Hong Kong Gold Industry Group Limited
香港黃金產業集團有限公司
(formerly known as Add New Energy Investment Holdings Group Limited)
(愛德新能源投資控股集團有限公司)
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 02623)

UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

The Group recorded revenue of approximately RMB92.6 million for the six months ended 30 June 2026, representing an increase of approximately 617.8% from the revenue of approximately RMB12.9 million for the six months ended 30 June 2025.

The Group's net loss for the period increased from approximately RMB3.6 million for the six months ended 30 June 2025 to approximately RMB14.2 million for the six months ended 30 June 2026, representing an increase of approximately 294.4%.

UNAUDITED INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Hong Kong Gold Industry Group Limited (the "**Company**") presents the unaudited interim results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2026 together with the comparative figures for the corresponding period in 2025. The unaudited interim financial information has not been audited but has been reviewed by the audit committee of the Company (the "**Audit Committee**").

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME

For the six months ended 30 June 2026

(Amounts expressed in thousands of RMB except for per share data)

		Six months ended 30 June	
	Note	**2026**	2025
		(unaudited)	(unaudited)
Revenue	*6*	**92,586**	12,935
Cost of sales		**(83,325)**	(9,280)
Gross profit		**9,261**	3,655
Other income	*7*	**1,150**	532
Other gains or losses, net	*8*	**34,684**	27,190
Administrative expenses		**(52,571)**	(29,811)
Reversal of provision for expected credit loss on trade receivables		**–**	203
Write-down of inventories		**–**	(94)
Operating (loss)/profit		**(7,476)**	1,675
Interest income		**1,368**	237
Interest expenses		**(1,792)**	(2,022)
Finance costs – net	*9*	**(424)**	(1,785)
Net foreign exchange (loss)/gain		**(4,614)**	91
Loss before income tax		**(12,514)**	(19)
Income tax expense	*10*	**(1,667)**	(3,545)
Net loss for the period		**(14,181)**	(3,564)

	Note	Six months ended 30 June	
		2026	2025
		(unaudited)	(unaudited)
Other comprehensive (loss)/income:			
Item that will not be reclassified to profit or loss			
Change in the fair value of financial assets at fair value through other comprehensive income *(Note below)*		**(112,279)**	1,759
Other comprehensive (loss)/income for the period		**(112,279)**	1,759
Total comprehensive loss for the period		**(126,460)**	(1,805)
Loss per share for loss attributable to owners of the Company (expressed in RMB cents per share)			
Basic loss per share	*11*	**(2.99)**	(0.87)

Note: Fair value loss on financial assets at fair value through other comprehensive income for the six months ended 30 June 2026 was mainly attributable to the adverse fair value movements of certain equity investments in listed entities in gold-related industry, whose share prices were affected by the fluctuations in gold prices during the current period.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

(Amounts expressed in thousands of RMB)

	Note	**As at 30 June 2026 (unaudited)**	As at 31 December 2025 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**611,959**	544,527
Right-of-use assets		**134,569**	131,787
Intangible assets		**157,238**	152,232
Investment in a joint venture		**17,526**	–
Financial assets at fair value through other comprehensive income ("**FVTOCI**")		**166,315**	7,107
Other non-current assets		**20,185**	20,185
		1,107,792	855,838
Current assets			
Inventories		**4,045**	3,295
Financial assets at fair value through profit or loss ("**FVTPL**")		**68,915**	–
Trade and bill receivables	*13*	**–**	2,725
Prepayments and other receivables	*14*	**68,624**	49,577
Pledged bank deposits		**–**	2,500
Cash and cash equivalents		**197,781**	240,170
		339,365	298,267
Total assets		**1,447,157**	1,154,105
EQUITY			
Equity attributable to owners of the Company			
Share capital		**17,994**	11,802
Share premium		**1,213,100**	774,217
Other reserves		**(177,177)**	(64,898)
Accumulated losses		**(273,228)**	(259,047)
Total equity		**780,689**	462,074

	Note	As at 30 June 2026 (unaudited)	As at 31 December 2025 (audited)
LIABILITIES			
Non-current liabilities			
Amount due to a former controlling shareholder		**486,690**	486,690
Amount payable for mining rights – non-current portion		**64,207**	62,779
Lease liabilities – non-current portion		**1,207**	1,721
		552,104	551,190
Current liabilities			
Borrowings		**1,091**	7,997
Trade and other payables	*15*	**48,529**	81,775
Accruals and other provisions		**14,624**	17,713
Amount due to a related company		**12,505**	12,505
Amount due to a director		**135**	135
Amount due to a shareholder		**17,526**	–
Contract liabilities		**1,754**	2,770
Amount payable for mining rights – current portion		**14,666**	14,340
Lease liabilities – current portion		**903**	920
Income tax payable		**2,631**	2,686
		114,364	140,841
Net current assets		**225,001**	157,426
Total liabilities		**666,468**	692,031
Total equity and liabilities		**1,447,157**	1,154,105

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(Amounts expressed in thousands of RMB)

1. GENERAL INFORMATION

Hong Kong Gold Industry Group Limited (formerly known as Add New Energy Investment Holdings Group Limited) (the "**Company**") was incorporated in the Cayman Islands on 8 February 2011 as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands. The addresses of its registered office and principal place of business are Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands and Rooms 1601–1603, YF Life Centre, 38 Gloucester Road, Wan Chai, Hong Kong, respectively.

The Company is an investment holding company. The Company and its subsidiaries (collectively the "**Group**") are principally engaged in iron ore processing, and sales of iron concentrates and other minerals in the People's Republic of China (the "**PRC**"), and investment in mining and natural-resource businesses and related securities. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 27 April 2012.

The directors considered HKGG Holdings Limited (formerly known as Prominence Investment Holding Company Limited), a company incorporated in the British Virgin Islands (the "**BVI**") and owned indirectly by Mr. Ng William and Ms. Wei Jiaming (the "**Controlling Shareholder**"), as the ultimate holding company of the Group.

This unaudited interim condensed consolidated financial information has been approved for issuance by the Board of Directors on 28 August 2026.

2. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with the applicable requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and Hong Kong Accounting Standard ("**HKAS 34**"), 'Interim financial reporting'.

The unaudited interim condensed consolidated financial information should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025, which have been prepared in accordance with HKFRS Accounting Standards.

3. ACCOUNTING POLICIES

Overview

The unaudited interim condensed consolidated financial information has been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants which are mandatory effective for the annual period beginning on or after 1 January 2026 for the preparation of the Group's unaudited interim condensed consolidated financial information:

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Amendments to HKFRS Accounting Standards	*Annual Improvements to HKFRS Accounting Standards – Volume 11*

The application of the above amendments in the current interim period has had no material impact on the Group's financial position and performance for the current or prior periods and/or on the disclosures set out in this unaudited interim condensed consolidated financial information.

The Group has not applied any new standard, amendment or interpretation that is not yet effective for the current period.

During the six months ended 30 June 2026, the Group entered into transactions involving investments in joint ventures and financial assets at fair value through profit or loss. The accounting policies applied are set out below:

(a) Investment in a Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investment in a joint venture is accounted for using the equity method under HKAS 28. Under the equity method, the investment is initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and other comprehensive income of the joint venture.

(b) Financial Assets at Fair Value Through Profit or Loss ("FVTPL")

Financial assets at FVTPL are initially recorded at fair value, with transaction costs expensed in profit or loss. Subsequent to initial recognition, they are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss under "Other gains or losses, net".

4. ESTIMATES

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the unaudited interim condensed consolidated financial information, except for the judgements regarding the initial classification of the newly acquired equity securities and investment in a joint venture during the period, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

5. SEGMENT INFORMATION

(a) General information

The Group's chief operating decision-maker has been identified as the Senior Executive Management ("**SEM**") who reviews the Group's internal reporting in order to allocate resources and assess performance. The SEM has determined the operating segments based on these reports.

The SEM, who considers the business from an industrial perspective, considers activities of mining and ore processing carried out by Shandong Ishine Mining Industry Co., Ltd. ("**Shandong Ishine**") and Shandong Shengtai Mining Technology Company Limited ("**Shandong Shengtai**"), and trading of minerals carried out by Shandong Ishine and Hami Xinxing Tianshan Logistics Company Limited ("**Hami Xinxing**") as the identifiable segments.

The SEM assesses the performance of the operating segments based on a measure of profit or loss contributed by the respective segments.

(b) Information about reportable segment profit or loss, assets and liabilities

The measurement of profit or loss, assets and liabilities of the operating segments are the same as those described in the summary of significant accounting policies in the annual financial statements for the year ended 31 December 2025.

The businesses of the Group are classified into mining and ore processing, and trading of minerals, which are the two reportable segments of the Group. Expenses, assets and liabilities of the holding and inactive companies (the Company, Alliance Worldwide Group Limited, Fortune Shine Investment Limited, Shine Mining Investment Limited, Ishine Mining International Limited, China Rongsheng Holdings Limited, Alpha Charm Investments Limited, Grandson Holdings Limited and Active Fortune Group Limited) in the Group are presented as 'Unallocated' in the segment information.

The segment information provided to the SEM for the six months ended 30 June 2026 and 2025 and the information on segment assets and liabilities as at 30 June 2026 and 31 December 2025 is as follows:

	Mining and ore processing	Trading of minerals	Unallocated	Inter-segment elimination	Total
Six months ended 30 June 2026 (unaudited)					
Revenue	**–**	**92,586**	**–**	**–**	**92,586**
Gross profit	**–**	**9,261**	**–**	**–**	**9,261**
Other income	**1,147**	**3**	**–**	**–**	**1,150**
Other gains or losses, net	**12**	**–**	**34,672**	**–**	**34,684**
Interest income	**1,309**	**55**	**4**	**–**	**1,368**
Interest expenses	**(1,754)**	**–**	**(38)**	**–**	**(1,792)**
Exchange loss	**–**	**–**	**(4,614)**	**–**	**(4,614)**
Income tax expense	**–**	**(1,667)**	**–**	**–**	**(1,667)**
Net (loss)/profit	**(35,861)**	**7,340**	**14,340**	**–**	**(14,181)**
Other information					
Depreciation of property, plant and equipment	**(8,881)**	**(25)**	**–**	**–**	**(8,906)**
Amortisations of right-of-use assets	**(1,806)**	**–**	**(479)**	**–**	**(2,285)**
Additions to property, plant and equipment	**76,381**	**–**	**–**	**–**	**76,381**
Additions to right-of-use assets	**5,067**	**–**	**–**	**–**	**5,067**
Additions to intangible assets	**–**	**–**	**5,006**	**–**	**5,006**
As at 30 June 2026 (unaudited)					
Segment assets and liabilities					
Total assets	**1,048,577**	**32,656**	**365,924**	**–**	**1,447,157**
Total liabilities	**(626,569)**	**(3,986)**	**(35,913)**	**–**	**(666,468)**
Property, plant and equipment, right-of-use assets and intangible assets included in total assets	**895,404**	**11**	**8,351**	**–**	**903,766**
Six months ended 30 June 2025 (unaudited)					
Revenue	8,713	4,222	–	–	12,935
Gross profit	3,652	3	–	–	3,655
Other income	532	–	–	–	532
Other gains or losses, net	27,190	–	–	–	27,190
Interest income	147	89	1	–	237
Interest expenses	(2,003)	–	(19)	–	(2,022)
Exchange gain	–	–	91	–	91
Income tax expense	(3,490)	(55)	–	–	(3,545)
Net profit/(loss)	2,334	74	(5,972)	–	(3,564)
Other information					
Depreciation of property, plant and equipment	(7,953)	(66)	–	–	(8,019)
Amortisations of right-of-use assets	(915)	–	(504)	–	(1,419)
Additions to property, plant and equipment	80,232	–	–	–	80,232
Additions to right-of-use assets	9,136	–	–	–	9,136
As at 31 December 2025 (audited)					
Segment assets and liabilities					
Total assets	1,252,747	62,048	189,660	(350,350)	1,154,105
Total liabilities	(878,084)	(3,613)	(160,684)	350,350	(692,031)
Property, plant and equipment, right-of-use assets and intangible assets included in total assets	825,841	34	2,671	–	828,546

6. REVENUE

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
Trading		
– Sales of coarse iron powder	**2,757**	3,404
– Sales of blended coal	**71,477**	818
– Sales of semi-coke	**18,352**	–
	92,586	4,222
Processing service income		
– From processing of iron and other mineral ores	**–**	8,713
	92,586	12,935

Typical payment terms for trading of minerals

When the Group receives a deposit from a customer before control of the goods is transferred to the customer, a contract liability is recognised. For the majority of customers in the mineral trading business, the Group typically receives a deposit of 10% to 15% of the total contract sum upon acceptance of the sales order, with the remaining balance required to be fully settled before control of the goods is transferred to the customer.

7. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
Government grants	**150**	508
Others	**1,000**	24
	1,150	532

There were no unfulfilled conditions and obligations attached to the grants received from the government.

8. OTHER GAINS OR LOSSES, NET

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
Gain on reversal of over-provision for accrued expenses attributable to Yangzhuang iron mine *(note (a))*	**–**	27,424
Fair value gain on financial assets at FVTPL *(note (b))*	**34,672**	–
Gain/(loss) on disposal of property, plant and equipment	**12**	(234)
	34,684	27,190

Notes:

(a) During the six months ended 30 June 2025, the new mining certificate was formally issued to the purchaser in respect of the disposal of the mining right of Yangzhuang Iron Mine and the related assets, which was completed in 2024. As at 31 December 2024, the Group had accrued certain expenses during the course of its operations in Yangzhuang Iron Mine in previous years, which remained unpaid up to date.

In view of legal title of the mining right and related assets having been transferred to the purchaser and legal opinion sought by the Group in respect of the legal exposure to these long outstanding accrued expenses, the Group considered that the probability of request for payment of these accrued expenses was remote and accordingly, provision for these accrued expenses were reversed and credited as a gain recognised in the consolidated profit or loss during the six months ended 30 June 2025.

(b) The fair value gain on financial assets at FVTPL arose from changes in the fair value of trading securities acquired by the Group during the six months ended 30 June 2026, including securities disposed of during the period and those held as at 30 June 2026.

9. FINANCE COSTS – NET

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
Interest expense:		
– Amount payable for mining rights: unwinding of discount	**(1,754)**	(2,003)
– Lease liabilities	**(38)**	(19)
	(1,792)	(2,022)
Interest income:		
– Interest income on bank deposits	**1,368**	237
Finance costs – net	**(424)**	(1,785)

10. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
Current tax – Corporate Income Tax	**(1,667)**	(3,545)

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

Hong Kong profits tax has not been provided for the subsidiaries in Hong Kong as there is no estimated assessable profit arising in or derived from Hong Kong during the six months ended 30 June 2026 and 2025.

Corporate income tax in the PRC is calculated based on the statutory profit of the subsidiaries established in the PRC in accordance with the PRC tax laws and regulations, after adjusting certain items of income and expenses that are not assessable or deductible for income tax purposes.

For the six months ended 30 June 2026 and 2025, PRC corporate income tax has been provided for at the rate of 25% on the assessable profits of the Group's PRC subsidiaries, except for the subsidiaries which incurred losses for the current period.

11. LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
Loss attributable to owners of the Company	**(14,181)**	(3,564)
Weighted average number of ordinary shares in issue	**474,127,154**	410,203,028
Basic loss per share (Expressed in RMB cents per share)	**(2.99)**	(0.87)

(b) Diluted

During the six months ended 30 June 2026 and 2025, there were no dilutive instruments of the Company, no diluted loss per share is presented.

12. DIVIDENDS

The Board of Directors has resolved not to declare any interim dividends for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

13. TRADE AND BILL RECEIVABLES

	As at 30 June 2026 (unaudited)	As at 31 December 2025 (audited)
Trade receivables	**326**	326
Less: allowance for impairment	**(326)**	(326)
Trade receivables, net	**–**	–
Bill receivables	**–**	2,725
Trade and bill receivables – net	**–**	2,725

As at 30 June 2026 and 31 December 2025, the ageing analysis of trade receivables (before deduction of provision for impairment loss) presented based on invoice date, is as follows:

	As at 30 June 2026 (unaudited)	As at 31 December 2025 (audited)
Within 3 months	**–**	–
3 to 6 months	**–**	–
6 months to 1 year	**–**	–
Over 1 year	**326**	326
	326	326

Movement on the Group's allowance for impairment of trade receivables is as follows:

	Six months ended 30 June	
	2026	2025
At 1 January	**326**	3,303
Reversal of provision for expected credit loss on trade receivables	**–**	(203)
At 30 June	**326**	3,100

14. PREPAYMENTS AND OTHER RECEIVABLES

	As at 30 June 2026 (unaudited)	As at 31 December 2025 (audited)
Trade deposits to suppliers	**1,066**	2,919
Utility deposits	**1,626**	1,323
Deposits for capital expenditure	**435**	–
Prepaid taxes	**1,571**	1,548
Prepaid rent and motor vehicle expenses	**60**	917
Prepayments	**5,737**	–
Land restoration deposits	**8**	8
Deductible input value-added tax	**36,314**	26,979
Advances to employees	**57**	60
Compensation receivable *(Note)*	**15,000**	15,000
Others	**6,750**	823
	68,624	49,577

Note:

In accordance with a settlement agreement dated 15 January 2021 entered into with a state-owned highway operator who is the defendant (the "**Defendant**") under the legal actions taken by the Group for unlawful encroachment of the mining areas of the Group's Yangzhuang iron mine in the previous years, compensation payable to the Group amounting to RMB50,000,000 was agreed by the Defendant, an amount of RMB35,000,000 was received by the Group during the year ended 31 December 2021 and the remaining RMB15,000,000 to be received upon the change in mining area as stipulated in the Group's renewed mining certificate for the Yangzhuang iron mine. As at 30 June 2026, there was no significant increase in credit risk of the Defendant and the default risk on the remaining compensation receivable is considered to be insignificant and no provision for expected credit loss for the compensation receivable is necessary.

15. TRADE AND OTHER PAYABLES

As at 30 June 2026 and 31 December 2025, the ageing analysis of trade and other payables presented based on invoice date, is as follows:

	As at 30 June 2026 (unaudited)	As at 31 December 2025 (audited)
Within 6 months	**47,925**	80,626
6 months to 1 year	**38**	–
Over 1 year	**566**	1,149
	48,529	81,775

16. CAPITAL COMMITMENTS

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

	As at 30 June 2026 (unaudited)	As at 31 December 2025 (audited)
Property, plant and equipment	**20,908**	32,126
Acquisition of investment in equity securities *(note i)*	**191,243**	–
Capital contribution to a joint venture *(note ii)*	**90,474**	–
	302,625	32,126

Note (i) – Acquisition of investment in equity securities:

On 30 March 2026, the Group entered into an agreement to acquire 37,700,000 shares in Maritana Minerals Limited ("**MRT**"), a company listed on the Australian Securities Exchange, at a consideration of AUD1.08 per share, representing an aggregate consideration of approximately AUD40,716,000. As at 30 June 2026 and up to the date of this announcement, completion of the acquisition remained subject to the relevant Australian regulatory approval and had not yet been completed. Accordingly, the aggregate consideration of approximately AUD40,716,000 is included as a capital commitment as at 30 June 2026. If completed, the Group's aggregate interest in MRT is expected to be approximately 19.97%.

Note (ii) – Capital contribution to a joint venture:

In March 2026, the Group, through an indirect wholly-owned subsidiary of the Company, as a limited partner, together with Jiangxi Xintongying Enterprise Management Co., Ltd.（江西新同盈企業管理有限公司）, as a limited partner, and Beijing Shiji Lande Enterprise Management Co., Ltd.（北京世紀蘭德企業管理有限公司）, as the general partner, established Jiangxi Lianhe Enterprise Management Centre (Limited Partnership)*（江西聯合企業管理中心（有限合夥））(the "**Partnership**").

Pursuant to the relevant partnership agreement (as supplemented), the Group committed to make a total capital contribution of RMB108,000,000, representing approximately 48.87% of the interests in the Partnership, which is payable on or before 31 December 2026. As at 30 June 2026, the Group had contributed approximately RMB17,526,000 to the Partnership. The capital contribution of RMB17,526,000 was paid directly by a shareholder of the Company on behalf of the Group. Accordingly, the Group recognised a corresponding amount due to the shareholder of RMB17,526,000. As no cash payment was made by the Group in respect of this capital contribution, the transaction represented a non-cash investing and financing transaction from the Group's perspective. The Group therefore had an outstanding contractual capital commitment of approximately RMB90,474,000 in respect of its investment in the Partnership as at 30 June 2026.

INTERIM DIVIDEND

The Board resolved not to declare an interim dividend for the six months ended 30 June 2026 (30 June 2025: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The principal activities of the Group are iron ore and ilmenite ore exploration, mining and processing as well as trading of iron concentrates and other minerals in Shandong Province, the PRC. Since 2013, the Group has engaged in ilmenite ore mining and processing to produce and sell iron concentrates and titanium concentrates and to develop a full titanium industrial chain in Shandong Province, the PRC. The Group's major customers are iron pellet makers and steel manufacturers located in close proximity. During the six months ended 30 June 2026, the Group accelerated the diversification strategy described in its 2025 annual report by expanding into gold, silver and other precious and non-ferrous metal resources through direct securities investments, strategic investments and proposed acquisitions.

The Group holds the mining right in respect of Zhuge Shangyu Ilmenite Mine（諸葛上峪鈦鐵礦）, an ilmenite and magnetite mine located in Yishui County, Shandong Province, the PRC (the "**Zhuge Shangyu Ilmenite Mine**"), and owns the exploration right over the mine. The Zhuge Shangyu Ilmenite Mine and its processing facilities remained in the construction, testing and commissioning stage during the period. No revenue was generated by the mining and ore processing segment in the first half of 2026; all revenue for the period was derived from mineral trading.

To diversify its asset portfolio and capture opportunities in precious metals, the Group expanded into gold and silver mineral resources through an investment partnership. The Group also obtained Operation Status B membership on the Hong Kong Gold Exchange to explore business opportunities and potential industry partnerships across the physical gold and precious-metals markets. In March 2026, the Group completed a rights issue raising net proceeds of approximately HK$503.4 million, a portion of which was allocated to strategic acquisitions and investments in target entities holding high-quality precious-metal resources. To better reflect the future business plans and development of the Group following the Group's corporate restructuring, the Company changed its name to "Hong Kong Gold Industry Group Limited" in May 2026.

The Group recorded revenue of approximately RMB92.6 million for the six months ended 30 June 2026, representing an increase of approximately 615.8% from approximately RMB12.9 million for the six months ended 30 June 2025. The increase was principally attributable to the significant expansion of mineral trading activities. No revenue from processing services was recognised during the six months ended 30 June 2026.

The Group recorded a total comprehensive loss attributable to owners of the Company of approximately RMB126.5 million for the six months ended 30 June 2026, compared with approximately RMB1.8 million for the corresponding period in 2025, representing an adverse movement of approximately RMB124.7 million. The principal driver was the change in fair value of financial assets at FVTOCI from a gain of approximately RMB1.8 million for the six months ended 30 June 2025 to a loss of approximately RMB112.3 million for the six months ended 30 June 2026, an adverse movement of approximately RMB114.0 million recognised in other comprehensive income. This loss was mainly attributable to the adverse fair value movements of certain equity investments in listed entities in gold-related industry, whose share prices were affected by the fluctuations in gold prices during the first half of 2026. Such unrealised loss has been recovering substantially following the rebound in gold prices in the third quarter of 2026. At the profit-or-loss level, the net loss increased from approximately RMB3.6 million to RMB14.2 million, mainly reflecting higher administrative expenses and an adverse foreign-exchange movement, partly offset by higher gross profit, a net increase in other gains, lower net finance costs and lower income-tax expense.

Summary of work in the first half of 2026

I. Zhuge Shangyu Ilmenite Mine and processing plant

The Group continued the construction, testing and commissioning of the Zhuge Shangyu mining and processing project for the development of the full titanium industrial chain. The safety production permit was issued by the relevant competent authorities on 4 January 2026. As of the end of the first half of 2026, civil construction for the first phase of the processing plant has been completed. Save for a certain portion of the dust extraction system which is expected to be installed within the third quarter of 2026, all other machinery and equipment in connection with the first phase of construction has been installed. During the first half of 2026, the Group has systematically continued testing, trial-production and commissioning the individual equipment used throughout the various stages of mineral processing as well as integrated trial production using the 300,000 tonnes of ilmenite ores extracted from the Zhuge Shangyu Ilmenite Mine in 2025. As the production line remains under trial and commissioning and certain parameter metrics have not yet met the required standards, additional time is required to further fine-tune and adjust the specifications. During the six months ended 30 June 2026, there had been no exploration or production activity at the Zhuge Shangyu Ilmenite Mine and the Group did not incur material expenditure in its exploration activities. The Group continued to rely solely on the ilmenite ores extracted in the previous year for such trial production and commissioning.

The construction project for the upgrade of the processing facilities of the Zhuge Shangyu Ilmenite Mine also involves: (i) the living and office area, the interior decoration works of which are currently in progress; (ii) the science and technology center, which had not yet commenced as at 30 June 2026 and (iii) production automation, for which the installation of most of the machinery and equipment has been completed.

II. Expansion of mineral trading

The Group increased mineral trading activity during the first half of 2026. Trading revenue amounted to approximately RMB92.6 million, compared with approximately RMB4.2 million in the corresponding period of 2025. The Group continued to develop its supplier and customer networks and broaden the range of mineral products traded.

III. Strengthening internal control and project governance

In parallel with the expansion of investment and trading activities, the Group continued to strengthen approval, treasury, risk-management and post-investment monitoring processes. Management also continued to monitor the construction budget, commissioning progress and operational readiness of the Zhuge Shangyu project.

IV. Investment in Maritana Minerals Limited

In February 2026, the Company subscribed for 36,574,077 shares in Maritana Minerals Limited (formerly known as Horizon Minerals Limited) ("**MRT**"), whose shares are listed on the Australian Securities Exchange, by way of a placement at A$1.08 per MRT share, for an aggregate consideration of approximately A$39.5 million (the "**MRT Subscription**"). Completion took place on 14 April 2026, after which the Company held approximately 9.8% of MRT's issued shares. In March 2026, the Company also entered into a sale and purchase agreement to acquire a further 37,700,000 MRT shares (the "**MRT Acquisition**"). As at 30 June 2026, completion of the MRT Acquisition remained subject to the relevant Australian regulatory approval. If completed, the Group's aggregate interest in MRT is expected to be approximately 19.97% (based on the total issued shares of MRT as at 30 June 2026).

According to information published by MRT, as of February 2026 it had an estimated mineral resource of 34.32 million tonnes at 1.7 grams of gold per tonne, containing in aggregate approximately 1.88 million ounces of gold, underpinned by its key cornerstone assets at Boorara and Burbanks in Western Australia. MRT has identified that its Burbanks project has considerable potential, as only a limited portion of its principal area has been tested and exploration work has indicated the presence of high-grade gold mineralisation within it, highlighting significant exploration upside and the potential to extend mine life well beyond current forecasts.

V. Other listed securities and mining investments

During the period, the Group acquired securities in other listed companies principally engaged in gold exploration, mining and/or processing. The aggregate acquisition cost was approximately HK$90.2 million. At 30 June 2026, financial assets at FVTPL amounted to approximately RMB68.9 million and financial assets at FVTOCI amounted to approximately RMB166.3 million.

In March 2026, the Group, through an indirect wholly-owned subsidiary of the Company, as limited partner, together with Jiangxi Xintongying Enterprise Management Co., Ltd.* (江西新同盈企業管理有限公司), as limited partner, and Beijing Shiji Lande Enterprise Management Co., Ltd.* (北京世紀蘭德企業管理有限公司), as general partner, established Jiangxi Lianhe Enterprise Management Centre (Limited Partnership)* (江西聯合企業管理中心(有限合夥)) (the "**Partnership**"). The Partnership is intended to serve as a shareholding and investment platform for potential investments in mining businesses, including a proposed investment in Guixi Baojia Mining Co., Ltd.* (貴溪鮑家礦業有限公司), a company engaged in mining and processing silver, lead and zinc resources (the "**Baojia Acquisition**"). For further details, please refer to the announcements of the Company dated 30 March 2026, 24 April 2026 and 29 July 2026.

VI. Hong Kong Gold Exchange membership

The Group acquired membership interests and related rights in the Hong Kong Gold Exchange during the period. The related intangible asset amounted to approximately RMB5.0 million at 30 June 2026. For further details, please refer to the announcement of the Company dated 29 July 2026.

FINANCIAL REVIEW

For the six months ended 30 June 2026, the Group recorded revenue of approximately RMB92.6 million, compared with approximately RMB12.9 million for the six months ended 30 June 2025, representing an increase of approximately 615.8%. All revenue for the six months ended 30 June 2026 was generated from mineral trading activities; approximately 80.2% of total revenue was derived from trading of coarse iron powder and blended coal and approximately 19.8% from trading of semi-coke. No processing-service revenue was recognised for the six months ended 30 June 2026, compared with processing-service revenue representing approximately 67.4% of total revenue for the six months ended 30 June 2025.

Prices of the Group's products

Iron Concentrates

The unit prices of 64% iron concentrates produced by the Group mainly depend on the iron content contained in the Group's iron concentrates and are affected by the market conditions, including but not limited to the global, China and Shandong supply of and demand for iron ore products and the prosperity of Shandong steel industry.

* *for identification purposes only*

The Group did not produce and sell 65% or 64% iron concentrates for the six months ended 30 June 2026 and 2025.

Trading commodities

The average selling prices of coarse iron powder, blended coal and semi-coke were RMB911.9, RMB174.5, and RMB245.1 per tonne respectively, for the six months ended 30 June 2026.

Revenue

Revenue recorded for the six months ended 30 June 2026 was generated from the Group's trading activities. The Group's revenue is principally affected by trading volumes, product mix, availability of supplies and prevailing market prices of the minerals traded by the Group. The following table sets forth a breakdown of the Group's revenue for the periods indicated:

	Six months ended 30 June 2026		Six months ended 30 June 2025	
	RMB'000		*RMB'000*	
Revenue				
Sales from trading activities				
– coarse iron powder	**2,757**	**3%**	3,404	26.3%
– blended coal	**71,477**	**77.2%**	818	6.3%
– semi-coke	**18,352**	**19.8%**	–	–
	92,586	**100%**	4,222	32.6%
Processing service				
– processing of iron and other mineral ores	**–**	**–**	8,713	67.4%
	92,586	**100%**	12,935	100.0%

The following table sets forth a breakdown of the volume of trading commodities sold by the Group for the periods indicated:

	Six months ended 30 June 2026 *(Kt)*	Six months ended 30 June 2025 *(Kt)*
Sales volume of trading activities		
– coarse iron powder	**3.0**	4.0
– blended coal	**409.6**	2.6
– semi-coke	**74.8**	–
	487.4	6.6

For the six months ended 30 June 2026, all of the Group's revenue was derived from trading of blended coal, coarse iron powder and semi-coke. Trading activities represented a substantially larger scale of operations than in the corresponding period of 2025, with aggregate trading volume increasing by approximately 480.8 Kt, from 6.6 Kt for the six months ended 30 June 2025 to 487.4 Kt for the six months ended 30 June 2026.

The Group recorded revenue of approximately RMB92.6 million for the six months ended 30 June 2026, representing an increase of approximately 615.8% from the revenue of approximately RMB12.9 million for the six months ended 30 June 2025. The increase was principally attributable to the substantial expansion in trading volumes and product mix during the period. No processing service revenue was recognised for the six months ended 30 June 2026.

Cost of Sales

The following table sets forth a breakdown of the Group's cost of sales for the periods indicated:

	Six months ended 30 June 2026		Six months ended 30 June 2025	
	RMB'000		*RMB'000*	
Cost of Sales				
Cost of sales of trading activities				
– sales of coarse iron powder	**2,757**	**3.3%**	3,403	36.7%
– sales of blended coal	**64,707**	**77.7%**	816	8.8%
– sales of semi-coke	**15,861**	**19.0%**	–	–
	83,325	**100%**	4,219	45.5%
Cost of sales of processing services				
– processing of iron and other mineral ores	**–**	**–**	5,061	54.5%
	83,325	**100%**	9,280	100.0%

Cost of sales principally comprised the purchase cost of commodities sold for trading purposes. Total cost of sales increased by approximately RMB74.0 million, or 797.9%, from approximately RMB9.3 million for the six months ended 30 June 2025 to approximately RMB83.3 million for the six months ended 30 June 2026. The increase was consistent with the significant expansion of the Group's mineral trading activities, with aggregate trading volume increasing by approximately 480.8 Kt.

Gross profit and gross profit margin

The following table sets forth a breakdown of the Group's gross profit and gross profit margins for the periods indicated:

	Six months ended 30 June 2026		Six months ended 30 June 2025	
	RMB'000		*RMB'000*	
Gross profit				
Gross profit of trading activities				
– sales of coarse iron powder	**–**	**–**	1	0.0%
– sales of blended coal	**6,770**	**73.1%**	2	0.1%
– sales of semi-coke	**2,491**	**26.9%**	–	–
	9,261	**100%**	3	0.1%
Gross profit of processing services				
– processing of iron and other mineral ores	**–**	**–**	3,652	99.9%
	9,261	**100%**	3,655	100.0%

	Six months ended 30 June 2026	Six months ended 30 June 2025
Gross profit margin		
Gross profit margin of trading activities		
– sales of coarse iron powder	**0.0%**	0.0%
– sales of blended coal	**9.5%**	0.2%
– sales of semi-coke	**13.6%**	–
Gross profit margin of provision of processing services		
– processing of iron and other mineral ores	**–**	41.9%
Total gross profit margin	**10.0%**	28.3%

Gross profit increased by approximately RMB5.6 million, from approximately RMB3.7 million for the six months ended 30 June 2025 to approximately RMB9.3 million for the six months ended 30 June 2026, principally due to the substantial increase in mineral trading volume during the period.

Overall gross profit margin decreased from approximately 28.3% for the six months ended 30 June 2025 to 10.0% for the six months ended 30 June 2026. The decrease principally reflected the change in revenue mix: processing services, which generated a gross profit margin of approximately 41.9% and accounted for 67.4% of the revenue for the six months ended 30 June 2025, generated no revenue for the six months ended 30 June 2026, while all revenue was derived from lower-margin mineral trading activities for the six months ended 30 June 2026.

Administrative expenses

Administrative expenses increased by approximately RMB22.8 million, or 76.3%, from approximately RMB29.8 million for the six months ended 30 June 2025 to approximately RMB52.6 million for the current period. At an expense-by-nature level, the period-on-period increase was associated with higher staff costs, land compensation expenses, professional fees, promotion and marketing expenses, travelling expenses and other expenses, together with local government levies and audit fees incurred for the six months ended 30 June 2026, partly offset by lower short-term rental and utilities expenses. The increase primarily arose from the Group's recruitment of suitable management candidates and increased its brand building efforts as part of the implementation of its strategic business diversification plans, and was in line with the Group's expanded financing, investment, acquisition, corporate and compliance activities during the period.

Finance costs, net

Gross interest expenses decreased to approximately RMB1.8 million for the six months ended 30 June 2026 from approximately RMB2.0 million for the six months ended 30 June 2025. The current period expenses mainly comprised approximately RMB1.8 million arising from the unwinding of discount on amounts payable for mining rights and approximately RMB38,000 of interest on lease liabilities. Interest income increased to approximately RMB1.4 million for the six months ended 30 June 2026 from approximately RMB0.2 million for the six months ended 30 June 2025. Accordingly, net finance costs decreased to approximately RMB0.4 million for the six months ended 30 June 2026 from approximately RMB1.8 million for the six months ended 30 June 2025.

Total comprehensive loss

Total comprehensive loss attributable to owners of the Company increased by approximately RMB124.7 million, from approximately RMB1.8 million for the six months ended 30 June 2025 to approximately RMB126.5 million for the six months ended 30 June 2026. The largest driver was an adverse movement of approximately RMB114.0 million in the fair value of FVTOCI financial assets recognised in other comprehensive income, from a gain of approximately RMB1.8 million for the six months ended 30 June 2025 to a loss of approximately RMB112.3 million for the six months ended 30 June 2026. This loss was mainly attributable to the adverse fair value movements of certain equity investments in listed entities in gold-related industry, whose share prices were affected by the fluctuations in gold prices during the first half of 2026. Such unrealised loss has been recovering substantially following the rebound in gold prices in the third quarter of 2026. The Group's net loss also increased by approximately RMB10.6 million, from RMB3.6 million in the six months ended 30 June 2025 to RMB14.2 million in the six months ended 30 June 2026, principally reflecting the RMB22.8 million increase in administrative expenses and an approximately RMB4.7 million adverse foreign-exchange movement mainly recognized in connection with settlement of consideration for the MRT Acquisition denominated in Australian dollars due to exchange rate volatility between the Australian dollar and Renminbi, partly offset by an approximately RMB5.6 million increase in gross profit, an approximately RMB7.5 million increase in other gains, a reduction of approximately RMB1.4 million in net finance costs and a reduction of approximately RMB1.9 million in income tax expense.

WORK PLAN FOR THE SECOND HALF OF 2026

In the second half of 2026, the Group will steadily implement its business diversification strategy covering precious metals, continue advancing the upgrades and development at the Zhuge Shangyu Ilmenite Mine and its processing plant, and continue to expand into gold, silver and other mineral-resources businesses through acquisitions of and/or investments in appropriate strategic interests in target companies. Driven by global economic uncertainties and the safe-haven attributes of precious metals, gold, silver and other precious and non-ferrous metals have continued to attract market attention in recent years. Positioning in such businesses and assets will help reduce the Group's risk of over-reliance on a limited range of commodities, hedge against commodity-market fluctuations, and at the same time capture market opportunities and enhance the overall value of the Company.

I. Continue commissioning and operational preparation for the Zhuge Shangyu Ilmenite Mine and processing plant under the full titanium industrial chain, with the objective of commencing stable commercial production when regulatory, technical and market conditions permit.

II. The Company has been continuously searching for and screening attractive potential mining projects. For domestic mining targets, the Company will give priority to projects that have already commenced production or are about to commence production. For overseas mining targets, the Company will focus on projects whose resources and reserves have growth potential and whose mining and processing techniques are similar to those in the PRC, so as to fully leverage the Company's production, operation and management experience and to select cost-effective mining projects. As at the date of this announcement, no specific investment or acquisition target has been locked in, but the Company has been in contact with a number of potential targets presenting potential investment opportunities. The Company is evaluating and verifying the fundamentals, growth potential and investment value of the target enterprises in a prudent manner, with a view to capturing investment and acquisition opportunities that meet the aforesaid screening criteria.

III. In addition, the Company intends in the second half of the year to explore the feasibility of trading, sales and recycling opportunities in gold and silver precious metals, explore innovative product forms in the precious-metals industry, and establish cooperation channels with the gold markets in Hong Kong, the Mainland and internationally as they represent initiatives to explore potential businesses and partnerships within the Company's existing precious-metals mining business framework.

IV. Expand mineral trading prudently, with emphasis on counterparty credit, inventory turnover, pricing discipline and cash conversion.

V. Complete the deployment of rights-issue and placing proceeds in accordance with the uses as disclosed in relevant announcements and strengthen post-investment monitoring.

VI. Enhance internal controls, treasury management, compliance and corporate governance to support the enlarged and more diversified business platform.

VII. Respond to possible market trends in a timely manner to enhance the Company's ability to maintain normal operations and sustainable profitability.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2026, the Group's total borrowings for gearing-ratio purposes, comprising borrowings and amounts due to a related company, a former controlling shareholder, a Director and a shareholder, were approximately RMB517.9 million, compared with approximately RMB507.3 million as at 31 December 2025. Cash and cash equivalents were approximately RMB197.8 million as at 30 June 2026, compared with approximately RMB240.2 million at 31 December 2025. All such borrowings were made in Renminbi and Hong Kong dollar and interest-free.

As at 30 June 2026, net current assets increased to approximately RMB225.0 million from approximately RMB157.4 million as at 31 December 2025, while the current ratio improved to approximately 2.97 times as at 30 June 2026 from approximately 2.12 times as at 31 December 2025. The improvement reflected the increase in current assets to approximately RMB339.4 million as at 30 June 2026, including RMB68.9 million of financial assets at FVTPL, together with the decrease in current liabilities to approximately RMB114.4 million as at 30 June 2026. The gearing ratio, calculated as total debt described above divided by the sum of such debt and total equity, decreased to approximately 39.9% as at 30 June 2026 from approximately 52.3% as at 31 December 2025, mainly due to the increase in equity following completion of the rights issue in March 2026.

CAPITAL STRUCTURE

The Company completed a rights issue in March 2026 upon which 175,143,264 rights shares were issued. Accordingly, as at 30 June 2026, the Company had 525,429,792 issued ordinary shares of HK$0.04 each, representing issued share capital of HK$21,017,191.68. For further details, please refer to the section headed "Issue of Equity Securities" below.

The Group manages its capital structure with the objective of maintaining adequate liquidity for mining development, trading operations and strategic investments. Management will continue to balance the use of equity financing, operating cash flows and shareholder or related-party funding, taking into account the capital-intensive nature of mining projects and market conditions.

ISSUE OF EQUITY SECURITIES

Rights Issue

The Company had on 29 January 2026 announced, and on 30 March 2026 completed, a rights issue on the basis of one new ordinary share of the Company ("**Share**") for every two existing Shares held by qualifying Shareholders on 5 March 2026 on a non-underwritten basis ("**Rights Issue**"), in which the Company raised net proceeds of approximately HK$503.4 million ("**Rights Issue Net Proceeds**") in order to diversify the Group's existing mining and mineral trading business to include other mineral resources to mitigate the risks associated with dependence on a limited commodity range and hedge exposure to commodity market fluctuations, while allowing the Group to reserve sufficient cash to meet operating expenses and capital expenditures in its existing mining business and/or mineral trading business as well as payment obligations with its trade and other creditors from time to time.

Pursuant to the Rights Issue, a total of 175,143,264 Shares ("**Rights Shares**") were issued at a subscription price of HK$2.88 each and had an aggregate nominal value of approximately HK$7,005,730.56. The net subscription price of each Rights Share was approximately HK$2.87. The closing price of the Shares on 29 January 2026, being the date on which the terms of the Rights Issue were fixed, was HK$4.62.

As previously disclosed in the rights issue prospectus dated 6 March 2026, the Company intended to apply the Rights Issue Net Proceeds in the following manner:

i) approximately HK$352.4 million or 70.0% for pursuing suitable acquisition and/or investment opportunities ("**Investment and Acquisition Use**");

ii) approximately HK$75.5 million or 15.0% to supplement the Group's working capital in respect of Group's trading business and/or operations of the Zhuge Shangyu Ilmenite Mine;

iii) approximately HK$50.3 million or 10.0% for working capital in connection with any companies and/or businesses to be acquired or invested in by the Group in future ("**Target Working Capital Use**"); and

iv) approximately HK$25.2 million or 5.00% for the costs and expenses for office and administration, professional and compliance, corporate governance, investor relations, and other business and strategic development of the Group.

As announced by the Company on 29 July 2026, the Rights Issue Net Proceeds allocated towards the Target Working Capital Use remained unutilised as at 30 June 2026, and the Board resolved to reallocate such portion of the Rights Issue Net Proceeds towards the Investment and Acquisition Use instead. Set out below is the detailed information, as at 30 June 2026, of the status on the allocation and the utilisation of the Rights Issue Net Proceeds, and the change in the use of the Rights Issue Net Proceeds as resolved by the Board:

	Rights Issue Net Proceeds raised *(HK$'000)*	**Breakdown of utilisation up to 30 June 2026**	**Utilised Rights Issue Net Proceeds up to 30 June 2026** *(HK$'000) (approx.)*	**Unutilised Rights Issue Net Proceeds as at 30 June 2026** *(HK$'000) (approx.)*	**Revised unutilised Rights Issue Net Proceeds** *(HK$'000) (approx.)*	**Expected timeline for unutilised Rights Issue Net Proceeds**
Investment and Acquisition Use	352,400	Acquisition of shares in Maritana Minerals Limited	218,916	37,506	87,806	To be fully utilized as intended by 31 December 2026
		Acquisition of shares in listed company A	26,999			
		Acquisition of shares in listed company B	55,552			
		Acquisition of shares in listed company C	7,623			
		Acquisition of shares in listed company D	5,804			
			314,894			

	Rights Issue Net Proceeds raised *(HK$'000)*	Breakdown of utilisation up to 30 June 2026	Utilised Rights Issue Net Proceeds up to 30 June 2026 *(HK$'000) (approx.)*	Unutilised Rights Issue Net Proceeds as at 30 June 2026 *(HK$'000) (approx.)*	Revised unutilised Rights Issue Net Proceeds *(HK$'000) (approx.)*	Expected timeline for unutilised Rights Issue Net Proceeds
Supplementing working capital in respect of Group's trading business and/or operations of the Zhuge Shangyu Ilmenite Mine	75,500	Working capital of the trading business comprising procurement cost of minerals for trading	56,625	–	N/A	N/A
		Operation expenses of Zhuge Shangyu Ilmenite Mine, comprising, among others, employee-related costs, site operation and maintenance expenses, utilities, accommodation and other general operational expenses	18,875			
			75,500			
Target Working Capital Use	50,300	N/A	–	50,300	–	N/A

	Rights Issue Net Proceeds raised *(HK$'000)*	Breakdown of utilisation up to 30 June 2026	Utilised Rights Issue Net Proceeds up to 30 June 2026 *(HK$'000) (approx.)*	Unutilised Rights Issue Net Proceeds as at 30 June 2026 *(HK$'000) (approx.)*	Revised unutilised Rights Issue Net Proceeds *(HK$'000) (approx.)*	Expected timeline for unutilised Rights Issue Net Proceeds
For the costs and expenses for office and administration, professional and compliance, corporate governance, investor relations, and other business and strategic development of the Group	25,200	Office and administrative costs and expenses, comprising, among others, Directors' fees, staff-related costs, rental and insurance expenses utilities, bank charges, and other general office and administrative expenses	9,209	70	N/A	To be fully utilised as intended by 31 July 2026
		Professional and compliance costs and expenses, comprising, among others, service fees for legal and compliance advisors, auditors, environment and social governance expert, valuer, company secretarial service providers, financial consultants and head hunters	7,366			
		Investor relations cost and expenses, comprising, among others, advertising fees	8,555			
			25,130			
Total	**503,400**		**415,524**	**87,876**	87,806	

During the six months ended 30 June 2026, the net proceeds raised by the Company from the Rights Issue were utilised, or were proposed to be utilised, in accordance with the intentions previously disclosed by the Company and there was no material change or delay in the use of proceeds save as disclosed above. For further details of the Rights Issue, please refer to the Company's announcements dated 29 January 2026, 27 March 2026 and 29 July 2026, and the rights issue prospectus dated 6 March 2026.

Placing

On 18 June 2026, the Company entered into a placing agreement with Somerley Capital Limited, Skyvast Securities Limited and First Shanghai Securities Limited as joint placing agents, pursuant to which the joint placing agents agreed to place, on a best effort basis, up to 23,200,000 new Shares (the "**Placing Shares**") to not less than six professional, institutional or other investors (the "**Placees**") at the placing price of HK$4.08 per Placing Share (the "**Placing**"). The Board considered it was necessary to conduct the Placing at the material time taking into account, among others, the Group's existing capital expenditure needs, repayment obligations and funding commitments, in order for the Group to pursue additional investment and/or acquisition opportunities for business diversification purposes, and considered that the Placing would represent an opportune and appropriate timing to broaden the Company's shareholder and capital base, optimize its financial structure, and ensure sufficient liquidity is readily available for potential strategic growth opportunities. The Placing was completed on 4 August 2026. For further details, please refer to the section headed "Events after the Reporting Period" in this announcement and the announcements of the Company dated 18 June 2026, 14 July 2026, 29 July 2026 and 4 August 2026.

The entire net proceeds from the Placing of approximately HK$93.2 million shall be allocated towards pursuing suitable investments and/or acquisition opportunities in target companies having mining operations for gold, silver and/or other precious or non-ferrous metals in the PRC or overseas, as evaluated by the Board from time to time.

SIGNIFICANT INVESTMENTS

As at 30 June 2026, financial assets at FVTOCI amounted to approximately RMB166.3 million, representing approximately 11.5% of the Group's total assets of approximately RMB1,447.2 million. These assets principally included the Group's strategic investment in MRT. Financial assets at FVTPL amounted to approximately RMB68.9 million, representing approximately 4.8% of total assets. In aggregate, the Group's listed equity investments measured at FVTOCI and FVTPL amounted to approximately RMB235.2 million, or approximately 16.3% of total assets.

MRT is a mid-tier gold producer with projects located in the West Australian goldfields and whose shares are listed on the Australian Securities Exchange (ASX: MRT). MRT has identified its Burbanks project as a significant asset with promising gold resources, and taking into account, among others, the strategic location of its nickel processing facility that was being refurbished to process gold. During the six months ended 30 June 2026, the Company had subscribed for 36,574,077 shares in MRT pursuant to the MRT Subscription for aggregate consideration of A$39.5 million, of which completion has taken place, resulting in the Company holding approximately 9.8% of the total issued shares of MRT as at 30 June 2026. The Company's shareholding in MRT is accounted for as investments in financial assets. The fair value of the Group's investment in MRT as at 30 June 2026 was approximately RMB108.2 million, which represented approximately 7.48% of the Group's total assets. In addition, the Company also purchased 37,700,000 MRT shares pursuant to the MRT Acquisition for aggregate consideration of A$40,716,000 to be settled by the allotment and issue, credited as fully paid, of 46,780,085 new Shares, but which as at 30 June 2026, has yet to be completed pending approval from the relevant Australian authorities. Upon completion of the MRT Acquisition, the Company is expected to hold 74,274,077 MRT shares, representing approximately 19.97% of the total issued shares of MRT (based on the total issued shares of MRT as at 30 June 2026). During the six months ended 30 June 2026, the Group recorded an investment loss of approximately RMB84.8 million from its investments in MRT and did not receive any dividend. The Board is of the view that MRT has strong prospects of becoming a vertically-integrated gold processing hub and will continue to bring investment gain to the Group. As such, the Company will continue holding its investment in relation to MRT.

The Group, as limited partner, had also established the Partnership in March 2026. Pursuant to the relevant partnership agreement (as supplemented), the Group was required to make total capital contribution of RMB108 million (representing 48.87% of the interests in the Partnership), of which approximately RMB17.5 million has been paid as at 30 June 2026. The Partnership is accounted for using equity method in the consolidated financial statements of the Company. The Directors have assessed the fair value of the Group's investment in the Partnership as at 30 June 2026 and are of the view that it closely approximates its carrying amount of approximately RMB17.5 million, which represented approximately 1.21% of the Group's total assets. During the six months ended 30 June 2026, the Group did not receive any dividend from the Partnership. The Board is optimistic about the Baojia Acquisition, the principal investment target of the Partnership, materialising, and therefore, the Group will continue holding its investment in relation to the Partnership.

The Group monitors the performance, market price, liquidity and strategic rationale of its securities investments. These investments expose the Group to equity-price risk, foreign-exchange risk and commodity-cycle risk. Management intends to maintain a disciplined approach to position sizing and post-investment monitoring.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save for the investment in the Partnership as disclosed under paragraph V under the section headed "Summary of work in the first half of 2026" in this announcement, there were no other material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2026.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2026, the Group had 175 employees (31 December 2025: 146), most of whom were stationed in the PRC. Employee benefit expense, including Directors' emoluments, amounted to approximately RMB11.8 million for the six months ended 30 June 2026 (six months ended 30 June 2025: approximately RMB7.4 million). The Group's remuneration policy remained performance-based and market-competitive, with statutory retirement benefits provided to eligible employees.

CHARGE OVER THE GROUP'S ASSETS

No pledged bank deposits were recorded at 30 June 2026, compared with a pledged bank deposit of RMB2,500,000 at 31 December 2025 for issuing guarantee of RMB2,500,000 in favour of a contractor of the Group. There were no charges over the assets of the Group as at 30 June 2026.

FOREIGN CURRENCY EXPOSURE

The Group's functional and presentation currency is Renminbi. Following the Group's investment in overseas listed securities and equity financing activities carried out during the six months ended 30 June 2026, the Group is exposed mainly to Hong Kong dollar and Australian dollar fluctuations, in addition to the foreign currency exposures arising in the ordinary course of business. The Group did not enter into material foreign-currency hedging arrangements during the period and will continue to adopt a proactive approach to closely monitor the foreign currency market, and consider hedging arrangements if such need arises.

CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided for at 30 June 2026 amounted to approximately RMB302.6 million (31 December 2025: RMB32.1 million).

CONTINGENT LIABILITIES

As at 30 June 2026, the Group had no significant contingent liabilities.

EVENTS AFTER THE REPORTING PERIOD

On 29 July 2026, the Company resolved to re-allocate the Rights Issue Net Proceeds from the Target Working Capital Use to the Investment and Acquisition Use, the details of which are set out in the section headed "ISSUE OF EQUITY SECURITIES – Rights Issue" above.

On 4 August 2026, the Company completed the Placing of 23,200,000 Placing Shares to not less than six Placees at HK$4.08 per Placing Share. The net proceeds from the Placing amounted to approximately HK$93.2 million. The Placing Shares had an aggregate nominal value of HK$928,000. The closing price of the Share on 18 June 2026, being the date on which the terms of the Placing were fixed, was HK$4.70, while the net price of each Placing Share was approximately HK$4.02. For further details of the Placing, please refer to the announcements of the Company dated 18 June 2026, 14 July 2026, 29 July 2026 and 4 August 2026.

Save as disclosed above, there were no events causing material impact on the Group from the end of the reporting period to the date of this announcement.

FUTURE PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As disclosed in the announcements of the Company dated 30 March 2026, 24 April 2026 and 29 July 2026, the Partnership, as a shareholding and investment platform of the Group, has been negotiating the Baojia Acquisition. In anticipation of the Baojia Acquisition materialising and completing within 2026, certain proceeds from the Rights Issue have been re-allocated from the Target Working Capital Use to the Investment and Acquisition Use in order to settle part of the outstanding capital contribution payable by the Group in respect of the Partnership.

In connection with the upgrade of the processing facilities of the Zhuge Shangyu Ilmenite Mine, it is expected that the capital expenditure to be incurred during the year ended 31 December 2026 shall be not less than approximately RMB100 million (subject to audit and adjustment upon review by auditors of the Company), of which more than half has been paid as at 30 June 2026 using the Group's existing financial resources, with the remainder expected to be incurred during the second half of 2026 to be funded by existing financial resources reserved for the Zhuge Shangyu Ilmenite Mine, and if required due to any unforeseen circumstances, loans to be advanced by a controlling shareholder of the Company. Based on the current development plans for the upgrade of the processing facilities of the Zhuge Shangyu Ilmenite Mine, it is expected that the capital expenditure to be incurred in connection with such upgrade in the years ending 31 December 2027 and 2028 would be approximately RMB10 million and RMB20 million, respectively, which shall be funded by internal financial resources of the Group, and no additional material capital expenditure is expected to be incurred in respect of such upgrade after 2028. Save as disclosed above, the Directors confirmed that, as at the date of this announcement, there was no plan for any material investment or to acquire capital assets other than those in the Group's ordinary business.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares) during the six months ended 30 June 2026.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that all Directors had complied with the required standards set out in the Model Code throughout the six months ended 30 June 2026.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Corporate Governance Code (the "**CG Code**") in Appendix C1 to the Listing Rules as its own code of corporate governance. In the opinion of the Directors, the Company complied with all applicable code provisions of the CG Code throughout the six months ended 30 June 2026.

AUDIT COMMITTEE

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Leung Wai Fung Joseph (Chairman), Mr. Xie Jie and Mr. Yuan Yuan. The Audit Committee reviewed the unaudited interim condensed consolidated financial information and the interim results of the Group for the six months ended 30 June 2026 before submission to the Board for approval and has no disagreement with the accounting treatment adopted.

By order of the Board
Hong Kong Gold Industry Group Limited
Wei Jiaming
Chairperson of the Board and Executive Director

Hong Kong, 28 August 2026

As at the date of this announcement, the executive Directors are Ms. Wei Jiaming (Chairperson of the Board), Mr. Geng Guohua (Chief Executive Officer), Mr. Ng Hoi Kam, Mr. Liao Daxue, Mr. Chen Hongzheng and Mr. Tong Jiwen; the non-executive Directors are Mr. He Guangping (Vice-chairman of the Board), Mr. Xia Chun, Mr. Wang Dong, Mr. Zhao Ju, Ms. Cheng Yan and Mr. Liu Haitian; and the independent non-executive Directors are Mr. Xie Jie, Mr. Yuan Yuan, Mr. Yan Jonathan Jun, Mr. Zhou Ming, Mr. Leung Wai Fung Joseph and Mr. Jiang Lanxin.