



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

(formerly known as CSMall Group Limited)
(Incorporated in the Cayman Islands with limited liability)
Stock Code : 1815

INTERIM REPORT 2025





CONTENTS

Corporate Information	2
Financial Highlights	4
Our Milestones	5
Selected Brands and Products	6
Management Discussion and Analysis	8
Corporate Governance and Other Information	18
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	23
Condensed Consolidated Statement of Financial Position	25
Condensed Consolidated Statement of Changes in Equity	26
Condensed Consolidated Statement of Cash Flows	27
Notes to the Condensed Consolidated Financial Statements	28



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*)
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

Cayman Islands law:

Ogier

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 5, 17/F, China Merchants Tower
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

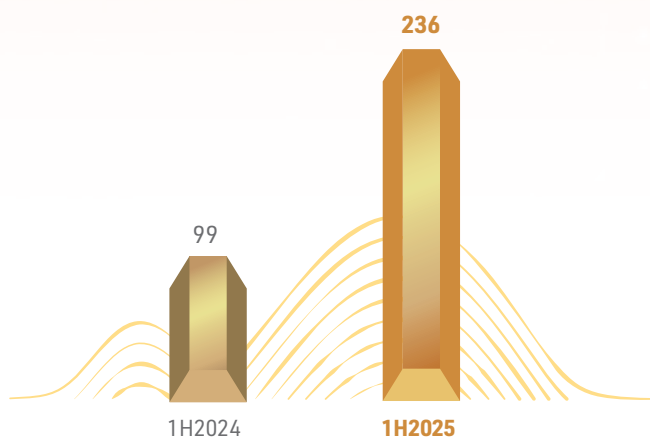
Linksfeld CPA Limited
Registered Public Interest Entity Auditors
(Appointed on 19 January 2023)

Moore Stephens CPA Limited
Registered Public Interest Entity Auditors
(Resigned on 19 January 2023)

FINANCIAL HIGHLIGHTS

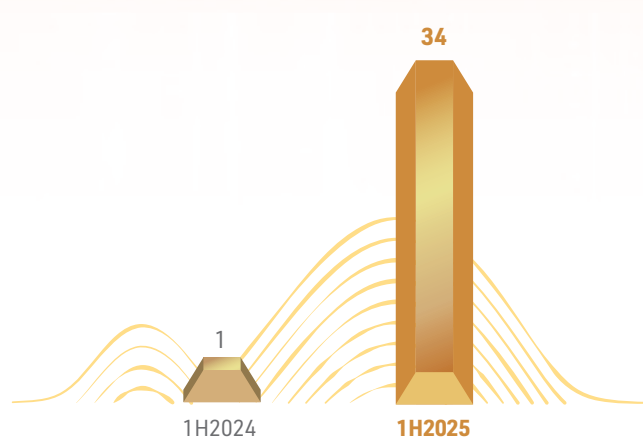
Revenue from continuing operation

RMB million



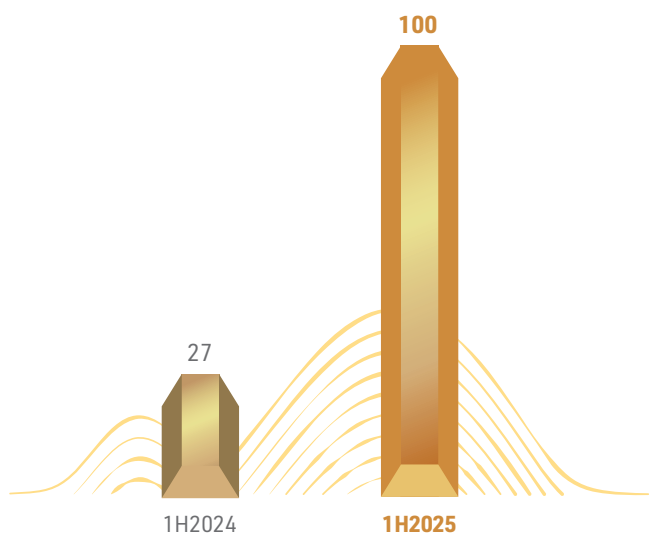
Profit attributable to owners of the Company from continuing operation

RMB million



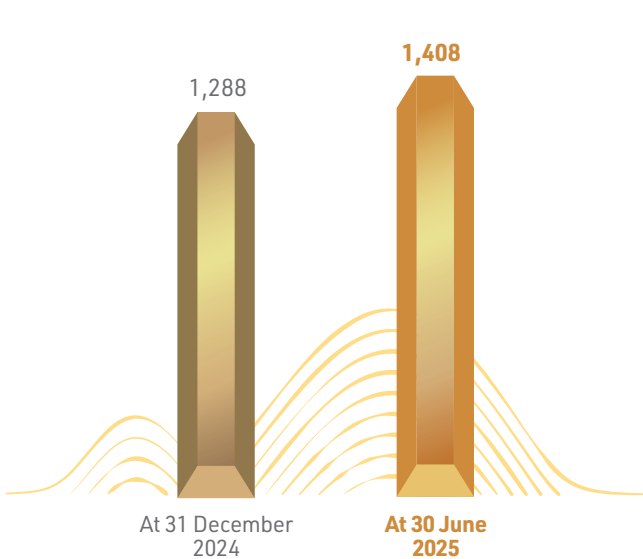
Gross Profit

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

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)

2013

Commencement of our online business

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



SELECTED BRANDS AND PRODUCTS





SELECTED BRANDS AND PRODUCTS



MANAGEMENT DISCUSSION AND ANALYSIS



BUSINESS REVIEW

For the first half of the year 2025, the Group's total revenue amounted to RMB236.3 million (six months ended 30 June 2024 ("1H2024"): RMB98.5 million), representing a significant increase of approximately 139.9% as compared to the same period last year. In particular, sales of gold products surged by approximately 1,058.7% as compared to the same period last year, with its contribution to the Group's total sales revenue rising sharply from approximately 12.7% for the same period last year to approximately 61.5% for the same period this year. In six months ended 30 June 2025 ("1H2025"), the net profit attributable to owners of the Company was approximately RMB75.3 million (1H2024: loss attributable to owners of the Company approximately RMB11.0 million), representing a significant increase of approximately 785.0% as compared to that for 1H2024; profit for the period from continuing operation (i.e. New Jewellery Retail segment) was approximately RMB33.1 million (1H2024: RMB1.3 million), representing a significant increase of approximately 2,520.2% compared to that for 1H2024, marking a significant turnaround from loss to profit. Against the backdrop of global economic instability, the Group quickly adjusted its strategy, shifting its strategic focus to gold and formally entered the upstream gold resource sector. This strategic transformation decision significantly enhanced the Group's market competitiveness, and fully demonstrates the Group's strategic foresight. Despite the ongoing challenges in the macro environment, through the Group's strategic adjustments and efficient execution, it has delivered outstanding performance in the first half year since officially changing its name to "Mount Everest Gold Group Company Limited" ("Everest Gold") and returned to the track of rapid growth.

In 1H2025, due to a multitude of factors which include the lingering geopolitical tensions, accelerated energy transition, movements of the United States dollar, inflationary pressures, etc., the uncertainty of the global macroeconomy intensified. As a safe-haven asset, gold has driven up its own price; international gold price continued to rise and repeatedly hit record highs. With the strong upward momentum in gold price, the precious metals market has also entered a phase of prosperous development.

New Jewellery Retail Segment

The strong upward trend of gold price has not only failed to dampen 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, has surged significantly. Driven by this, in the first half of the year, the Group saw a significant increase in sales of investment gold bar products characterized by high unit prices and low processing fees. Since most of the gold products sold were inventories with relatively low procurement and/or processing costs and the gold price increased significantly in the first half of this year, the gross profit margin of the sales of gold products increased substantially.

MANAGEMENT DISCUSSION AND ANALYSIS



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. At the end of March this year, the management and Board of the Company adopted a share option scheme to boost employees' confidence and encourage eligible participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole.

The Group reduced marketing expenses for the lab-grown diamond brand, SISI, as compared to past years. The lab-grown diamond industry in the PRC started relatively late; at this stage, the penetration rate of lab-grown diamonds in jewellery consumption in the PRC remains low. Currently, public opinions on the outlook of the lab-grown diamond market are still generally based on the logic of substituting natural diamonds, and the market requires a longer period of time to verify this trend. In recent years, the increase in Russia's diamond production capacity has been a major factor leading to the price decline of natural diamonds. Meanwhile, as lab-grown diamond manufacturers in the PRC continue to expand production capacity and upgrade production equipment, the current lab-grown diamond market is in a state of oversupply, resulting in price drops and extreme "internal competition" in respect of retail prices. When cost becomes a key competitive advantage, brands will be forced to increase their investment. At present, the Group aims to maintain the profitability of its business and sufficient working capital amid macro challenges. The Group will carefully consider the investment and sales strategies for its lab-grown diamond brand SISI.



MANAGEMENT DISCUSSION AND ANALYSIS

Online Sales Channels

In 1H2025, 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 became 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.

Offline Retail and Service Network

(1) *Shenzhen Exhibition Hall*

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.

(2) *CSmall Shops*

During the six months ended 30 June 2025, due to the development of the new business, the Group ceased expanding existing stores, and adjusted the layout of offline business outlets. As of 30 June 2025, we only had 2 franchised CSmall Shops located in Xinjiang and Zhejiang.

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.

On 21 August 2024, the Group completed the acquisition of 51% equity interest in Jiangxi Letong New Materials Co., Ltd. ("**Jiangxi Letong**"), which in turn holds 100% equity interests in Tibet Longtianyong Mining Company Limited ("**Tibet Longtianyong**"). Tibet Longtianyong holds an exploration license with the right to conduct general exploration on mineral resources in an area of 28.88 km² in Lhoka, Tibet, China (the "**Lhoka Exploration Area**").

During the six months ended 30 June 2025 (the "**Reporting Period**"), the Group was pleased to announce the results of the completion of the 2025 General Exploration Report and the Review Opinion in January 2025. According to the General Exploration Report and the Review Opinion, Tibet Longtianyong discovered certain gold mineralized zones in the Lhoka Exploration Area. Such gold ore bodies are estimated to have an inferred ore volume of approximately 2,100,000 tonnes and an inferred metal volume of approximately 5,800 kilograms of gold, with an average gold ore grade of approximately 2.77 grams/tonne. The deposit in this area has enormous potential. It is preliminarily anticipated that the Lhoka Exploration Area could reach a prospective metal volume of 20 to 25 tonnes of gold, displaying potential for a large-scale gold mine.

MANAGEMENT DISCUSSION AND ANALYSIS

As further exploration progressed, the exploration phase of the mineral exploration right was upgraded from "general exploration" to "detailed exploration" in March 2025. The area of exploration was also changed to 22.8246km² from 28.88km². In March 2025, the Tibet Review Centre recently further approved the detailed exploration implementation plan (the **"Detailed Exploration Implementation Plan"**) submitted by Tibet Longtianyang in relation to the polymetallic mine at Lhoka Exploration Area (the **"Lhoka Mine"**) for its review. The approval of the Detailed Exploration Implementation Plan marks significant substantive progress in the Company's transformation into a gold resource enterprise with potential for large-scale gold mine development. According to the Detailed Exploration Implementation Plan, the gold-polymetallic deposit in the Gudui mining area is a typical gold-antimony deposit characterized by the coexistence of gold and antimony. As a key semiconductor material, antimony (Sb) plays an irreplaceable role in the application of semiconductor technologies in cutting-edge fields such as infrared detection, high-efficiency storage, energy utilization, and quantum computing. Driven by demand for semiconductor materials, antimony prices have remained in a high range over the long term, and revenue from associated antimony is expected to become an important profit growth driver for the project. This also signifies that the Group has seized the opportunity to enter into the field of core semiconductor materials, and is expected to share the substantial benefits from the rapid development of cutting-edge technology industries including semiconductors, new energy, high-efficiency storage, and quantum computing.

On 18 July 2025, the Group and China Silver Group Limited (Stock code: 815) (the immediate and ultimate holding company of the Group) (**"China Silver Group"** or **"China Silver Group Limited"**) jointly completed the acquisition of the 55% equity interest in Jiangxi Yiding Trading Co., Ltd. (**"Jiangxi Yiding"**), which in turn holds 100% equity interest in Xizang Shigatse Huaye Mining Development Co., Ltd. (the **"Xizang Shigatse"**). Xizang Shigatse holds an exploration license which grants it the right to conduct general exploration on mineral resources within an area of 50.81 km² in Shigatse, Tibet covered under the exploration license. This mining area is located in the core zone of the Gangdise metallogenic belt. The Gangdise metallogenic belt, situated in south-central Tibet, is a giant metal metallogenic belt formed by the collision of the Indian Plate and the Eurasian Plate on the southern edge of the Qinghai-Tibet Plateau. Geologically, the belt is characterized by intense magmatic activity and tectonic movement, which have led to the formation of abundant polymetallic deposits containing copper, gold, silver, molybdenum, etc. In particular, copper resources are the most prominent and the total copper resource reserves of the belt are comparable to those of the Andes Mountains in South America (the world's largest copper metallogenic belt, accounting for 40% of global copper reserves). The ore bodies are thick, shallowly buried, and of high grade, boasting superior open-pit mining conditions and the associated rich gold and silver resources. The comprehensive value far exceeds that of a single copper mine. Xizang Shigatse is mainly engaged in the exploration of lead-zinc mines.

Fresh Food Retail Segment (classified as discontinued operation)

On 31 December 2021, the Group entered into an investment agreement for investment and control in Jiangsu Nongmuren Electronic Business Corp.* (江蘇農牧人電子商務股份有限公司) (**"Jiangsu Nongmuren"**), which is the developer and operator of the **"農牧人"** (**"Nongmuren"**, meaning farmers and herdsmen) S2B2C platform. The **"Nongmuren"** S2B2C platform, officially launched in May 2021, provides branding and SaaS (software as a service) services to enterprises along the agricultural supply chain as well as small and medium-sized businesses in China. However, the business began to decline seriously due to the fall in pork prices and consumption and the post-pandemic recovery of traditional fresh market, which reshaped the market. Meanwhile, the Group promptly implemented major strategic adjustments, halting the rapid expansion of **"Meat Shopkeeper (肉掌櫃)"** business and shifting its focus to a refined operational model that aims at profitability. In light of the continued decrease in the sales of fresh food in last year, the weakening viability of the business model, limited growth potential and the presence of a willing buyer, on 5 November 2024, the Group signed an equity transfer agreement with the buyer to dispose of its entire 51% equity interest in Shenzhen Xiansheng Zhanguai Technology Co., Ltd.* (深圳鮮生掌櫃科技有限公司) (**"Shenzhen Xiansheng"**), in order for the Group to focus its management's attention and financial and manpower resources on its core businesses of jewellery and metals. The disposal was completed on 13 January 2025 and has recorded a gain on disposal of approximately RMB41.2 million for the period.

MANAGEMENT DISCUSSION AND ANALYSIS

PROSPECTS

Looking ahead, the global capital market will focus on the historic breakthrough of the gold market. Gold mining stocks have been rising steadily, accompanied by the historic surge in precious metals. With the new launch after change of the name from “CSMall” to “Everest Gold”, the Group has officially entered a brand-new “golden age”.

The new acquisition in the first half of the year has also provided the Group with another opportunity to expand its influence in the upstream gold mineral exploration business through the success of such acquisition. By tapping into the growth potential of the Exploration License through the acquisition, together with the progress made in the Lhoka Exploration, the acquisition of two mining companies will promote the Group to expand into upstream mining operations, which confers a greater control over upstream raw material supply that is essential and brings synergy to Everest Gold’s new jewellery retail business. The Group will also continue to proceed with in-depth exploration to ensure the accurate assessment of mineral resources and eventually achieve commercial exploitation.

By expanding its resource reserves, the Group is confident in capturing sustained benefits amid this gold bull market and has already achieved phased results. As a scarce gold resource target listed on the Hong Kong Stock Exchange, the Group, through its strategic transformation, and in particular with the subsequent exploration progress and commercial development of the two mines acquired by the Group this year, is confident in delivering an epic leap for investors, continuing to generate sound returns for shareholders in the future, and establishing itself as a benchmark enterprise in the gold sector.

Meanwhile, the Group’s management will also remain vigilant for uncertainties in the global market while seeking value-adding investment opportunities to create maximum value for shareholders. For instance, with the recent official release of stable coin-related legislation in the United States and Hong Kong, Real-World Assets (“RWA”) have emerged as a global investment hotspot. Gold and precious metals are key categories of underlying assets for future RWA. With the Group’s unique advantages, i.e. being an integrated upstream-downstream player among global listed gold companies, with expertise in operating internet and digital related technology in this space, as well as experience in operating precious metals trading platform (the Group previously wholly owned and operated Shanghai White Platinum & Silver Exchange, China’s largest spot precious metals trading market), the Group is also closely monitoring the development trend of RWA, and does not rule out the possibility of entering the gold and precious metals RWA market at the right time.

FINANCIAL REVIEW

Continuing Operation

Revenue

The revenue of the Group for 1H2025 was approximately RMB236.3 million (1H2024: RMB98.5 million), representing a significant increase of approximately 139.9% from that for 1H2024. The increase was mainly due to significant increase in sales of gold products which represent a significant increase of approximately 1,058.7% compared to that for 1H2024. The revenue was primarily driven by the significant increase in gold price in 1H2025, as well as the active sale of existing inventories with relatively low procurement and/or processing costs. In response, the group shift its sales strategy to focus on gold products, which have a higher profit margins.

MANAGEMENT DISCUSSION AND ANALYSIS

	1H2025		1H2024	
	Revenue RMB'000 (unaudited)	% of revenue (unaudited)	Revenue RMB'000 (unaudited) (restated)	% of revenue (unaudited) (restated)
New Jewellery Retail Segment				
By Products				
- Sales of gold products	145,391	61.5%	12,548	12.7%
- Sales of silver products	90,871	38.4%	83,633	85.0%
- Sales of gem-set and other jewellery products	66	0.1%	527	0.5%
- Sales of colored gemstones	-	-%	1,801	1.8%
	236,328	100.0%	98,509	100.0%
By Sales Channels				
- Online Sales Channels	68,705	29.1%	56,043	56.9%
- Shenzhen Exhibition Hall	167,296	70.8%	42,207	42.8%
- CSmall Shops	327	0.1%	259	0.3%
Total	236,328	100.0%	98,509	100.0%

Cost of Sales

Cost of sales increased from approximately RMB72.0 million for 1H2024 to approximately RMB136.5 million for 1H2025, representing a significant increase of approximately 89.7% mainly due to the significant increase in revenue contributed from the sales of gold products which have a higher cost of sales compared to silver products.

Gross Profit and Gross Profit Margin

We recorded gross profit of approximately RMB99.8 million for 1H2025 (1H2024: RMB26.5 million), representing a significant increase of approximately 276.1% as compared to that for 1H2024 and the gross profit margin significant increased from approximately 26.9% for 1H2024 to approximately 42.2% for 1H2025. The Group's sales of gold products increased significantly in 1H2025, leading to a rise in the overall sales of the Group's in 1H2025. In addition, with the significant increase in gold prices in 1H2025 and most of the gold products sold by the Group in 1H2025 were inventories with relatively low procurement and/or processing costs, the gross profit margin of the Group's sales of gold products increased substantially, resulting in an increase in overall gross profit.

MANAGEMENT DISCUSSION AND ANALYSIS

Other Income, Other Gains and Losses

Other income and other gains and losses mainly include bank interest income and net exchange gains respectively.

Selling and Distribution Expenses

Selling and distribution expenses increased by approximately 19.2% from approximately RMB8.7 million for 1H2024 to approximately RMB10.3 million for 1H2025, mainly due to the increase in sales during the current interim period, which resulted in higher related selling and distribution expenses.

Administrative Expenses

Administrative expenses increased by approximately 240.0% from approximately RMB10.1 million for 1H2024 to approximately RMB34.1 million for 1H2025, mainly due to the share-based payment expenses to its employees of approximately RMB18.5 million and the cost generated from general exploration work from new layout of exploration business.

Income Tax Expense

Income tax expense increased from of approximately RMB1.6 million for 1H2024 to approximately RMB22.6 million for 1H2025 mainly due to the increase in the PRC enterprise income tax charged for the period arising from the increase of sales.

Profit (Loss) for the Period attributable to owners of the Company

For 1H2025, we recorded a profit attributable to owners of the Company of approximately RMB75.3 million (1H2024: loss attributable to owners of approximately RMB11.0 million) representing a significant increase of approximately 785.0% compared to that for 1H2024. Such significant turnaround from net loss to net profit was mainly attributable to the following factor:

- (i) The Group's sales of gold products for 1H2025 increased significantly by approximately 1,058.7% as compared to that for 1H2024. In addition, with the significant increase in gold prices in 1H2025 and most of the gold products sold by the Group in 1H2025 being inventories with relatively low procurement and/or processing costs, the gross profit margin of the Group's sales of gold products increased substantially, resulting in a significant increase in overall gross profit of the New Jewelry Retail segment of approximately 276.1% as compared to that for 1H2024. Thus, the net profit of the New Jewellery Retail segment for 1H2025 recorded a significant increase as compared with that for 1H2024; and
- (ii) The Company completed the disposal of the Fresh Food Retail Segment during the period and generated a gain on disposal of approximately RMB41.2 million for the Group.

The aforementioned factors were partially offset by the following factor:

- (iii) The Group recorded share-based payment expenses of approximately RMB18.5 million (carried at the fair value of the granted share options) in 1H2025 in relation to the grant of share options to its employees.

MANAGEMENT DISCUSSION AND ANALYSIS

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 for the period..

Inventories, Trade Receivables and Trade Payables Turnover Cycle

The Group's inventories mainly comprise silver bars, colored gemstones, jewellery products, gold bars. For 1H2025, inventory turnover days were approximately 1,275 days (for the year ended 31 December 2024: 3,267 days). The decrease in inventory turnover days was primarily due to the increased sales in the New Jewellery Retail segment, which led to faster-moving inventory.

The turnover days for trade receivables for 1H2025 were approximately 69 days (for the year ended 31 December 2024: 130 days). The decrease was mainly due to the decrease in trade receivables with long outstanding during the period.

The turnover day for trade payables for 1H2025 were approximately 36 days (for the year ended 31 December 2024: 85 days). The decrease reflects a faster overall payment cycle during the period, driven by higher business volumes that resulted in cost of sales increasing at a faster rate than average trade payables.

Bank Borrowings

As of 30 June 2025, the Group's bank borrowings balance amounted to approximately RMB88.5 million (as of 31 December 2024: RMB89.0 million), of which approximately RMB80.0 million of bank borrowings was carried at floating interest rate and approximately RMB8.5 million was carried at fixed interest rate (as of 31 December 2024: RMB80.0 million was carried at floating interest rate and RMB9.0 million was carried at fixed interest rate). The bank borrowings would be due for repayment within one year.

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 2025, the Group was in a net cash position with a net gearing ratio of approximately -31.5% (as of 31 December 2024: -26.4%). The net cash position increased as the bank balance and cash increased and bank borrowings decreased during the period.

Capital Expenditures

For 1H2025, the Group's capital expenditure of approximately RMB81.0 million was mainly related to the acquisition of leasehold land and buildings (through acquisition of their holding entities) for new headquarter and a motor vehicle in the PRC. For 1H2024, the Group did not have any capital expenditures.

These expenditures have been funded by internal financial resources, including existing cash and surplus from operations, as well as bank borrowings.

MANAGEMENT DISCUSSION AND ANALYSIS

Capital Commitments

As at 30 June 2025, the capital expenditure of the Group contracted for but not yet provided in the financial statements was RMB3.5 million for the acquisition of associate. As of 31 December 2024, the Group did not incur any capital commitments.

Contingent Liabilities

During the six months ended 30 June 2025, Jiangxi Jiyin Company Limited* (江西吉銀實業有限公司) ("Jiangxi Jiyin"), a subsidiary of the Group, provided a corporate guarantee of RMB250.0 million to Jiangxi Longtianyong Nonferrous Metals Co., Ltd.* (江西龍天勇有色金屬有限公司) ("Jiangxi Longtianyong"), a fellow subsidiary of the Group and a wholly-owned subsidiary of China Silver Group, to obtain a bank borrowing. If Jiangxi Longtianyong fails to repay the bank borrowing based on the borrowing terms in the loan agreement, Jiangxi Jiyin will become liable to compensate such bank accordingly (for the year ended 31 December 2024: RMB250.0 million).

Pledge of Assets

As of 30 June 2025 and 31 December 2024, none of the Group's assets was pledged.

Foreign Exchange Risk

Almost all of the Group's assets, liabilities, revenues, costs and expenses were denominated in RMB. As a result, the management believes that foreign exchange exposure of the Group is minimal and confirms no foreign exchange hedging arrangement has been made.

Employees

As of 30 June 2025, the Group employed 117 staff members (as of 31 December 2024: 123 staff members) and the total remuneration for 1H2025 amounted to approximately RMB6.9 million (1H2024: RMB7.4 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. The Company has adopted share option scheme as incentives for eligible employees, details of which are set out in the paragraph headed "Share Option Scheme" below.

Liquidity and Financial Resources

The Group maintained a healthy liquidity position during 1H2025. During 1H2025 and 1H2024, the Group was principally financed by internal resources and bank borrowings. During 1H2025, 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 2025, the bank balances and cash, net current assets, and total assets less current liabilities were approximately RMB532.2 million (as of 31 December 2024: RMB429.3 million), RMB1,306.2 million (as of 31 December 2024: RMB1,267.9 million) and RMB1,408.1 million (as of 31 December 2024: RMB1,288.5 million), respectively.

MANAGEMENT DISCUSSION AND ANALYSIS



Interim Dividend

The board of directors (individually, a “**Director**”, or collectively, the “**Board**” or the “**Directors**”) has resolved not to declare an interim dividend for 1H2025 (1H2024: nil).

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

On 13 January 2025, the Group completed the disposal of 51% equity interest of Shenzhen Xiansheng, which controls the operation of Jiangsu Nongmuren and being one of the Group’s operating segments, namely the Fresh Food Retail segment. Further details of the disposal are set out in the announcements published on 5 November 2024 and 15 January 2025.

During the Reporting Period, Jiangxi Jiyin Company Limited* (江西吉銀實業有限公司) (“**Jiangxi Jiyin**”), an indirect wholly-owned subsidiary of the Group, entered into an equity transfer agreement on 17 June 2025 with Jiangxi Yincai Trading Co., Ltd.* (江西銀彩貿易有限公司) (“**Jiangxi Yincai**”), an independent third party of the Group, to purchase certain equity interest in Jiangxi Yiding. Such transaction was completed after the Reporting Period. For details, please refer to the section headed “Significant Event After the Reporting Period” below.

Except for the disposal of Fresh Food Retail segment and the transaction mentioned in “Significant Event After the Reporting Period”, the Group did not hold any significant investment nor carry out any material acquisition and disposal of subsidiaries, associates or joint ventures during the Reporting Period, nor was there any future plan for other material investment or capital assets as at 30 June 2025.

Significant Event After the Reporting Period

On 17 June 2025, Jiangxi Jiyin (the “**Purchaser**”) entered into an equity transfer agreement with Jiangxi Yincai (the “**Vendor**”), pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, 35% equity interest in Jiangxi Yiding (the “**Target Company**”) for a total consideration of RMB3,500,000.

The Target Company is a company incorporated in the PRC with limited liability. The Target Company held 100% equity interest in Xizang Shigatse, a company incorporated in the PRC with limited liability. Xizang Shigatse is principally engaged in the exploration of lead and zinc mines. Further details of the transaction are set out in the announcements published on 17 June 2025 and 26 June 2025. The transaction was completed on 18 July 2025.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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

As of 30 June 2025, 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	1.72%
Mr. Qian Pengcheng ⁽³⁾	Interest in controlled corporation	14,500,000	1.17%

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 2025, 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 2025, 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	Beneficial owner	500,000,033	40.39%
Mr. Yao Runxiong (姚潤雄)	Beneficial owner	100,000,000	8.08%

Notes:

(1) All interests are long positions.

Except as disclosed above, as of 30 June 2025, 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 2025 are as follows:

Name	Date of grant	Exercise price per share	Exercise period	Outstanding as of 1 January 2025	Granted during the period	Lapsed during the period	Exercised during the period	Outstanding as of 30 June 2025
Employees								
In aggregate	31 March 2025	HK\$1.33	31 March 2026 – 30 March 2035	-	123,780,000	-	-	123,780,000

Notes:

1. The closing price per Share immediately before 31 March 2025 (being the date of grant) was HK\$1.32.
2. The above share options granted shall all vest on the 1st anniversary of 31 March 2025 (being the date of grant).
3. 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.
4. For further details, please refer to the Company's announcement dated 31 March 2025 for the grant of share options.

As at 1 January 2025, no share option or award is available for grant as the Company has only adopted the Share Option Scheme on 27 March 2025. As at 30 June 2025, the number of share options available for future grant under the existing scheme mandate limit of the Share Option Scheme is 7,504.

During 1H2025, under the Share Option Scheme, no share option was vested, exercised, cancelled or lapsed, and the total number of Shares available for issue is 123,780,000, representing approximately 10.0% of the weighted average number of Shares in issue for the six months ended 30 June 2025 (i.e. 1,237,875,040 Shares).

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 1H2025, the Company had complied with the code provisions under the CG Code except for code provision C.2.1.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted 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 1H2025.

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 during 1H2025.

AUDITOR

Moore Stephens CPA Limited resigned as auditor of the Company and Linksfield CPA Limited was appointed as auditor of the Company, both with effect from 19 January 2023. Please refer to the announcement of the Company dated 19 January 2023 for further details.

Save as disclosed above, 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.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The Audit Committee has reviewed the financial reporting processes, risk management and internal control systems, the unaudited condensed consolidated financial statements for 1H2025 of the Group and this interim report. The Audit Committee is of the opinion that these unaudited condensed consolidated financial statements had complied with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures had 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), Mr. Yu Leung Fai and Mr. Zhang Zuhui, with the latter two 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.

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 2024 annual report.

On behalf of the Board

Chen He

Chairman

Hong Kong, 26 August 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Notes	Six months ended 30 June	
		2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited) (Restated)
Continuing operation			
Revenue	5	236,328	98,509
Cost of sales		(136,495)	(71,962)
Gross profit		99,833	26,547
Other income, net		1,222	596
Other gains and (losses), net		213	(194)
Selling and distribution expenses		(10,326)	(8,662)
Administrative expenses		(34,074)	(10,135)
Reversal of (provision for) impairment loss under expected credit loss model, net	13	1,577	(2,908)
Finance costs		(2,755)	(2,373)
Profit before income tax		55,690	2,871
Income tax expense	6	(22,597)	(1,608)
Profit for the period from continuing operation	7	33,093	1,263
Discontinued operation			
Loss for the period from discontinued operation	14	–	(15,888)
Gain on disposal of subsidiaries	14	41,246	–
Profit (loss) and total comprehensive income (expense) for the period		74,339	(14,625)
Profit (loss) and total comprehensive income (expense) for the period attributable to:			
Owners of the Company		75,254	(10,986)
Non-controlling interests		(915)	(3,639)
		74,339	(14,625)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Six months ended 30 June	
	Note	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited) (Restated)
Profit (loss) for the period attributable to Owners of the Company arises from:			
Continuing operation		34,008	1,263
Discontinued operation		41,246	(12,249)
		75,254	(10,986)
Earnings (loss) per share	9	RMB	RMB
For continuing and discontinued operations			
Basic		0.061	(0.009)
Diluted		N/A	N/A
For continuing operation			
Basic		0.027	0.001
Diluted		N/A	N/A

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	83,979	7,424
Goodwill	11	–	–
Right-of-use assets	10	3,107	3,314
Intangible assets	10	11,000	5,469
Deferred tax assets		3,826	4,376
		101,912	20,583
CURRENT ASSETS			
Inventories		929,074	973,502
Trade and other receivables	12	164,929	93,158
Amount due from immediate holding company	21	19,338	17,286
Amount due from a fellow subsidiary	21	17,280	15,038
Income tax recoverable		166	736
Bank balances and cash		532,186	429,290
Assets of a disposal group classified as held for sale	14	–	29,890
		1,662,973	1,558,900
CURRENT LIABILITIES			
Trade and other payables	15	215,667	72,639
Amounts due to fellow subsidiaries	21	2,290	2,346
Amounts due to related companies	21	8,492	8,495
Amount due to a non-controlling interest	16	9,875	6,396
Lease liabilities – current portion		337	336
Contract liabilities		1,732	5,577
Income tax payable		29,928	8,501
Bank borrowings	17	88,500	89,000
Liabilities directly associated with assets classified as held for sale	14	–	97,732
		356,821	291,022
NET CURRENT ASSETS		1,306,152	1,267,878
TOTAL ASSETS LESS CURRENT LIABILITIES		1,408,064	1,288,461
CAPITAL AND RESERVES			
Share capital	19	842	842
Share premium and reserves		1,406,256	1,312,459
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE COMPANY		1,407,098	1,313,301
Non-controlling interests		937	(25,044)
TOTAL EQUITY		1,408,035	1,288,257
NON-CURRENT LIABILITY			
Lease liabilities – non-current portion		29	204
		29	204
TOTAL EQUITY AND NON-CURRENT LIABILITY		1,408,064	1,288,461

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	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 ii)	Share option reserve RMB'000	Statutory reserve RMB'000 (Note iii)	Exchange reserve RMB'000	Retained profits RMB'000	Sub-total RMB'000		
At 1 January 2024 (audited)	842	858,158	325,850	1,935	-	25,902	8	123,793	1,336,488	(9,178)	1,327,310
Loss and total comprehensive expense for the period	-	-	-	-	-	-	-	(10,986)	(10,986)	(3,639)	(14,625)
At 30 June 2024 (unaudited)	842	858,158	325,850	1,935	-	25,902	8	112,807	1,325,502	(12,817)	1,312,685
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 20)	-	-	-	-	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 14)	-	-	-	-	-	-	-	-	-	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

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) The other reserve represents the difference of (a) the consideration of RMB235,469,000 received of Pre-IPO investors for the issued shares of CS Mall Group Limited BVI ("CS Mall Group BVI"), a subsidiary of the Group, during the Reorganisation; and (b) the net asset value of CS Mall Group BVI at the date of acquisition by the Company, amounted to RMB233,534,000 during the Reorganisation.
- (iii) 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 2025

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Cash flows from operating activities		
Profit (loss) before income tax from:		
Continuing operation	55,690	2,871
Discontinued operation	41,246	(15,985)
Profit (loss) before income tax including discontinued operation	96,936	(13,114)
Adjustments for non-cash transactions and items associated with investing or financing activities	(17,509)	21,053
Operating cash flows before movements in working capital	79,427	7,939
Decrease in inventories	44,428	5,404
Increase in trade and other receivables	(150,064)	(13,859)
Increase in trade and other payables	142,802	24,570
Other working capital movements	(3,845)	(1,636)
Cash generated from operations	112,748	22,418
Income tax paid	(164)	-
Net cash generated from operating activities	112,584	22,418
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,191)	-
Additions on intangible asset	(5,531)	-
Advance to immediate holding company	(2,059)	(949)
Repayment from immediate holding company	7	-
Advance to a fellow subsidiary	(2,262)	(9,541)
Repayment from a fellow subsidiary	20	-
Interest income received	710	544
Net cash inflows from acquisition of subsidiaries	315	-
Net cash outflows on disposal of subsidiaries	(174)	-
Net cash used in investing activities	(10,165)	(9,946)
Cash flows from financing activities		
Proceeds from bank borrowings	88,500	5,000
Repayment of bank borrowings	(89,000)	-
Advance from a non-controlling interest	5,155	506
Repayment to a non-controlling interest	(1,676)	(41)
Repayment to fellow subsidiaries	(56)	(226)
Repayment to a related company	(3)	(400)
Interest paid	(2,743)	(2,590)
Repayment of lease liabilities	(174)	(2,765)
Net cash generated from (used in) financing activities	3	(516)
Net increase in cash and cash equivalents	102,422	11,956
Cash and cash equivalents at 1 January	429,764	419,510
Cash and cash equivalents at 30 June	532,186	431,466

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

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 on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

Pursuant to a special resolution passed by the shareholders at the extraordinary general meeting of the Company held on 27 March 2025, the English name of the Company was changed from “CSMall Group Limited” to “Mount Everest Gold Group Company Limited” and the dual foreign name in Chinese of the Company was changed from “金貓銀貓集團有限公司” to “珠峰黃金集團有限公司”. The change of name was made effective from 29 April 2025.

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 (the “Equity Transfer Agreement”) with Shanghai Xinding Metallic Materials Co., Ltd* (上海鑫鼎金屬材料有限公司) (“Shanghai Xinding”) to dispose of the Group’s entire 51% equity interest in Shenzhen Xiansheng, together with its subsidiaries, the “Nongmuren Group” or the “Disposal Group”) to Shanghai Xinding at a consideration of RMB300,000. The transaction was completed on 13 January 2025. Accordingly, the financial results of the Disposal Group are presented in the condensed consolidated income statement and condensed consolidated statement of cash flows as “Discontinued Operation” in accordance with IFRS 5 “Non-current Assets Held for Sales and Discontinued Operations”. Comparative figures for the period ended 30 June 2024 have also been restated.

* The English name is for identification purpose only.

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 International Financial Reporting Standards (“IFRSs”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2024.

Application of amendments to IFRSs

In the current interim period, the Group has applied the following amendments to IFRSs issued by the IASB, for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2025 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to IAS 21

Lack of Exchangeability

The application of the amendments to IFRSs 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025



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 the end of the reporting period.

4 SEGMENT INFORMATION

The Group has one operating and reportable segment (2024: two segments). Management determines the operating segment based on the information reported to the Group's chief operating decision makers ("CODMs") (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 CODMs assess the operating performance and allocate 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 the next pages does not include any amounts for the discontinued operation, which are described in more detail in Note 14.

(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 2025 and 2024 are generated in the PRC.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

5 REVENUE

Disaggregation of revenue from contracts with customers

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited) (Restated)
Continuing operation		
By products		
New Jewellery Retail segment		
- Sales of gold products	145,391	12,548
- Sales of silver products	90,871	83,633
- Sales of gem-set and other jewellery products	66	527
- Sales of colored gemstones	-	1,801
Total	236,328	98,509

All of the revenue was recognised at a point in time during the six months ended 30 June 2025 and 2024.

6 INCOME TAX EXPENSE

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited) (Restated)
Continuing operation		
PRC Enterprise Income Tax ("EIT")		
- current period	22,047	2,557
Deferred tax	550	(949)
	22,597	1,608

The Group had no assessable profits subject to 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025



7 PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited) (Restated)
Continuing operation		
Profit for the period has been arrived at after charging (crediting):		
Cost of inventories recognised as expenses (included in cost of sales)	136,495	71,962
Depreciation of property, plant and equipment	1,821	1,750
Depreciation of right-of-use assets	206	1,510
Bank interest income	(710)	(544)
Net exchange (gain) loss	(213)	295
Write off of leasehold improvement	2,710	-
Expenses on short-term leases in respect of office premises and retail shops	1,902	83
Share-based payment expenses	18,543	-

8 DIVIDENDS

No dividends were paid, declared or proposed for the ordinary shareholders of the Company during the current interim period (six months ended 30 June 2024: nil). The directors of the Company have determined that no dividend will be paid in respect of both interim periods.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

9 EARNINGS (LOSS) PER SHARE

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

	Six months ended 30 June	
	2025 (unaudited)	2024 (unaudited) (Restated)
Profit (loss)		
Profit for the period attributable to owners of the Company from continuing operation for the purpose of basic earnings per share (RMB'000)	34,008	1,263
Profit (loss) for the period attributable to owners of the Company from discontinued operation for the purpose of basic earnings (loss) per share (RMB'000)	41,246	(12,249)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share (in thousand)	1,237,875	1,237,875

No diluted earnings (loss) per share for the six months ended 30 June 2025 and 2024 is presented as there were no potential dilutive shares in issue for both periods.

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

During the current interim period, 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 (six months ended 30 June 2024: the Group did not acquire any new property, plant and equipment). Please refer to Note 18 for details of acquisition of subsidiaries.

During the current interim period, the Group wrote off of certain leasehold improvements with a carrying amount of RMB2,710,000 following the termination of the related lease (six months ended 30 June 2024: the Group did not dispose or write off of any property, plant and equipment).

During the current interim period, additions to intangible assets consists of the capitalisation of exploration rights of RMB5,531,000 (six months ended 30 June 2024: the Group did not acquire any intangible assets).

The Group did not dispose of any intangible assets during six months ended 30 June 2025 and 2024.

The Group did not enter into any new lease agreement during six months ended 30 June 2025 and 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025



11 GOODWILL

	RMB'000
Cost	
As at 1 January 2024	12,476
Reclassified as held for sale (Note 14)	(12,476)
As at 31 December 2024, 1 January 2025 and 30 June 2025	–
Impairment	
As at 1 January 2024, 31 December 2024, 1 January 2025 and 30 June 2025	–
Carrying values	
As at 30 June 2025	–
As at 31 December 2024	–

Goodwill from acquisition of Jiangsu Nongmuren Electronic Business Corp.* (江蘇農牧人電子商務股份有限公司) (“**Jiangsu Nongmuren**”) was allocated to the Group’s CGU of integrated online-and-offline sales of fresh food in the PRC. The goodwill has been reclassified to the assets of a disposal group classified as held for sale during the year ended 31 December 2024.

* The English name is for identification purpose only.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

12 TRADE AND OTHER RECEIVABLES

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Trade receivables for contracts with customers	138,956	73,529
Less: allowance for expected credit losses in respect of trade receivables	(16,813)	(18,390)
	122,143	55,139
Other receivables, deposits and prepayments	28,085	24,528
Prepayments to suppliers	353	6,126
Value-added tax ("VAT") recoverable	14,247	6,572
Refundable rental deposits	101	793
	164,929	93,158

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

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 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
0-30 days	119,247	45,660
31-60 days	296	744
61-90 days	51	305
Over 90 days	2,549	8,430
	122,143	55,139

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 2025 and 2024 are set out in Note 13.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025



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

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited) (Restated)
Continuing operation		
Reversal of (provision for) impairment loss recognised of trade receivables, net	1,577	(2,908)

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 2025, are the same as those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2024.

14 DISCONTINUED OPERATION

On 5 November 2024, Shenzhen Guojintongbao entered into an Equity Transfer Agreement with an independent third party in relation to the disposal of the entire equity interest of an indirect non-wholly-owned subsidiary, Shenzhen Xiansheng, 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. The comparative figures in the condensed consolidated statement of profit or loss and other comprehensive income have been restated to represent the fresh food retail segment as a discontinued operation.

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. Financial information related to the fresh food retail segment for the six months ended 30 June 2024, which has been included in the condensed consolidated statement of profit or loss and other comprehensive income, is as follows:

(a) Financial performance and cash flow information

	1 January 2025 to 13 January 2025 RMB'000 (unaudited)	Six months ended 30 June 2024 RMB'000 (unaudited)
Loss for the period from discontinued operation	–	(15,888)
Gain on disposal of subsidiaries (Note 14b)	41,246	–
Profit (loss) for the period from discontinued operation	41,246	(15,888)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

14 DISCONTINUED OPERATION (continued)

(a) Financial performance and cash flow information (continued)

	Six months ended 30 June 2024 RMB'000 (unaudited)
Revenue	2,248
Cost of sales and services provided	(2,088)
Gross profit	160
Selling and distribution expenses	(3,702)
Administrative expenses	(567)
Provision for impairment loss under expected credit loss model, net	(3,155)
Impairment loss on goodwill	(8,504)
Finance costs	(217)
Loss before income tax	(15,985)
Income tax credit	97
Loss for the period from discontinued operation	(15,888)
Loss and total comprehensive expense for the period attributable to:	
Owners of the Company	(12,249)
Non-controlling interests	(3,639)
	(15,888)
Loss for the period from discontinued operation includes the following:	
Other staff costs:	
– Salaries and other allowances	3,544
– Retirement benefit scheme contributions	381
Total staff costs	3,925
Amortisation of intangible assets	387
Cost of inventories and services recognised as expenses (including in cost of sales and services provided)	2,088
Depreciation of property, plant and equipment	31
Depreciation of right-of-use assets	762

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025



14 DISCONTINUED OPERATION (continued)

(a) Financial performance and cash flow information (continued)

	For the six months ended 30 June 2024 RMB'000 (unaudited)
Cash flows from discontinued operation:	
Net cash outflows from operating activities	(4,388)
Net cash inflows from financing activities	4,245
Net decrease in cash and cash equivalents in the discontinued operation	(143)

The following assets and liabilities were reclassified as held for sale in relation to the discontinued operation as at 31 December 2024:

	31 December 2024 RMB'000 (audited)
Assets classified as held for sale	
Property, plant and equipment	407
Right-of-use assets	1,362
Goodwill	3,972
Intangible assets	4,647
Investment in associates	12
Inventories	556
Trade and other receivables	18,460
Bank balances and cash	474
Total assets of Disposal Group held for sale	29,890
Liabilities directly associated with assets classified as held for sale	
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
Total liabilities of Disposal Group held for sale	97,732

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

14 DISCONTINUED OPERATION (continued)

(b) Details of the disposal of subsidiaries

	RMB'000 (unaudited)
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 (unaudited)
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
Investment 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)

	RMB'000 (unaudited)
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 (Note 14a)	41,246

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025



14 DISCONTINUED OPERATION (continued)

(b) Details of the disposal of subsidiaries (continued)

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

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

15 TRADE AND OTHER PAYABLES

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Trade payables (Note i)	32,953	20,456
Other payables and accrued expenses (Note ii)	133,606	26,473
VAT and other tax payables	41,695	18,297
Provision for termination of assignment contracts (Note iii)	7,413	7,413
	215,667	72,639

Notes:

- (i) Included in the balance amounting to RMB17,340,000 (31 December 2024: RMB1,102,000) is payable to a fellow subsidiary of the Group, Jiangxi Longtianyong.
- (ii) Included in the balance amounting to RMB80,000,000 is the consideration payable for the acquisition of subsidiaries. Details are set out in Note 18.
- (iii) 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 2025, 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 2024: RMB7,413,000).

* The English name is for identification purpose only.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

15 TRADE AND OTHER PAYABLES (continued)

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 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
0-30 days	5,223	4,211
31-60 days	2,314	9
61-90 days	3,533	14
Over 90 days	21,883	16,222
	32,953	20,456

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

16 AMOUNT DUE TO A NON-CONTROLLING INTEREST

As at 30 June 2025 and 31 December 2024, the amount due to a non-controlling interest was non-trade in nature, unsecured, interest-free and repayable on demand.

17 BANK BORROWINGS

The total banking facility granted to the Group amounted to RMB88,500,000 (31 December 2024: RMB105,200,000) of which RMB88,500,000 (31 December 2024: RMB89,000,000) were utilised as at 30 June 2025.

As at 30 June 2025, bank borrowings are secured and/or guaranteed by (i) personal guarantee from a director of China Silver Group, Mr. Chen Wantian and his spouse; (ii) personal guarantee from a director of the Company, Mr. Qian Pengcheng; (iii) corporate guarantee and certain assets of a supplier and independent third parties; (iv) personal guarantee from directors of a subsidiary and a fellow subsidiary; (v) corporate guarantee from a fellow subsidiary; and (vi) personal guarantee from independent third parties (31 December 2024: (i) personal guarantee from a director of China Silver Group, Mr. Chen Wantian and his spouse; (ii) personal guarantee from a director of the Company, Mr. Qian Pengcheng; (iii) corporate guarantee and certain assets of a supplier and independent third parties; and (iv) corporate guarantee from a fellow subsidiary).

Bank borrowings of RMB8,500,000 as at 30 June 2025 (31 December 2024: RMB9,000,000) carry interest at fixed rates of 3.75% (31 December 2024: 4.25%) per annum and RMB80,000,000 (31 December 2024: RMB80,000,000) carry interest at loan prime rate plus 1.70% (31 December 2024: 1.85%) per annum.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025



18 ACQUISITION OF SUBSIDIARIES ACCOUNTED FOR AS AN ASSET ACQUISITION

On 25 May 2025, ShenZhen Guoyintongbao Limited* (深圳國銀通寶有限公司) (the “**Purchaser**”), an indirect wholly-owned subsidiary of the Group, entered into an equity transfer agreement with Shenzhen Xinjia Jewelry Co., Ltd.* (深圳市信嘉珠寶有限公司) and Shenzhen Guangshunjia Jewelry Co., Ltd.* (深圳市廣順嘉珠寶有限公司) (collectively the “**Vendors**”), pursuant to which the Vendors agreed to sell, and the Purchaser agreed to purchase, 100% equity interest in Shenzhen Heqingde Investment Development Co., Ltd.* (深圳市和清德投資發展有限公司), Shenzhen Derunsheng Investment Co., Ltd.* (深圳市德潤生投資有限公司), Shenzhen Heshunle Investment Co., Ltd.* (深圳市和順樂投資有限公司) and Shenzhen Jiadebao Investment Co., Ltd.* (深圳市佳德堡投資有限公司) (collectively the “**Target Companies**”) for a total consideration of RMB80,000,000.

The Group completed the acquisition of the Target Companies on the same day. The acquisition was undertaken to obtain leasehold land and buildings for use as office for the Group’s future business development. Given the nature of the assets acquired, the transaction has been accounted for as an acquisition of assets.

The identifiable assets and liabilities arising from this transaction are as follows:

	RMB'000 (unaudited)
Leasehold land and buildings	79,895
Other receivables	130
Bank balances and cash	315
Other payables	(340)
Purchase consideration payable	80,000
Net cash inflow arising on acquisition	
	RMB'000 (unaudited)
Bank balances and cash acquired	315

* The English name is for identification purpose only.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

19 SHARE CAPITAL

	Number of shares	Share Capital	
		US\$	RMB'000
Ordinary share of US\$0.0001 each:			
Authorised:			
At 1 January 2024, 30 June 2024,			
31 December 2024, 1 January 2025 and 30 June 2025	3,000,000,000	300,000	2,062
Issued:			
At 1 January 2024, 30 June 2024,			
31 December 2024, 1 January 2025 and 30 June 2025	1,237,875,040	123,787	842

20 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 in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

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 2025

20 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 10.00% of the shares of the Company in issue at 30 June 2025.

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 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 period ended 30 June 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 prices of the Company's shares immediately before 31 March 2025 was HK\$1.32.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

20 SHARE OPTION SCHEME (continued)

i) The Scheme (continued)

- c) The estimated fair values of the options granted on 31 March 2025 amounted to RMB73,363,000. These fair values were calculated using the Binomial model. The inputs into the model were as follows:

	Six months ended 30 June 2025
Weighted average share price	HK\$1.32
Exercise price	HK\$1.33
Expected volatility	85.52%
Expected life	10 years
Risk-free rate	3.23%
Expected dividend yield	0.00%

Expected volatility was determined by using the historical volatility of the Company's comparables over the previous 10 years. The expected life used in the model has been developed based on management's best estimate of the effects of non-transferability, exercise restrictions and behavioural considerations.

- d) The Group recognised the total expense of RMB18,543,000 (for the period ended 30 June 2024: nil) for the period ended 30 June 2025 in relation to share options granted by the Company under the Scheme.

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

21 RELATED PARTY DISCLOSURES

(i) Related party transactions and balances

- (a) Saved as disclosed elsewhere in the condensed consolidated financial statements, 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	
			2025	2024
			RMB'000 (unaudited)	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 fellow subsidiary of the Group and a subsidiary of China Silver Group Limited (Note)	Interest expenses on leases liabilities Repayments of lease liabilities Purchase of silver ingots	- - 15,805	5 300 1,104

Note: China Silver Group Limited is the immediate and ultimate holding company of the Group.

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- (b) The amount due from immediate holding company, amount due from a fellow subsidiary, amounts due to fellow subsidiaries and amounts due to related companies as at 30 June 2025 and 31 December 2024 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	
	2025	2024
	RMB'000 (unaudited)	RMB'000 (unaudited) (restated)
Salaries and other allowances	852	542
Retirement benefits schemes contributions	33	23
	885	565

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

22 CONTINGENT LIABILITY

During the six months ended 30 June 2025, 江西吉銀實業有限公司, a subsidiary of the Group, provided a corporate guarantee of RMB250,000,000 to Jiangxi Longtianyong, a fellow subsidiary of the Group and a subsidiary of China Silver Group Limited, to obtain a bank borrowing. If Jiangxi Longtianyong fails to repay the bank borrowing based on the borrowing terms in the borrowing agreement, 江西吉銀實業有限公司 will become liable to compensate such bank accordingly (for the year ended 31 December 2024: RMB250,000,000).

23 CAPITAL COMMITMENTS

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of acquisition of associates	3,500	-

24 EVENT AFTER THE REPORTING PERIOD

On 17 June 2025, Jiangxi Jiyin Company Limited* (江西吉銀實業有限公司) (the **"Purchaser"**), an indirect wholly-owned subsidiary of the Group, entered into an equity transfer agreement with Jiangxi Yincui Trading Co., Ltd.* (江西銀彩貿易有限公司) (the **"Vendor"**), an independent third party of the Group, pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, 35% equity interest in Jiangxi Yiding Trading Co., Ltd.* (江西藝鼎貿易有限公司) (the **"Target Company"**) for a total consideration of RMB3,500,000.

The Target Company is a company incorporated in the PRC with limited liability. The Target Company held 100% equity interest in Xizang Shigatse Huaye Mining Development Co., Ltd.* (西藏日喀則市華冶礦業開發有限責任公司) (**"Xizang Shigatse"**), a company incorporated in the PRC with limited liability. Xizang Shigatse is principally engaged in the exploration of lead and zinc mines. Further details of the transaction are set out in the announcements published on 17 June 2025 and 26 June 2025. The transaction was completed on 18 July 2025.

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