



珠峰黄金

MOUNT EVEREST GOLD GROUP COMPANY LIMITED

珠峰黄金集团有限公司 Mount Everest Gold Group Company Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1815

INTERIM REPORT 2026





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CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Chen He (陳和)
Huang Wen (黃雯)
Qian Pengcheng (錢鵬程)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Hu Qilin
Yu Leung Fai (余亮暉)
Zhang Zuhui (張祖輝)

AUDIT COMMITTEE

Yu Leung Fai (*Chairman*)
Hu Qilin
Zhang Zuhui

REMUNERATION COMMITTEE

Zhang Zuhui (*Chairman*)
Hu Qilin
Yu Leung Fai

NOMINATION COMMITTEE

Chen He (*Chairman*)
Huang Wen (*Appointed as a member on 24 March 2026*)
Hu Qilin (*Appointed as a member on 24 March 2026*)
Yu Leung Fai
Zhang Zuhui

COMPANY SECRETARY

Yip Chun Ming, Alex (葉峻銘)

AUTHORISED REPRESENTATIVES

Chen He
Yip Chun Ming, Alex

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

Intertrust Corporate Services (Cayman) Limited
One Nexus Way
Camana Bay
Grand Cayman
KY1-9005
Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre, 183 Queen's Road East
Wanchai, Hong Kong

REGISTERED OFFICE

Intertrust Corporate Services (Cayman) Limited
One Nexus Way
Camana Bay
Grand Cayman
KY1-9005
Cayman Islands

CORPORATE INFORMATION

HEADQUARTERS IN THE PRC

37th Floor
Tower A
Shuibei Jewelry Headquarters Building
No.3008 Buxin Road
Dushu Community
Dongxiao Subdistrict
Shenzhen, Guangdong, PRC

LEGAL ADVISORS

Hong Kong law:

Sullivan & Cromwell (Hong Kong) LLP

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Shun Tak Centre
168-200 Connaught Road Central
Sheung Wan
Hong Kong

COMPANY'S WEBSITE

www.everestgold.hk

PLACE OF LISTING AND STOCK CODE

The Stock Exchange of Hong Kong Limited
1815

PRINCIPAL BANKERS

China Merchants Bank Co., Ltd.
Industrial Bank Co., Ltd.

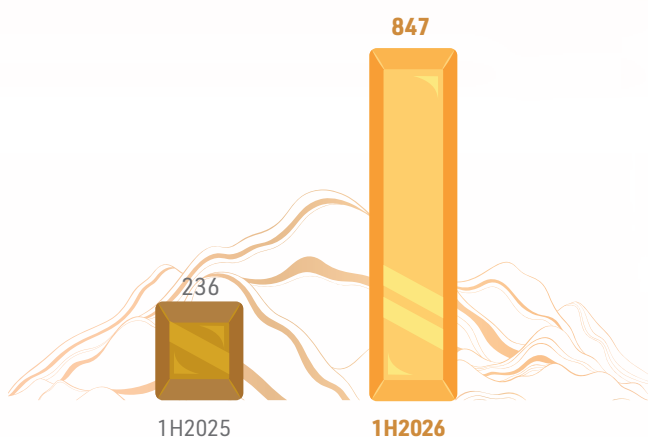
AUDITOR

Linksfeld CPA Limited
Registered Public Interest Entity Auditors

FINANCIAL HIGHLIGHTS

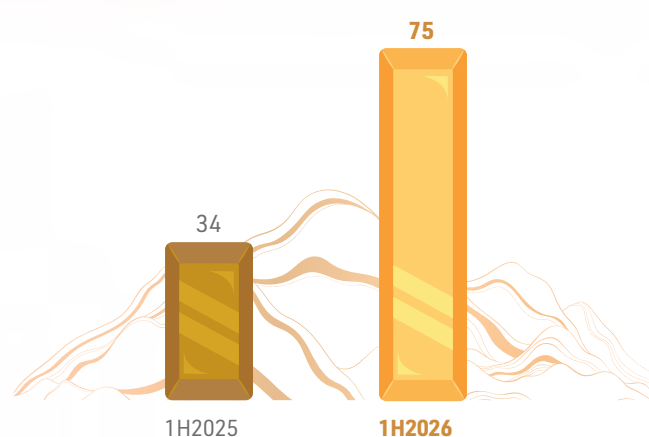
Revenue from continuing operation

RMB million



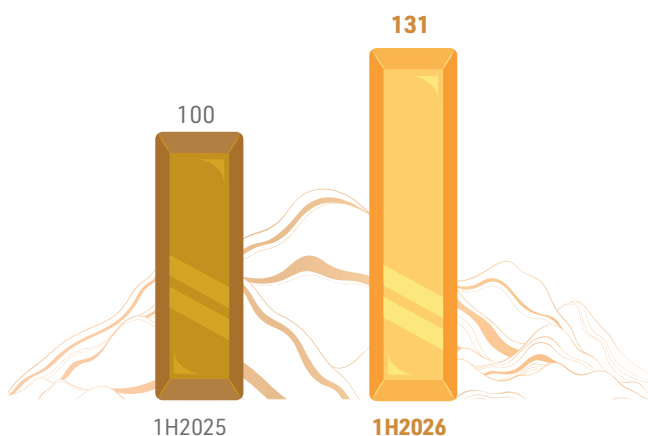
Profit attributable to owners of the Company from continuing operation

RMB million



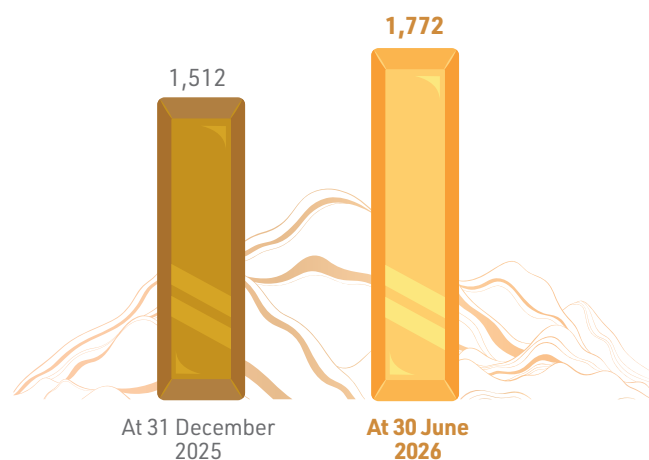
Gross Profit

RMB million



Net Assets

RMB million



OUR MILESTONES

Aug 2024

Invested in Jiangxi Letong New Materials Company Limited* (江西樂通新材料有限公司) to expand our business operations in exploration on mineral resources in Tibet, the PRC

Jan 2025

Disposal of Fresh Food Retail segment

Apr 2025

Our name changed to Mount Everest Gold Group Company Limited (珠峰黃金集團有限公司) and our Internet website changed to www.everestgold.hk

Jul 2025

Invested in Jiangxi Yiding Trading Co., Ltd* (江西藝鼎貿易有限公司) to further expand our business operations in exploration on mineral resources in Tibet, the PRC

Dec 2021

Invested in Jiangsu Nongmuren Electronic Business Corp.* (江蘇農牧人電子商務股份有限公司) to expand our business operations to the "Nongmuren" ("農牧人") S2B2C (supply chain to business to customer) platform of fresh food products in the People's Republic of China ("PRC")

2018

CSmall Group Limited (Stock code:1815) was successfully listed on The Stock Exchange of Hong Kong Limited

Became an executive vice president unit (常務副會長單位) of the Silver Branch under the Gems & Jewelry Trade Association of China (中國珠寶玉石首飾行業協會白銀分會)

Established the Gold and Jewellery Big Data Professional Committee (黃金珠寶大數據專業委員會) under the Shenzhen Big Data Research and Application Association (深圳市大數據研究與應用協會)

2014

Launched our Internet website www.csmall.cn, which was later changed to www.csmall.com

Our first franchised CSmall Shop was opened, marking the commencement of our offline business

Opened our flagship Shenzhen Exhibition Hall in Shuibei, Shenzhen

2015

Mobile website m.csmall.com was launched

Mobile app "金貓銀貓 CSmall" was launched

2013

Commencement of our online business

SELECTED BRANDS AND PRODUCTS



SELECTED BRANDS AND PRODUCTS



MANAGEMENT DISCUSSION AND ANALYSIS



BUSINESS REVIEW

For the six months ended 30 June 2026 ("1H2026"), the Group's total revenue amounted to approximately RMB847.3 million (six months ended 30 June 2025 ("1H2025"): RMB236.3 million), representing a significant increase of approximately RMB611.0 million or 258.5% as compared to 1H2025. The profit attributable to owners of the Company amounted to approximately RMB74.9 million (1H2025: approximately RMB75.3 million), representing a slight decrease of approximately RMB0.4 million or 0.5% as compared to 1H2025.

The significant growth in revenue was mainly attributable to the Group's increased contribution from its silver and colored gemstone businesses during the period. In particular, revenue from sales of silver products amounted to approximately RMB320.2 million (1H2025: approximately RMB90.9 million), representing a significant increase of approximately RMB229.4 million or 252.4% as compared to 1H2025. Revenue from sales of colored gemstones amounted to approximately RMB473.5 million and became another major contributor to the Group's revenue during the period. Sales of silver and colored gemstone in aggregate amounted to approximately RMB793.7 million, representing approximately 93.7% of the Group's total revenue for the period. The Group's product mix therefore became more diversified compared with 1H2025, where over 60% revenue was derived from sales of gold products during 1H2025. This reflected the effectiveness of the Group's strategy of responding flexibly to market demand and expanding product categories with growth potential.

More remarkably, profit for the current period from continuing operation (i.e. New Jewellery Retail segment) increased to approximately RMB74.2 million (1H2025: approximately RMB33.1 million), representing a significant increase of approximately RMB41.2 million or 124.4%. The improvement in the results from New Jewellery Retail segment reflected the strong growth of the Group's core business and the successful expansion of its product portfolio during the period.

MANAGEMENT DISCUSSION AND ANALYSIS

During 1H2026, the global macroeconomic environment remained uncertain amid ongoing geopolitical tensions, international trade frictions, changes in interest rate expectations and inflationary pressures. Against this backdrop, gold continued to play an important role as a safe-haven and value-preservation asset, with international gold prices remaining at historically high levels during the period, providing a supportive market environment for the precious metals sector. In response to the evolving market conditions, the Group continued to implement its strategic transformation and strengthen its business foundation. On the downstream side, while maintaining its established gold, gem-set and other jewellery products businesses, the Group actively captured market opportunities in silver and colored gemstones and further diversified its revenue sources. On the upstream side, the Group continued to allocate financial and management resources to the exploration and development of mineral resources, and to pursue investment opportunities in the upstream gold resource sector, with a view to progressively strengthening its presence in the mining industry and laying a stronger foundation for the Group's long-term development as a gold resource enterprise.

New Jewellery Retail Segment

The strong upward trend of gold price has not dampened buying enthusiasm, but has instead strengthened investors' confidence in gold's safe-haven and value-preserving functions. As gold price hits new highs, investors are proactively adjusting their asset allocations, channeling funds into gold to diversify risks and seize growth opportunities, hoping to hedge against macro risks and benefit from the potential upward trend. Consequently, market demand for physical gold, especially investment products directly linked to gold prices with lower processing fees, remained positive during the period.

As consumption recovers, we will seek further breakthroughs in product research and development and product channels. The Group's management and employees are confident in achieving the Company's performance targets through joint efforts.

Online Sales Channels

We partnered with third-party online platforms which included television and video shopping channels in the PRC to promote and sell our jewellery products. We also remained a core supplier in the gold, silver and jewellery category for all top television channels, which enabled us to achieve satisfactory sales performance. With a daily coverage of over 100 million home viewers in the PRC, our brand awareness among a vast population of Chinese viewers of television and video shopping channels was enhanced substantially.

Short-video promotion and KOL promotion have become standard practices in our brand marketing, and their content has also become the core element of every aspect of our brand marketing, sales and operation.

MANAGEMENT DISCUSSION AND ANALYSIS

Offline Sales Channels

We sell products at the Shenzhen Exhibition Hall in Shuibei, Shenzhen, which is generally regarded as home to the PRC's largest and leading jewellery trading and wholesale market. The Shenzhen Exhibition Hall serves as an interactive exhibition and sales platform primarily for our wholesale customers as well as franchisees. As of 30 June 2026, we also had a franchised CSmall Shop located in Zhejiang.



MANAGEMENT DISCUSSION AND ANALYSIS

Development of Exploration Business

Tibet has long been regarded as one of the most resource-rich regions in the PRC, and is particularly renowned for its abundant reserves of copper, gold and other non-ferrous metals. Its superior geological conditions and immense untapped potential have attracted increasing interest from investors at home and abroad, making the region a strategic hub for China's future mineral resources development.

In 1H2026, the Group achieved substantial progress in its strategic layout within the upstream mineral resources sector. The Group holds an indirect 51% interest in Tibet Longtianyong through its non-wholly-owned subsidiary, Jiangxi Letong New Materials Co., Ltd. ("Jiangxi Letong"), and an indirect 35% interest in Tibet Shigatse through Jiangxi Yiding Trading Co., Ltd. ("Jiangxi Yiding"), an associate of the Group. During 1H2026, exploration activities continued at the Gudui area of the Lhoka Mine and the Xiaqiu area of the Shigatse Mine. Subsequent to the Reporting Period, as disclosed in the Company's announcement dated 5 August 2026, the Company provided an update on the exploration activities conducted at both areas. The operational and geological information set out below reflects the position as at 5 August 2026.

At the Gudui area of the Lhoka Mine, approximately 24 drilling rigs had been deployed as at 5 August 2026 to systematically carry out geological exploration activities, including geological mapping, drilling, core logging, and sample testing. To date, exploration works have initially delineated an east-west trending mineralization zone. The traced strike length is approximately 1,000 meters, with a down-dip extension of approximately 500 meters. The mineralization remains open along strike and at depth, indicating potential for resource expansion. The reported apparent thickness of mineralized drill intersections across various drill holes ranges from approximately 6 meters to 100 meters. Preliminary assay results from selected samples have indicated the presence of gold mineralization, with associated antimony and cobalt mineralization identified at certain locations. Geological observations to date indicate a hydrothermal gold-polymetallic mineralization system accompanied by hydrothermal alteration assemblages such as silicification and chlorite alteration. The geological exploration team has also observed indicators that mineralization may extend along deep hydrothermal conduit.



MANAGEMENT DISCUSSION AND ANALYSIS

At the Xiaqiu area of the Shigatse Mine, approximately 6 drilling rigs had been deployed as at 5 August 2026 as disclosed in the Company's announcement dated 5 August 2026. Exploration works have initially uncovered chalcopyrite-bearing veins near the surface, indicating localized copper mineralization. Preliminary surface trenching has identified skarn-type polymetallic mineralization, encompassing copper, lead, zinc, and silver mineralization, alongside magnetite-rich zones. Furthermore, core logging of several deeper drill holes has identified altered granodiorite porphyry containing disseminated and veinlet molybdenite mineralization, as well as veined and stockwork lead-zinc mineralization. In addition, a sub-horizontally occurring molybdenum mineralization outcrop was discovered in the central part of the Xiaqiu area, with a discontinuous traced length of approximately 1 kilometer and a reported apparent vertical thickness ranging from approximately 1 meter to 20 meters. Taken together, these observations are consistent with a possible composite porphyry-skarn-hydrothermal vein polymetallic mineralization system containing molybdenum, copper, lead, zinc, and silver.

PROSPECTS

Looking ahead, global macroeconomic uncertainties persist, with geopolitical conflicts and worldwide central bank gold purchases providing solid support for gold prices. The latest report from UBS dated 6 August 2026 indicates that gold prices are expected to reach approximately USD5,000 per ounce in the first half of 2027. As a scarce gold resource enterprise listed on the Hong Kong stock market, the Group is expected to continue to benefit from structural growth opportunities within the gold industry.

The Group's preliminary exploration results in 2026 have supported continued exploration of potential polymetallic mineralization at the Lhoka and Shigatse Mines. The exploration phase of the Lhoka Mine prospecting right has been elevated from "general prospecting" (reconnaissance) to "detailed exploration". The scale and boundaries of the mineralization zone are not yet closed, leaving massive room for reserve expansion at deeper levels. Associated antimony and cobalt, as indispensable critical materials in cutting-edge technology sectors such as new-energy batteries, semiconductors, and infrared detection, may significantly boost the overall economic value of the mine. The Gangdese metallogenic belt, where the Shigatse Mine is located, is a massive metal-producing belt on the southern margin of the Qinghai-Tibet Plateau, with total copper resources comparable to the Andes Mountains in South America. The preliminary indications of this composite mineralization system further strengthen the Group's strategic positioning in the polymetallic sector.

The Group will proceed with its exploration initiatives in accordance with previously disclosed funding requirements and development timelines. For the Lhoka Mine, additional deep drilling will be performed to further delineate the boundaries of the mineralized bodies along strike and down dip. Meanwhile, geophysical, geological, and geochemical data interpretation, along with systematic sampling and assay testing, will be carried out to evaluate the extent, morphology, and continuity of the mineralization. For the Shigatse Mine, further deep drilling is anticipated to test potential porphyry-type mineralization centers, alongside a comprehensive interpretation of aeromagnetic survey data to identify priority targets and conduct systematic verification. Additionally, the Group has commissioned Zijin Mining Group Southwest Geological Exploration Co., Ltd. to provide exploration services, offering technical and informational support for future resource development and potential equity investment collaborations across relevant mining areas.

By advancing parallel exploration layouts across both mining assets, coupled with the steady performance of its jewelry new-retail business, the Group has fostered a unique integrated business model of "upstream resources + downstream retail". We remain confident that against the macroeconomic backdrop of a gold bull market, the Group can systematically advance exploration and development operations to generate sustainable, long-term value for shareholders and solidify the Group's benchmark status within the gold industry.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Continuing Operation

Revenue

The revenue of the Group for 1H2026 was approximately RMB847.3 million (1H2025: RMB236.3 million), representing a significant increase of approximately RMB611.0 million or 258.5% from that for 1H2025. The increase was attributable to the significant growth in sales of silver products and the contribution from sales of colored gemstones during the period. Revenue from the sales of silver products amounted to approximately RMB320.2 million, representing a significant increase of approximately RMB229.4 million or 252.4% compared to that for 1H2025. In addition, revenue from the sales of colored gemstones amounted to approximately RMB473.5 million in 1H2026, whereas no corresponding sales were recorded in the last period.

	1H2026		1H2025	
	Revenue RMB'000 (unaudited)	% of revenue (unaudited)	Revenue RMB'000 (unaudited)	% of revenue (unaudited)
New Jewellery Retail Segment				
By Products				
– Sales of silver products	320,226	37.8%	90,871	38.5%
– Sales of gold products	53,541	6.3%	145,391	61.5%
– Sales of colored gemstones	473,493	55.9%	–	–
– Sales of gem-set and other jewellery products	39	0.0%	66	0.0%
	847,299	100.0%	236,328	100.0%
By Sales Channels				
– Online Sales Channels	90,252	10.7%	68,705	29.1%
– Offline Sales Channels	757,047	89.3%	167,623	70.9%
Total	847,299	100.0%	236,328	100.0%

Cost of Sales

Cost of sales significantly increased from approximately RMB136.5 million for 1H2025 to approximately RMB716.6 million for 1H2026, representing a significant increase of approximately RMB580.1 million or 425.0%, mainly due to the significant increase in revenue contributed from the sales of colored gemstones and silver products.

Gross Profit and Gross Profit Margin

We recorded gross profit of approximately RMB130.7 million for 1H2026 (1H2025: RMB99.8 million), representing a significant increase of approximately RMB30.9 million or 30.9% as compared to that for 1H2025 and the gross profit margin decreased from approximately 42.2% for 1H2025 to approximately 15.4% for 1H2026. Although the growth in sales of colored gemstones contributed significantly to the Group's overall revenue during the period, colored gemstone products generally carried a lower gross profit margin than the Group's gold and silver products. As a result, the change in the Group's product sales mix led to a decrease in the overall gross profit margin for 1H2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Other Income and Other Gains

Other income for 1H2026 mainly included an amount of approximately RMB4.4 million as irrevocably forfeited from certain subscribers for the subscription of the Company's new shares under general mandate who breached the respective subscription agreements and determined not to proceed with the respective subscriptions (as disclosed in the announcement of the Company dated 1 June, 8 June and 20 July 2026), and government grants of approximately RMB2.6 million from the local government of the PRC received during the period. Other gains were mainly net exchange gain during the period.

Selling and Distribution Expenses

Selling and distribution expenses increased by approximately RMB2.6 million or 25.6% from approximately RMB10.3 million for 1H2025 to approximately RMB13.0 million for 1H2026, mainly due to the increase in sales during the period.

Administrative Expenses

Administrative expenses slightly decreased by approximately RMB0.9 million or 2.7% from approximately RMB34.1 million for 1H2025 to approximately RMB33.2 million for 1H2026.

Income Tax Expense

Income tax expense decreased from approximately RMB22.6 million for 1H2025 to approximately RMB16.2 million for 1H2026 mainly due to the decrease in the PRC enterprise income tax charged for the period.

Profit for the Period attributable to owners of the Company

For 1H2026, we recorded a profit attributable to owners of the Company from continuing operation of approximately RMB74.9 million (1H2025: RMB34.0 million) representing an increase of approximately RMB40.9 million or 120.2% compared to that for 1H2025. Such significant improvement was mainly attributable to the increased revenue from sales of silver products and colored gemstones.

Discontinued Operation

As disclosed in the announcements jointly issued by the Company and China Silver Group dated 5 November 2024 and 15 January 2025, various factors unfavorable to the operation and development of the Jiangsu Nongmuren platform (i.e. the Fresh Food Retail segment) gradually emerged since the Group's investment into the Nongmuren Group in 2021, including that the meat market in China saw a downward trend in pork prices, and the overall pork consumption declined; and after the epidemic, the traditional fresh food model resumed, which affected the business of the Nongmuren platform that provides branding and SaaS services to enterprises along the agricultural supply chain, such that the value of the Jiangsu Nongmuren business model has diminished, with limited business prospects and growth potential remaining. After considering such factors, in order for the Group to focus its management's attention and their financial and manpower resources on the Group's core businesses of jewellery and metals, the Group decided to dispose of the business of the Nongmuren platform, the disposal was completed on 13 January 2025 and generated a gain on disposal of approximately RMB41.2 million for 1H2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Inventories, Trade Receivables and Trade Payables Turnover Cycle

The Group's inventories mainly comprise silver bars, jewellery products and gold bars. For 1H2026, inventory turnover days were approximately 198 days (for the year ended 31 December 2025: 1,286 days). The significant decrease in inventory turnover days was primarily due to the increased sales of aged inventory of colored gemstones during the period, resulting in a significant improvement in the Group's inventory turnover.

The turnover days for trade receivables for 1H2026 were approximately 14 days (for the year ended 31 December 2025: 45 days). The decrease was mainly attributable to the reduction in trade receivables with long outstanding during the period.

The turnover day for trade payables for 1H2026 were approximately 4 days (for the year ended 31 December 2025: 24 days). The decrease was mainly attributable to the significant increase in cost of sales arising from the sales of aged inventories of colored gemstones during the period. As such inventories were acquired in prior periods and did not give rise to corresponding trade payables during 1H2026, the increase in cost of sales was not accompanied by a proportionate increase in the average trade payables balance, resulting in shorter trade payables turnover days.

Bank Borrowings

As of 30 June 2026, the Group's bank borrowings balance amounted to approximately RMB130.7 million (as of 31 December 2025: RMB116.6 million), of which approximately RMB122.7 million of bank borrowings was carried at floating interest rate and approximately RMB8.0 million was carried at fixed interest rate (as of 31 December 2025: RMB108.1 million was carried at floating interest rate and RMB8.5 million was carried at fixed interest rate). All bank borrowings were classified as current liabilities, including approximately RMB27.8 million which are not repayable within one year but contained a repayment-on-demand clause.

The Group's net gearing ratio was calculated on the basis of bank borrowings less bank balances and cash as a percentage of total equity. As of 30 June 2026, the Group was in a net cash position with a net gearing ratio of approximately -62.9% (as of 31 December 2025: -32.5%). The net cash position increased as the bank balance and cash increased during the period.

Capital Expenditures

For 1H2026, the Group invested approximately RMB0.7 million in property, plant and equipment (1H2025: approximately RMB81.0 million).

During the current interim period, the Group acquired intangible assets comprising the capitalisation of exploration rights of RMB33,296,000 (six months ended 30 June 2025: the Group acquired intangible assets comprising the capitalisation of exploration rights of RMB5,531,000).

These expenditures have been funded by internal financial resources, including existing cash and surplus from operations, as well as bank borrowings and proceeds from certain subscriptions of new shares under general mandate.

Capital Commitments

As of 30 June 2026 and 31 December 2025, the Group did not have any material capital commitments.

Contingent Liabilities

As of 30 June 2026 and 31 December 2025, the Group did not have any material contingent liabilities.

MANAGEMENT DISCUSSION AND ANALYSIS

Pledge of Assets

As of 30 June 2026, the Group has pledged leasehold land and buildings with a carrying value of approximately RMB77.4 million (31 December 2025: RMB48.2 million) to secure general banking facilities.

Foreign Exchange Risk

We mainly operate in the PRC with most of the transactions settled in RMB and therefore have minimal exposure to foreign exchange risk. We have not used any derivative financial instrument to hedge against our exposure to foreign exchange risk but will closely monitor such risk on an ongoing basis.

Employees

As of 30 June 2026, the Group employed 129 staff members (as of 31 December 2025: 130 staff members) and the total remuneration for 1H2026 amounted to approximately RMB9.4 million (1H2025: RMB6.9 million). The Group's remuneration packages are in line with the current legislation in the relevant jurisdictions, the experience and qualifications of individual employees and the general market conditions. Bonuses are linked to the Group's financial results as well as to individual performances. The Group ensures that adequate training and professional development opportunities are provided to all employees so as to satisfy their career development needs.

Liquidity and Financial Resources

The Group maintained a healthy liquidity position during 1H2026. During 1H2026 and 1H2025, the Group was principally financed by internal resources, bank borrowings and proceeds from certain subscriptions of new shares under general mandate. During 1H2026, the Group's principal financing instruments comprised bank balances and cash, trade and other receivables, trade and other payables, and bank borrowings. As of 30 June 2026, the bank balances and cash, net current assets, and total assets less current liabilities were approximately RMB1,245.1 million (as of 31 December 2025: RMB608.2 million), RMB1,593.9 million (as of 31 December 2025: RMB1,366.6 million) and RMB1,771.5 million (as of 31 December 2025: RMB1,511.6 million), respectively.

Interim Dividend

The Board has resolved not to declare an interim dividend for 1H2026 (1H2025: nil).

Significant Investment Held, Material Acquisition and Disposal of Subsidiaries, Associates and Joint Ventures and Plans for Material Investment or Acquisition of Capital Assets in the Future

As of 30 June 2026, the Group did not hold any significant investment nor carry out any material acquisition and disposal of subsidiaries, associates or joint ventures, nor was there any plan for other significant investment or acquisition of capital assets in the future.

MANAGEMENT DISCUSSION AND ANALYSIS

FUNDRAISING ACTIVITIES AND USE OF PROCEEDS

As disclosed in the announcements of the Company dated 19 November 2025 and 5 December 2025, in order to further support the intensive capital requirements of general exploration activities in the Lhoka Mine and the Shigatse Mine with an aim to gain more control over upstream mining operations and access to a more stable supply of raw materials, the Company entered into six subscription agreements with six subscribers (each of whom, to the best knowledge of the Directors having made all reasonable enquiries, was a professional corporate and/or individual private investor) on 19 November 2025, pursuant to which the subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 247,500,000 ordinary shares (with an aggregate nominal value of US\$24,750) (the **"Subscription Shares"**) at a subscription price of HK\$1.61 per share, which represents a discount of approximately 19.50% to the closing price of HK\$2.00 per share as quoted on The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) on 19 November 2025 (the **"Subscription"**). The gross proceeds originally expected from the Subscription were HK\$398,475,000, and the corresponding net proceeds, after deducting all relevant expenses, were originally expected to be approximately HK\$397,975,000. The net price of the Subscription Shares, after deduction of relevant expenses, is approximately HK\$1.608 per Subscription Share. Partial completion of the Subscription took place on 31 December 2025, 6 February 2026 and 13 March 2026 (collectively, the **"Partial Completion"**), as disclosed in the Company's announcements of the same dates, in which an aggregate of 147,500,000 Shares have been issued. The total net proceeds from the Partial Completion, after deduction of all relevant expenses, were approximately HK\$237,159,420. As further disclosed in the announcements of the Company dated 1 June 2026 and 8 June 2026, the Board was informed by each of the Subscriber A and Subscriber B (the **"Relevant Subscribers"**), whose identities were disclosed in the Company's announcement dated 19 November 2025 that they had determined not to proceed with the relevant subscriptions (the **"Relevant Subscriptions"**) contemplated under Subscription Agreement A and Subscription Agreement B, respectively (each as defined in the Company's announcement dated 19 November 2025 and as amended and supplemented by the relevant supplemental agreements) (the **"Relevant Subscription Agreements"**), which constituted a material breach of the Relevant Subscription Agreements by such Relevant Subscribers. As a result, completion of the Relevant Subscriptions will not take place and the Company will not proceed with the allotment and issuance of an aggregate of 100,000,000 shares pursuant to the Relevant Subscription Agreements.

As a result of the non-completion of the Relevant Subscriptions (the **"Non-completion"**), the Company will not receive the aggregate proceeds of approximately HK\$161.0 million that were expected to be received under the Relevant Subscription Agreements (the **"Shortfall"**), comprising approximately HK\$96.6 million from Subscriber A and approximately HK\$64.4 million from Subscriber B.

Notwithstanding the Shortfall, the Company expects its funding plans in respect of the Lhoka mine, the Shigatse mine and related exploration activities, and working capital requirements (the **"Funding Plans"**), as disclosed in the Company's announcement dated 19 November 2025 (the **"UOP Announcement"**), to remain unchanged, and the expected timetable for utilisation of the relevant funds to remain as previously disclosed.

As further disclosed in the Company's announcement dated 8 June 2026, the Company intends to fund the Shortfall through its existing cash resources and funds generated from its business of sales of gold, silver, colored gemstones, gem-set jewellery and other jewellery products (collectively, the **"Internally Generated Cash"**). Having considered the Group's existing cash resources, inventory position and anticipated funding requirements in the ordinary course of business, the Board is satisfied that the Group possesses sufficient financial resources to implement the Funding Plans while maintaining adequate working capital and inventory resources to support its ordinary-course business operations.

MANAGEMENT DISCUSSION AND ANALYSIS

None of the net proceeds from the Subscription had been utilised as at 31 December 2025. During the Reporting Period, the net proceeds from the Subscription have been applied in a manner consistent with the intended use of proceeds below, which is also consistent with the disclosure in the UOP Announcement and the Company's announcement dated 8 June 2026:

Item	Planned use of proceeds (HK\$'000)	Funding requirement to be met by the internally generated cash (HK\$'000)	Subscription proceeds utilised during the six months ended 30 June 2026 (HK\$'000)	Unutilised subscription proceeds as at 30 June 2026 (HK\$'000)	Expected timeline for the use of the unutilised amount
1. Capital expenditure expected to be incurred from conducting general exploration and other exploration works on the Lhoka mine and other potential mining opportunities nearby	238,785	(120,750)	(64,464)	53,571	Expected to be fully utilised by the end of 2027
2. Capital expenditure expected to be incurred from conducting general exploration and other exploration works on the Shigatse mine and other potential mining opportunities nearby	79,595	(40,250)	(14,568)	24,777	Expected to be fully utilised by the end of 2027
3. General working capital which will be applied for the purposes of, including but not limited to, staff expenses, directors' remuneration, legal and professional fees, payment of interest expenses and other general management and administrative expenses incurred in the course of daily operations	79,595	-	(10,880)	68,715	Expected to be fully utilised by the end of 2027
Total	397,975	(161,000)	(89,912)	147,063	

Significant Event After the Reporting Period

There were no material subsequent events after the Reporting Period.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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

As of 30 June 2026, the interests and short positions of the Directors and the chief executive of the Company in the shares of the Company (the **"Shares"**), underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the **"SFO"**)) (i) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO), or (ii) which were required, pursuant to section 352 of the SFO, to be entered into the register maintained by the Company, or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the **"Model Code"**) as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the **"Listing Rules"**) were as follows:

Name of Director	Capacity/Nature of interest	Number of Shares ⁽¹⁾	Approximate percentage of interest in our Company
Mr. Chen He ⁽²⁾	Interest in controlled corporation	21,250,000	1.53%
Mr. Qian Pengcheng ⁽³⁾	Interest in controlled corporation	14,500,000	1.05%

Notes:

- (1) All interests are long positions.
- (2) Silver Apex Holdings Limited is directly wholly owned by Mr. Chen He. Accordingly, Mr. Chen He is deemed to be interested in the 21,250,000 Shares held by Silver Apex Holdings Limited by virtue of the SFO.
- (3) Treasure Delight International Limited is directly wholly owned by Mr. Qian Pengcheng. Accordingly, Mr. Qian Pengcheng is deemed to be interested in the 14,500,000 Shares held by Treasure Delight International Limited by virtue of the SFO.

Save as disclosed above, as of 30 June 2026, none of the Directors and the chief executive of the Company had or was deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded in the register of the Company required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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

So far as known to the Directors, the register of substantial shareholders required to be kept by our Company under Section 336 of Part XV of the SFO shows that as of 30 June 2026, in addition to the interests disclosed under the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, our Company was notified of the following substantial shareholders' interests and short positions in the Shares and underlying Shares, being interests of 5% or more.

Name of Shareholder	Capacity/Nature of interest	Number of Shares ⁽¹⁾	Approximate percentage of interest in our Company
China Silver Group Limited	Beneficial owner	500,000,033	36.09%
Mr. Yao Runxiong (姚潤雄)	Beneficial owner	100,000,000	7.22%

Notes:

(1) All interests are long positions.

Except as disclosed above, as of 30 June 2026, our Company had not been notified by any person or corporation who had interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by our Company under Section 336 of Part XV of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SHARE OPTION SCHEME

The Company adopted a share option scheme on 27 March 2025 (the “Share Option Scheme”). The purpose of the Share Option Scheme is to reward participants who have contributed to our Group and to encourage participants to work towards enhancing the value of our Group.

Details of the movement of the share options granted under the Share Option Scheme during the six months ended 30 June 2026 are as follows:

Name/ Category of participants	Date of grant	Number of share options movement during the Reporting Period							Exercise period of share options	Exercise Price	Price of share	
		As at 1 January 2026	Granted during the period	Exercised during the period ^(a)	Cancelled during the period	Lapsed during the period	As at 30 June 2026	Vesting period			Prior to the grant date of the share options ^(b)	Prior to the exercise date of the share options
Employee participants	31 March 2025	123,780,000	-	-	-	-	123,780,000	12 months	10 years from the date of grant	HK\$1.33	HK\$1.28	-

Notes:

1. Being the closing price per Share on March 28, 2025, the trading day immediately before the Date of Grant.
2. Vesting of the options granted above will be subject to the individual annual performance targets as stipulated in the respective grant letters entered into by the Company and each of the grantees. These performance targets are set against certain benchmark of the departments and functions in which the individual grantee serves and are specific for each individual grantee, and include assessment of the grantee's monthly and annual performance. The share options granted were vested on 31 March 2026, being the first anniversary of the date of grant.
3. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, (i) none of the Grantees is a Director, chief executive or substantial shareholder of the Company or an associate (as defined under the Listing Rules) of any of them; (ii) none of the Grantees is a participant with the Options and awards granted or to be granted to him/her in any 12-month period exceeding the 1% individual limit under the Listing Rules; and (iii) none of the Grantees is a related entity participant or service provider (as defined under the Listing Rules).
4. For further details, please refer to the Company's announcement dated 31 March 2025 for the grant of share options.
5. Subsequent to the Reporting Period, in August 2026, 12,500,000 share options were exercised at an exercise price of HK\$1.33 per Share, pursuant to which the Company allotted and issued 12,500,000 new Shares.

As at 1 January 2026, the number of Shares that may be issued in respect of the options granted under the Share Option Scheme are 123,780,000 Shares. As at both 1 January 2026 and 30 June 2026, the number of share options available for future grant under the existing scheme mandate limit of the Share Option Scheme is 7,504.

During 1H2026, under the Share Option Scheme, 123,780,000 outstanding share options were vested on 31 March 2026, and no share options were granted, exercised, cancelled or lapsed. As no share options were granted under the Share Option Scheme during the Reporting Period, the number of Shares that may be issued in respect of the options granted under all schemes during the Reporting Period divided by the weighted average number of Shares in issue for the period was nil.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CODE OF CORPORATE GOVERNANCE PRACTICE

The Company is committed to maintaining a high standard of corporate governance to safeguard the interests of the shareholders of the Company and to enhance corporate value and responsibility. The Board comprises three executive Directors and three independent non-executive Directors. The Board has adopted the code provisions of the Corporate Governance Code (the “**CG Code**”) set out in Appendix C1 to the Listing Rules. During 1H2026, the Company had complied with the code provisions under the CG Code except for the deviations as explained below.

Code provision C.2.1 of the CG Code provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Chen He is currently both the Chairman of the Board and Chief Executive Officer of the Company. He has been leading the Group for many years since he joined the Group in 2013. He has been the driving force behind the Group’s development, growth and expansion and is primarily responsible for the overall management of the Group and for directing strategic developments and business plans of the Group. In light of the above, all of the Directors consider Mr. Chen He to be the best candidate for both positions and that such arrangement is beneficial to and in the best interests of the Group and the shareholders of the Company as a whole.

The Board will continue to review the situation and consider splitting the roles of Chairman and Chief Executive Officer of the Company in due course after taking into account of the then overall circumstances of the Group.

Pursuant to the amendments to the CG Code which came into effect on 1 July 2025, the Company shall appoint at least one director of a different gender to the nomination committee, and with regard to the actual circumstances of the Company, on 24 March 2026, the Board appointed Ms. Huang Wen, an Executive Director of the Company and Mr. Hu Qilin, an independent non-executive Director of the Company, as members of the nomination committee of the Company, with effect from 24 March 2026. For further details, please refer to the announcement of the Company dated 24 March 2026.

CODE OF CONDUCT REGARDING DIRECTORS' SECURITIES AND 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 to the Listing Rules as the code of conduct for Directors in their dealings in the securities of the Company. Having made specific enquiry with all the Directors, all the Directors confirmed that they had complied with the required standard of dealings as set out in the Model Code during 1H2026.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF OUR COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities (including any treasury shares (as defined under the Listing Rules)) during 1H2026. The Company did not hold any treasury shares (as defined under the Listing Rules) at 30 June 2026.

CORPORATE GOVERNANCE AND OTHER INFORMATION

AUDITOR

Linksfeld CPA Limited was appointed as auditor of the Company, with effect from 19 January 2023.

There has been no other change in the auditor of the Company in any of the preceding three years.

AUDIT COMMITTEE

The Board established an audit committee (the “**Audit Committee**”) with written terms of reference in compliance with the CG Code. Under Rule 3.21 of the Listing Rules, a majority of the members of the Audit Committee should be independent non-executive directors and the audit committee should be chaired by an independent non-executive director. As at the date of this interim report, the Audit Committee comprises three independent non-executive Directors, namely, Mr. Yu Leung Fai (Chairman), Mr. Hu Qilin and Mr. Zhang Zuhui. The primary responsibilities of the Audit Committee are to review and supervise the financial reporting processes and risk management and internal control systems of the Group.

The Audit Committee has reviewed this interim report, including the unaudited condensed consolidated financial statements of the Group for 1H2026. The Audit Committee has also reviewed the Group’s financial reporting process and risk management and internal control systems. The Audit Committee is of the opinion that the unaudited condensed consolidated financial statements have been prepared in accordance with the applicable accounting standards and the requirements of the Listing Rules and that adequate disclosure has been made.

NOMINATION COMMITTEE

The Board established a nomination committee (the “**Nomination Committee**”) with written terms of reference in compliance with the CG Code. Under Rule 3.27A of the Listing Rules, a majority of the members of the nomination committee should be independent non-executive directors and the nomination committee should be chaired by the chairman of the Board or an independent non-executive director. As at the date of this interim report, the Nomination Committee comprises Mr. Chen He (Chairman), Ms. Huang Wen, Mr. Hu Qilin, Mr. Yu Leung Fai and Mr. Zhang Zuhui, with the latter three being independent non-executive Directors.

The Nomination Committee considers and recommends to the Board suitably qualified persons to become Directors and is responsible for reviewing the structure, size and composition of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company’s corporate strategies in accordance with the Board Diversity Policy and Director Nomination Policy of the Company.

REMUNERATION COMMITTEE

The Board established a remuneration committee (the “**Remuneration Committee**”) with written terms of reference in compliance with the CG Code. Under Rule 3.25 of the Listing Rules, a majority of the members of the remuneration committee should be independent non-executive directors and the remuneration committee should be chaired by an independent non-executive director. As at the date of this interim report, the Remuneration Committee comprises Mr. Zhang Zuhui (Chairman), Mr. Yu Leung Fai and Mr. Hu Qilin, all of whom are independent non-executive Directors.

The primary responsibilities of the Remuneration Committee are to make recommendations to the Board on the remuneration packages of the Directors and senior management personnel of the Group and to ensure that no Director or any of his associates is involved in deciding his own remuneration.

CORPORATE GOVERNANCE AND OTHER INFORMATION

APPENDIX D2 TO THE LISTING RULES

According to paragraph 40 of Appendix D2 to the Listing Rules headed “Disclosure of Financial Information”, save as disclosed in this interim report, the Company confirms that the Company's current information in relation to those matters set out in paragraph 32 of Appendix D2 has not been changed significantly from the information disclosed in the Company's 2025 annual report.

On behalf of the Board

Chen He

Chairman

Hong Kong, 28 August 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	Six months ended 30 June	
		2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Continuing operation			
Revenue	5	847,299	236,328
Cost of sales		(716,603)	(136,495)
Gross profit		130,696	99,833
Other income, net		7,102	1,222
Other gains, net		4,726	213
Selling and distribution expenses		(12,969)	(10,326)
Administrative expenses		(33,154)	(34,074)
(Provision for) reversal of impairment loss under expected credit loss model, net	12	(3,382)	1,577
Finance costs		(2,347)	(2,755)
Share of losses of associates		(209)	-
Profit before income tax		90,463	55,690
Income tax expense	6	(16,215)	(22,597)
Profit for the period from continuing operation	7	74,248	33,093
Discontinued operation			
Gain on disposal of subsidiaries	13	-	41,246
Profit and total comprehensive income for the period		74,248	74,339
Profit (loss) and total comprehensive income (expense) for the period attributable to:			
Owners of the Company		74,870	75,254
Non-controlling interests		(622)	(915)
		74,248	74,339

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
	Note	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Profit for the period attributable to owners of the Company arises from:			
Continuing operation		74,870	34,008
Discontinued operation		–	41,246
		74,870	75,254
Earnings per share for profit attributable to owners of the Company	9	RMB	RMB
Basic		0.055	0.061
Diluted		0.055	0.061
Earnings per share for profit from continuing operation attributable to owners of the Company	9		
Basic		0.055	0.027
Diluted		0.055	0.027

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Non-current assets			
Property, plant and equipment	10	87,010	88,809
Right-of-use assets	10	2,717	2,911
Intangible assets	10	79,648	46,352
Investments in associates		3,107	3,316
Deferred tax assets		5,092	3,561
		177,574	144,949
Current assets			
Inventories		579,492	973,909
Trade and other receivables	11	95,640	129,815
Amounts due from related companies	19	11,130	18,494
Amounts due from associates	19	12,600	3,375
Bank balances and cash		1,245,140	608,155
		1,944,002	1,733,748
Current liabilities			
Trade and other payables	14	181,456	201,393
Amounts due to related companies	19	8,492	8,495
Amount due to a non-controlling interest	15	9,743	10,264
Lease liabilities		27	197
Contract liabilities		1,263	3,932
Income tax payable		18,363	26,233
Bank borrowings	16	130,729	116,630
		350,073	367,144
NET CURRENT ASSETS		1,593,929	1,366,604
TOTAL ASSETS LESS CURRENT LIABILITIES		1,771,503	1,511,553
CAPITAL AND RESERVES			
Share capital	17	942	857
Share premium and reserves		1,771,243	1,510,756
Equity attributable to the owners of the Company		1,772,185	1,511,613
Non-controlling interests		(682)	(60)
TOTAL EQUITY		1,771,503	1,511,553

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	Attributable to owners of the Company									Attributable to non-controlling interests	Total equity
	Share capital RMB'000	Share premium RMB'000	Contribution reserve RMB'000 (Note (i))	Other reserve RMB'000 (Note (iii))	Share option reserve RMB'000	Statutory reserve RMB'000 (Note (iv))	Exchange reserve RMB'000	Retained profits RMB'000	Sub-total RMB'000		
At 1 January 2025 (audited)	842	858,158	325,850	1,935	-	26,233	8	100,275	1,313,301	(25,044)	1,288,257
Share-based payment expenses (Note 18)	-	-	-	-	18,543	-	-	-	18,543	-	18,543
Profit (loss) and total comprehensive income (expense) for the period	-	-	-	-	-	-	-	75,254	75,254	(915)	74,339
Disposal of discontinued operation (Note 13)	-	-	-	-	-	-	-	-	-	26,896	26,896
At 30 June 2025 (unaudited)	842	858,158	325,850	1,935	18,543	26,233	8	175,529	1,407,098	937	1,408,035
At 1 January 2026 (audited)	857	889,754	325,850	9,412	56,461	37,069	8	192,202	1,511,613	(60)	1,511,553
Issuance of shares upon placing (Note 17) (Note (ii))	85	175,090	-	(7,477)	-	-	-	-	167,698	-	167,698
Share-based payment expenses (Note 18)	-	-	-	-	18,004	-	-	-	18,004	-	18,004
Profit (loss) and total comprehensive income (expense) for the period	-	-	-	-	-	-	-	74,870	74,870	(622)	74,248
At 30 June 2026 (unaudited)	942	1,064,844	325,850	1,935	74,465	37,069	8	267,072	1,772,185	(682)	1,771,503

Notes:

- (i) The contribution reserve represents (a) net contribution from two fellow subsidiaries of the Group, included the funding and assets provided to the operation business of the Group prior to the reorganisation of the Group in preparation for listing (the "**Reorganisation**"), amounted to RMB224,000; (b) a subsidiary of the Group disposed of its 25% equity interest in an associate to China Silver Group Limited for a consideration of RMB40 million during the year ended 31 December 2016. Loss on disposal of the associate of RMB753,000 was recognised in the contribution reserve as deemed distribution; and (c) during the year ended 31 December 2016, the Group disposed of its entire equity interest in a subsidiary to China Silver Group Limited at nil consideration. Gain on disposal of a subsidiary of RMB3,009,000 was recognised in the contribution reserve as deemed contribution.
- (ii) During the period ended 30 June 2026, the Company allotted 125,800,000 ordinary shares. Certain shares have been issued to investors, and the related proceeds have been recognised in share capital. Details are set out in Note 17.
- (iii) The other reserve represents the difference of (a) the consideration of RMB235,469,000 received of Pre-IPO investors for the issued shares of CSmall Group Limited BVI ("**CSmall Group BVI**"), a subsidiary of the Group, during the Reorganisation; and (b) the net asset value of CSmall Group BVI at the date of acquisition by the Company, amounted to RMB233,534,000 during the Reorganisation.
- (iv) According to the relevant laws of the People's Republic of China (the "**PRC**"), the Group's subsidiaries established in the PRC have to transfer a portion of their profits after income tax to the statutory reserve. The transfer to this reserve must be made before the distribution of a dividend to the equity owners. The transfer can cease when the balance of the reserve reaches 50% of the registered capital of the respective subsidiaries. The reserve can be applied either to set off accumulated losses or to increase capital.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Cash flows from operating activities		
Profit before income tax from:		
Continuing operation	90,463	55,690
Discontinued operation	-	41,246
Profit before income tax including discontinued operation	90,463	96,936
Adjustments for non-cash transactions	26,263	(17,509)
Operating cash flows before movements in working capital	116,726	79,427
Decrease in inventories	394,417	44,428
Decrease (increase) in trade and other receivables	19,172	(150,064)
(Decrease) increase in trade and other payables	(8,316)	142,802
Other working capital movements	(2,669)	(3,845)
Cash generated from operations	519,330	112,748
Income tax paid	(25,616)	(164)
Net cash generated from operating activities	493,714	112,584
Cash flows from investing activities		
Purchase of property, plant and equipment	(669)	(1,191)
Additions on intangible asset	(33,296)	(5,531)
Advance to immediate holding company	-	(2,059)
Repayment from immediate holding company	-	7
Advance to a fellow subsidiary	-	(2,262)
Repayment from a fellow subsidiary	-	20
Advance to related companies	(17,909)	-
Repayment from related companies	25,273	-
Advance to associates	(9,225)	-
Interest income received	341	710
Net cash inflows from acquisition of subsidiaries	-	315
Net cash outflows on disposal of subsidiaries	-	(174)
Net cash used in investing activities	(35,485)	(10,165)
Cash flows from financing activities		
Proceeds from bank borrowings	102,599	88,500
Repayment of bank borrowings	(88,500)	(89,000)
Advance from a non-controlling interest	-	5,155
Repayment to a non-controlling interest	(521)	(1,676)
Repayment to fellow subsidiaries	-	(56)
Repayment to a related company	(3)	(3)
Interest paid	(2,347)	(2,743)
Repayment of lease liabilities	(170)	(174)
Proceeds from issue of new shares	167,698	-
Net cash generated from financing activities	178,756	3
Net increase in cash and cash equivalents	636,985	102,422
Cash and cash equivalents at 1 January	608,155	429,764
Cash and cash equivalents at 30 June	1,245,140	532,186

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

1 BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 ("**IAS 34**") "Interim Financial Reporting" issued by International Accounting Standards Board ("**IASB**") as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company is an associate company of China Silver Group Limited ("**China Silver**"), an exempted company incorporated in the Cayman Islands with its shares also listed on the Stock Exchange.

2 MATERIAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

Except for the adoption of the following amendments to IFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2025.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB, for the first time, which are effective for the annual periods beginning on or after 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature – dependent Electricity
Amendments to IFRS Accounting Standards	Disclosures about Uncertainties in the Financial Statements

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3 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 in the condensed consolidated financial statements approximate their fair value at each of the end of the reporting period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

4 SEGMENT INFORMATION

The Group has one operating and reportable segment (2025: one segment). Management determines the operating segment based on the information reported to the Group's chief operating decision makers ("CODM") (i.e. the executive directors of the Company). Given that the Group is primarily engaged in the design and sales of gold, silver, colored gemstones and gem-set and other jewellery products in the People's Republic of China (the "PRC") ("New Jewellery Retail segment") the CODM assesses the operating performance and allocates the resources of the Group as a whole. Accordingly, there is only one operating and reportable segment.

The operation of Fresh Food Retail segment of the Group was discontinued and disposed during the period ended 30 June 2025. The segment information reported on this page does not include any amounts for the discontinued operation, which are described in more detail in Note 13.

(a) Geographical information

The Group's operations are located in the PRC. All of the Group's revenue during the six months ended 30 June 2026 and 2025 was generated in the PRC.

5 REVENUE

Disaggregation of revenue from contracts with customers

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Continuing operation		
By products		
New Jewellery Retail segment		
– Sales of silver products	320,226	90,871
– Sales of gold products	53,541	145,391
– Sales of colored gemstones	473,493	–
– Sales of gem-set and other jewellery products	39	66
Total	847,299	236,328

All of the revenue was recognised at a point in time during the six months ended 30 June 2026 and 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

6 INCOME TAX EXPENSE

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Continuing operation		
PRC Enterprise Income Tax ("EIT")		
– current period	17,746	22,047
Deferred tax	(1,531)	550
	16,215	22,597

The Group had no assessable profits subject to income tax in any jurisdictions other than the PRC for both periods.

Under the Law of the PRC on EIT (the "EIT Law") and its related implementation regulations, the Group's PRC subsidiaries are subject to the PRC EIT at the statutory rate of 25% for both periods.

7 PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Continuing operation		
Profit for the period has been arrived at after charging (crediting):		
Cost of inventories recognised as expenses (included in cost of sales)	716,603	136,495
Depreciation of property, plant and equipment	2,468	1,821
Depreciation of right-of-use assets	194	206
Bank interest income	(341)	(710)
Net exchange gain	(4,726)	(213)
Write off of leasehold improvements	–	2,710
Expenses on short-term leases in respect of office premises and retail shops	110	1,902
Share-based payment expenses	18,004	18,543

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

8 DIVIDENDS

No dividend was paid, declared or proposed for the ordinary shareholders of the Company during the current interim period (six months ended 30 June 2025: nil). The directors of the Company have determined that no dividend will be paid in the current interim period.

9 EARNINGS PER SHARE

a) Basic earnings per share

The calculations of the basic earnings per share attributable to owners of the Company are based on the following data:

	Six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)
Profit (RMB'000)		
Profit for the period attributable to owners of the Company from continuing operation for the purpose of basic earnings per share	74,870	34,008
Profit for the period attributable to owners of the Company from discontinued operation for the purpose of basic earnings per share	–	41,246
Profit for the period attributable to owners of the Company for the purpose of basic earnings per share	74,870	75,254
Number of shares (in thousand)		
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,350,609	1,237,875
Basic earnings per share (RMB)		
From continuing operation attributable to the owners of the Company	0.055	0.027
From discontinued operation	–	0.034
Total basic earnings per share attributable to the owners of the Company	0.055	0.061

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

9 EARNINGS PER SHARE (continued)

b) Diluted earnings per share

The calculations of the diluted earnings per share attributable to owners of the Company are based on the following data:

	Six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)
Profit (RMB'000)		
Profit for the period attributable to owners of the Company from continuing operation for the purpose of diluted earnings per share	74,870	34,008
Profit for the period attributable to owners of the Company from discontinued operation for the purpose of diluted earnings per share	–	41,246
Profit for the period attributable to owners of the Company for the purpose of diluted earnings per share	74,870	75,254
Number of shares (in thousand)		
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,350,609	1,237,875
Adjustment for share options	6,520	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	1,357,129	1,237,875
Diluted earnings per share (RMB)		
From continuing operation attributable to the owners of the Company	0.055	0.027
From discontinued operation	–	0.034
Total diluted earnings per share attributable to the owners of the Company	0.055	0.061

For the period ended 30 June 2026, the share options granted to the employees by the Company have potential dilutive effect on the earnings per share determined under treasury stock method.

For the period ended 30 June 2025, the share option could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

10 MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT/RIGHT-OF-USE ASSETS/INTANGIBLE ASSETS

During the current interim period, the Group acquired two motor vehicles of RMB279,000 for operational use and leasehold improvements amounting to RMB390,000 for the renovation of the Group's office headquarters. (six months ended 30 June 2025: the Group acquired a motor vehicle of RMB1,133,000 for operational use and leasehold land and buildings (through acquisition of their holding entities) amounting to RMB79,895,000 for use as office to support the Group's future business development).

During the current interim period, the Group did not write off any assets (six months ended 30 June 2025: the Group wrote off certain leasehold improvements with a carrying amount of RMB2,710,000 following the termination of the related lease).

During the current interim period, the Group acquired intangible assets comprising the capitalisation of exploration rights of RMB33,296,000 (six months ended 30 June 2025: the Group acquired intangible assets comprising the capitalisation of exploration rights of RMB5,531,000).

The Group did not dispose of any intangible assets during six months ended 30 June 2026 and 2025.

The Group did not enter into any new lease agreement during six months ended 30 June 2026 and 2025.

11 TRADE AND OTHER RECEIVABLES

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Trade receivables for contracts with customers	81,895	83,398
Less: allowance for expected credit losses in respect of trade receivables	(21,620)	(18,238)
	60,275	65,160
Other receivables and deposits	19,707	30,764
Prepayments to suppliers	161	1,466
Value-added tax ("VAT") recoverable	15,398	32,326
Refundable rental deposits	99	99
	95,640	129,815

The Group does not grant any credit period to its retail customers, but generally grants its corporate customers a credit period ranging from 1 to 90 days and, requires advance deposits from its corporate customers before delivery of goods.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

11 TRADE AND OTHER RECEIVABLES (continued)

The ageing analysis of the Group's trade receivables net of allowance for expected credit losses presented based on the invoice dates at the end of the reporting period is as follows:

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
0 to 30 days	56,274	62,576
31 to 60 days	50	28
61 to 90 days	–	11
Over 90 days	3,951	2,545
	60,275	65,160

In order to minimise credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Details of impairment assessment of trade receivables for the six months ended 30 June 2026 and 2025 are set out in Note 12.

12 (PROVISION FOR) REVERSAL OF IMPAIRMENT LOSS UNDER EXPECTED CREDIT LOSS MODEL, NET

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Continuing operation		
(Provision for) reversal of impairment loss recognised of trade receivables, net	(3,382)	1,577

The basis of determining the inputs and assumptions and the estimation techniques used in estimation of expected credit loss in respect of trade receivables in these condensed consolidated financial statements for the six months ended 30 June 2026, are the same as those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

13 DISCONTINUED OPERATION

On 5 November 2024, Shenzhen Guojintongbao Company Limited* (深圳國金通寶有限公司) ("Shenzhen Guojintongbao", which is a wholly-owned subsidiary of the Group) entered into an equity transfer agreement with an independent third party Shanghai Xinding Metallic Materials Co., Ltd* (上海鑫鼎金屬材料有限公司) ("Shanghai Xinding") to dispose of its 51% equity interest in Shenzhen Xiansheng Zhanggui Technology Co., Ltd.* (深圳鮮生掌櫃科技有限公司) (together with its subsidiaries, the "Nongmuren Group" or the "Disposal Group"), which constituted the fresh food retail segment of the Group, for a consideration of RMB300,000. The disposal transaction was completed on 13 January 2025.

Following the disposal of Nongmuren Group, the Group discontinued its operation in sales of fresh food.

There was no income or expenses recorded in relation to the fresh food retail segment for the period from 1 January 2025 to 13 January 2025.

	RMB'000
Consideration received:	
Cash consideration	300

The carrying amounts of assets and liabilities in relation to the discontinued operation as at 13 January 2025:

	RMB'000
The net liabilities disposed of are as follows:	
Property, plant and equipment	407
Right-of-use assets	1,362
Goodwill	3,972
Intangible assets	4,647
Investments in associates	12
Inventories	556
Trade and other receivables	18,460
Bank balances and cash	474
Trade and other payables	(61,174)
Amount due to a non-controlling interest	(22,978)
Lease liabilities	(4,419)
Deferred tax liabilities	(1,161)
Bank borrowings	(8,000)
Net liabilities disposed of	(67,842)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

13 DISCONTINUED OPERATION (continued)

	RMB'000
Gain on disposal of subsidiaries:	
Cash consideration received	300
Net liabilities disposed of	67,842
Non-controlling interests	(26,896)
Gain on disposal of subsidiaries	41,246

Analysis of net cash flow in respect of the disposal of subsidiaries is as follows:

	RMB'000
Cash consideration received	300
Cash and cash balances disposed of	(474)
Net cash outflow	(174)

14 TRADE AND OTHER PAYABLES

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Trade payables	15,161	15,152
Other payables and accrued expenses (Note (i))	120,157	122,618
VAT and other tax payables	38,725	56,210
Provision for termination of assignment contracts (Note (iii))	7,413	7,413
	181,456	201,393

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

14 TRADE AND OTHER PAYABLES (continued)

Notes:

- (i) Included in the balance amounting to RMB52,000,000 (31 December 2025: RMB52,000,000), representing the consideration payable to acquire the office located at Shenzhen.
- (ii) In September 2018, Huzhou Baiyin Property Co., Ltd. * (湖州白銀置業有限公司) ("Huzhou Baiyin"), an indirect wholly-owned subsidiary of the Group entered into an assignment contract (the "Contract") with Huzhou South Taihu New District Management Committee (the "Committee") and Huzhou Municipal Bureau of Natural Resources and Planning (the "Bureau") in relation to the acquisition of the land use right over a piece of land located in Huzhou, the PRC (the "Acquisition"). The total consideration for the land use right was RMB285,000,000.

On 29 and 30 June 2020, Huzhou Baiyin entered into a termination agreement (the "Termination Agreement") with the Committee and the Bureau, and a compensation agreement with the Committee, pursuant to which the Committee and the Bureau agreed to terminate the Contract and the Committee agreed to refund the deposits received amounting to RMB270,875,000 (the "Compensation Sum") and compensate for (i) the capital expenditure and other expenses incurred by the Group in connection with the exploration, design and pre-construction works on the land; and (ii) certain taxes paid by another indirect wholly-owned subsidiary of the Group. As at 31 December 2021, the Group had already paid an aggregate amount of RMB290,094,000 in relation to the Acquisition and fully received the Compensation Sum.

As at 30 June 2026, however, certain pre-construction costs that had been incurred before the termination of the Acquisition remained payable by the Group, which amounted to RMB7,413,000 (31 December 2025: RMB7,413,000).

* The English name is for identification purpose only.

The ageing analysis of the Group's trade payables presented based on the invoice dates at the end of the reporting period is as follows:

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
0 to 30 days	242	170
31 to 60 days	32	26
61 to 90 days	26	35
Over 90 days	14,861	14,921
	15,161	15,152

The credit period of purchase of goods and subcontracting costs on processing silver products generally ranges from 1 to 90 days.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

15 AMOUNT DUE TO A NON-CONTROLLING INTEREST

As at 30 June 2026 and 31 December 2025, the amount due to a non-controlling interest was non-trade in nature, unsecured, interest-free and repayable on demand.

16 BANK BORROWINGS

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
<i>Secured</i>		
Bank borrowings at fixed rates (<i>Note (i)</i>)	8,000	8,500
Bank borrowings at floating rates (<i>Note (i)</i>)	114,739	100,140
<i>Unsecured</i>		
Bank borrowings at floating rates (<i>Note (ii)</i>)	7,990	7,990
	130,729	116,630
The bank borrowings are repayable as follows:		
Within one year	102,900	88,500
Between two to five years	27,829	28,130
	130,729	116,630
Carrying amount of bank borrowings that are repayable within one year and contain a repayment on demand clause	94,900	80,000
Carrying amount of bank borrowings that are repayable within one year and without a repayment on demand clause	8,000	8,500
Carrying amount of bank borrowings that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause	27,829	28,130
Total amounts shown under current liabilities	130,729	116,630

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

16 BANK BORROWINGS (continued)

The total banking facilities granted to the Group amounted to RMB155,140,000 (31 December 2025: RMB116,630,000) of which RMB130,729,000 (31 December 2025: RMB116,630,000) were utilised as at 30 June 2026.

Notes:

- i) As at 30 June 2026, the amounts are secured and/or guaranteed by (i) personal guarantee from directors of the Company, Mr. Chen He and Mr. Qian Pengcheng; (ii) personal guarantee from a director of China Silver Group, Mr. Chen Wantian and his spouse; (iii) corporate guarantee and certain assets of a customer and independent third parties; (iv) corporate guarantee from subsidiaries; (v) personal guarantee from independent third parties; (vi) corporate guarantee from the Company and (vii) leasehold land and building with aggregate carrying amount of RMB77,390,000 (31 December 2025: (i) personal guarantee from directors of the Company, Mr. Chen He and Mr. Qian Pengcheng; (ii) personal guarantee from a director of China Silver, Mr. Chen Wantian and his spouse; (iii) corporate guarantee and certain assets of a customer and independent third parties; (iv) corporate guarantee from a related company and (v) leasehold land and building with aggregate carrying amount of RMB48,166,000).

Secured bank borrowings of RMB8,000,000 (31 December 2025: RMB8,500,000) as at 30 June 2026 carry interest at fixed rates 3.85% (31 December 2025: 3.75%) per annum and RMB114,739,000 (31 December 2025: RMB100,140,000) carry interest at the loan prime rate, minus 0.95% to plus 1.80% (31 December 2025: minus 0.95% to plus 1.70%) per annum.

- ii) Unsecured bank borrowings of RMB7,990,000 (31 December 2025: RMB7,990,000) as at 30 June 2026 carry interest at the loan prime rate, plus 0.2% (31 December 2025: plus 0.2%) per annum.

17 SHARE CAPITAL

	Number of shares	Share Capital	
		US\$	RMB'000
Ordinary share of US\$0.0001 each:			
Authorised:			
At 1 January 2025 (audited), 30 June 2025 (unaudited), 31 December 2025 (audited), 1 January 2026 (audited) and 30 June 2026 (unaudited)	3,000,000,000	300,000	2,062
Issued:			
At 1 January 2025 (audited) and 30 June 2025 (unaudited)	1,237,875,040	123,787	842
Issuance of shares upon placing (Note)	21,700,000	2,170	15
At 31 December 2025 (audited) and 1 January 2026 (audited)	1,259,575,040	125,957	857
Issuance of shares upon placing (Note)	125,800,000	12,580	85
At 30 June 2026 (unaudited)	1,385,375,040	138,537	942

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

17 SHARE CAPITAL (continued)

Note:

On 31 December 2025, the Company allotted 21,700,000 ordinary shares of US\$0.0001 each at a subscription price of HK\$1.61 per share. The HK\$34,866,420 (net of expenses) (equivalent to RMB31,547,140) raised will be substantially used to satisfy the business growth and development anticipated by the Group. The new placing shares were issued pursuant to the general mandate granted to the directors by a resolution of the shareholders of the Company passed at the annual general meeting held on 19 May 2025.

On 6 February 2026 and 13 March 2026, the Company further allotted 79,000,000 and 46,800,000 ordinary shares of US\$0.0001 each at a subscription price of HK\$1.61 per share, raised HK\$127,040,000 and HK\$75,253,000, respectively (net of expenses) (equivalent to RMB109,820,000 and RMB65,058,000 respectively). The net proceeds will be substantially used to satisfy the business growth and development anticipated by the Group. The new placing shares were issued pursuant to the general mandate granted to the directors by a resolution of the shareholders of the Company passed at the annual general meeting held on 19 May 2025.

18 SHARE OPTION SCHEME

i) The Scheme

- a) The principal terms of the Company's share option scheme adopted on 27 March 2025 (the "Scheme") are set out below.

The Scheme was adopted pursuant to the extraordinary general meeting held on 27 March 2025 for the primary purpose of providing incentives to eligible employees. Under the Scheme, the board of directors of the Company may grant options to eligible employees to subscribe for shares in the Company.

The total number of Shares which may be issued in respect of all options and awards to be granted under the Share Option Scheme and any other share schemes of the Company shall not exceed 10% of the Shares in issue (excluding treasury shares) as at the date of approval of the relevant scheme mandate, unless the scheme mandate is refreshed or separate approval of the Shareholders is obtained in accordance with the Listing Rules.

Where any grant of options or awards to a participant would result in the Shares issued and to be issued in respect of all options and awards granted to such participant during the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue (excluding treasury shares) as at the date of grant, such grant must be separately approved by the Shareholders in accordance with the Listing Rules.

The exercise price is determined by the directors of the Company and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

The offer of share options shall be accepted by the grantee on the terms and conditions specifically provided in the relevant grant letter within 28 days from the date of grant, with HK\$1.00 payable upon acceptance of the offer.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

18 SHARE OPTION SCHEME (continued)

i) The Scheme (continued)

- b) The number of shares in respect of which options had been granted and remained outstanding under the Scheme was 123,780,000, representing 8.93% of the shares of the Company in issue at 30 June 2026.

The following table discloses movements of Company's options under the Scheme held by the Group's employees during the current and prior years:

Date of grant	Exercise price per share	Outstanding as at 1 January 2026	Granted during the period	Outstanding as at 30 June 2026
31 March 2025	HK\$1.33	123,780,000	–	123,780,000
Exercisable at 1 January 2026				–
Exercisable at 30 June 2026				123,780,000
Weighted average exercise price				HK\$1.33

Date of grant	Exercise price per share	Outstanding as at 1 January 2025	Granted during the period	Outstanding as at 30 June 2025
31 March 2025	HK\$1.33	–	123,780,000	123,780,000
Exercisable at 1 January 2025				–
Exercisable at 30 June 2025				–
Weighted average exercise price				HK\$1.33

The vesting period is subject to the achievement of relevant performance targets and the receipt of all necessary regulatory approvals. Provided these conditions are met, all granted options shall vest on the first anniversary of the grant date. No share options under the Scheme were exercised during the periods ended 30 June 2026 and 2025.

The 123,780,000 outstanding share options granted on 31 March 2025 with the exercise price of HK\$1.33 per share are exercisable during the period from 31 March 2026 to 30 March 2035.

The closing price of the Company's shares on 31 March 2025 was HK\$1.32.

As at 30 June 2026, all granted share options had vested and were exercisable.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

18 SHARE OPTION SCHEME (continued)

i) The Scheme (continued)

- c) The Group recognised the total expense of RMB18,004,000 (for the period ended 30 June 2025: RMB18,543,000) for the period ended 30 June 2026 in relation to share options granted by the Company under the Scheme.

19 RELATED PARTY DISCLOSURES

(i) Related party transactions and balances

- (a) Saved as disclosed elsewhere in the condensed consolidated financial statements and in the table below, no other transactions and balances with related parties were entered into by the Group during both periods.

Name of related parties	Relationship	Nature of transactions	Six months ended 30 June	
			2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Jiangxi Longtianyong Nonferrous Metals Co., Ltd. *("Jiangxi Longtianyong") (江西龍天勇有色金屬有限公司)	A subsidiary of China Silver Group (Note)	Expenses on short-term leases Purchase of silver ingots	100 164,720	300 15,805

Note: On 31 December 2025, following the dilution of shareholding held by China Silver, the Company became an associate of China Silver Group since then (30 June 2025: China Silver Group was the immediate and ultimate holding company of the Group).

* The English name is for identification purpose only.

- (b) The amounts due from related companies, amount due from associates and amounts due to related companies as at 30 June 2026 and 31 December 2025 are non-trade in nature, unsecured, interest-free and repayable on demand.

(ii) Compensation of key management personnel

The emoluments of the directors and members of key management of the Group are as follows:

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Salaries and other allowances	1,096	852
Retirement benefits schemes contributions	34	33
	1,130	885