan repayments, of which based on the estimated future cash flows of the Evander Project and the Jeanette Project in South Africa, would result in a decrease in the fair value measurement of the loans to SepGold and TG EPP, and vice versa. A delay of repayment of all the outstanding amounts by 3 years holding all other variables constant would decrease the total carrying amounts of the loans to SepGold and TG EPP as at 31 March 2026 by HK$16,460,000 (2025: HK$13,616,000).

An increase in the discount rate used in isolation would result in a decrease in the fair value measurement of the loans to SepGold and TG EPP, and vice versa. A 30% increase in the discount rate holding all other variables constant would decrease the total carrying amounts of the loans to SepGold and TG EPP as at 31 March 2026 by HK$13,360,000 (2025: HK$12,048,000).

25. FINANCIAL INSTRUMENTS *(Continued)*

Fair value measurements of financial instruments *(Continued)*

Fair value of the Group's financial assets that are measured at fair value on a recurring basis *(Continued)*

Reconciliation of Level 3 financial assets

	2026 **HK$'000**	2025 HK$'000
At the beginning of the year	**28,667**	29,853
Fair value change recognised in profit or loss	**2,427**	(1,378)
Exchange adjustments	**2,215**	192
At the end of the year	**33,309**	28,667

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost approximate their fair values.

The fair values of financial assets and financial liabilities recorded at amortised cost are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

26. RETIREMENT BENEFIT SCHEMES

The Group participates in the Mandatory Provident Fund Scheme registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group in funds under the control of trustee. The Group contributes 5% of relevant payroll costs with a cap of monthly contributions of HK$1,500 to the scheme, which contribution is matched by employee.

Contributions are made by the South African companies to independent pension and provident funds which are defined contribution retirement benefits plans governed by the Pension Funds Act, 1956. All eligible employees are required to become members of these schemes.

The assets of each of the retirement benefit schemes are held separately from those of the Group in funds under the control of the trustees. The amounts incurred for retirement benefit schemes contributions are disclosed in notes 8 and 9. According to the respective schemes, those contributions are not refundable nor forfeitable. At 31 March 2026, there were no forfeited contributions (by employers on behalf of employees who leave these retirement benefit schemes prior to vesting fully in such contributions) in the Group under these retirement benefit schemes. Hence, there is no forfeited contribution available for the Group to reduce its existing level of contributions to these retirement benefit schemes in future years.

27. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

The remuneration for key management personnel of the Group, including the amounts paid to directors of the Company as disclosed in note 9, during the year is as follows:

	2026 HK$'000	2025 HK$'000
Short-term benefits	**6,802**	7,016
Contributions to retirement benefit schemes	**54**	54
	6,856	7,070

28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Lease liabilities	
	2026 HK$'000	2025 HK$'000
At the beginning of the year	**369**	1,788
Financing cash flows	**(1,391)**	(1,464)
New leases entered	**2,661**	–
Finance cost recognised	**72**	45
At the end of the year	**1,711**	369

29. PARTICULARS OF SUBSIDIARIES

General information of subsidiaries

Details of the Group's principal subsidiaries at 31 March 2026 and 31 March 2025 are set out below.

Name of subsidiary	Place of incorporation and operation	Issued and fully-paid capital	Attributable equity interest of the Group		Principal activities
			Directly	Indirectly	
TGL	South Africa	Ordinary ZAR1,527,798,014	65.60%	12.98%	Exploration, development and mining of gold and associated minerals
Taung Gold (Secunda) (Pty) Limited	South Africa	Ordinary ZAR100	–	78.58%	Exploration, development and mining of gold and associated minerals
Taung Gold Exploration (West) (Pty) Limited	South Africa	Ordinary ZAR7,875	–	78.58%	Exploration, development and mining of gold and associated minerals
Taung Gold Exploration (Pty) Limited	South Africa	Ordinary ZAR7,875	–	78.58%	Exploration, development and mining of gold and associated minerals
Taung Gold (North West) (Pty) Limited	South Africa	Ordinary ZAR100	–	78.58%	Exploration, development and mining of gold and associated minerals
Taung Gold (Free State) (Pty) Limited	South Africa	Ordinary ZAR100	–	78.58%	Exploration, development and mining of gold and associated minerals
Ulinet (Pty) Limited	South Africa	Ordinary ZAR100	–	78.58%	Exploration, development and mining of gold and associated minerals

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

29. PARTICULARS OF SUBSIDIARIES *(Continued)*

General information of subsidiaries *(Continued)*

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. A majority of these subsidiaries operate in Hong Kong. The principal activities of these subsidiaries are either investment holding or inactive.

None of the subsidiaries had issued any debt securities at the end of the year or at any time during the year.

Details of non wholly-owned subsidiaries that have material non-controlling interests

The table below shows details of non wholly-owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit (loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		2026	2025	**2026**	2025	**2026**	2025
				HK$'000	HK$'000	**HK$'000**	HK$'000
TGL	South Africa	**21.42%**	21.42%	**89,194**	(2,786)	**656,478**	523,705

29. PARTICULARS OF SUBSIDIARIES *(Continued)*

Details of non wholly-owned subsidiaries that have material non-controlling interests *(Continued)*

Summarised financial information in respect of TGL. The summarised financial information below represents amounts before intragroup eliminations.

	2026 HK$'000	2025 HK$'000
Non-current assets	**3,220,350**	2,579,795
Current assets	**5,073**	4,805
Non-current liabilities	**(11,313)**	(10,423)
Current liabilities	**(151,566)**	(119,844)
Equity attributable to owners of the Company	**2,406,066**	1,930,628
Non-controlling interests	**656,478**	523,705
Profit (loss) for the year	**416,404**	(13,004)
Profit (loss) attributable to		
– owners of the Company	**327,210**	(10,218)
– non-controlling interests	**89,194**	(2,786)
Profit (loss) for the year	**416,404**	(13,004)
Other comprehensive income attributable to		
– owners of the Company	**159,877**	11,734
– non-controlling interests	**43,579**	3,199
Other comprehensive income for the year	**203,456**	14,933
Total comprehensive income attributable to		
– owners of the Company	**487,087**	1,516
– non-controlling interests	**132,773**	413
Total comprehensive income for the year	**619,860**	1,929
Net cash outflow from operating activities	**(11,627)**	(10,943)
Net cash outflow from investing activities	**(8,668)**	(7,829)
Net cash inflow from financing activities	**19,666**	19,429
Net cash (outflow) inflow	**(629)**	657

30. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	2026 HK$'000	2025 HK$'000
Non-current assets		
Interests in subsidiaries	**1,929,112**	1,929,112
Amounts due from subsidiaries	**246,183**	268,684
	2,175,295	2,197,796
Current assets		
Amounts due from subsidiaries	**26,085**	16,002
Other receivables	**6,465**	409
Bank balances and cash	**7,588**	5,626
	40,138	22,037
Current liabilities		
Other payables	**4,873**	4,910
Amount due to a subsidiary	**119,112**	98,169
	123,985	103,079
Net current liabilities	**(83,847)**	(81,042)
Net assets	**2,091,448**	2,116,754
Capital and reserves		
Share capital	**181,515**	181,515
Reserves	**1,909,933**	1,935,239
Total equity	**2,091,448**	2,116,754

30. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY *(Continued)*

	Share premium HK$'000	Capital reserves HK$'000	Contributed surplus HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 April 2024	5,307,443	(800)	147,828	(3,479,839)	1,974,632
Loss and total comprehensive expense for the year	–	–	–	(39,393)	(39,393)
At 31 March 2025	5,307,443	(800)	147,828	(3,519,232)	1,935,239
Loss and total comprehensive expense for the year	–	–	–	(25,306)	(25,306)
At 31 March 2026	5,307,443	(800)	147,828	(3,544,538)	1,909,933

FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements, is set out below:

RESULTS

	Year ended 31 March				
	2022	2023	2024	2025	**2026**
	HK$'000	HK$'000	HK$'000	HK$'000	**HK$'000**
Revenue	–	–	–	–	**–**
Profit (loss) attributable to:					
– Owners of the Company	45,147	(45,985)	(19,174)	(22,232)	**315,331**
– Non-controlling interests	22,034	(6,819)	(1,578)	(2,786)	**89,194**
	67,181	(52,804)	(20,752)	(25,018)	**404,525**

ASSETS AND LIABILITIES

	As at 31 March				
	2022	2023	2024	2025	**2026**
	HK$'000	HK$'000	HK$'000	HK$'000	**HK$'000**
Total assets	3,440,722	2,825,691	2,678,288	2,659,302	**3,269,998**
Total liabilities	19,677	21,471	27,284	18,383	**21,100**
Total equity	3,421,045	2,804,220	2,651,004	2,640,919	**3,248,898**