



中國白銀集團
CHINA SILVER GROUP

中國白銀集團有限公司

China Silver Group Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 815

INTERIM REPORT 2025

Leading Fully-Integrated Silver, Gold,
Palladium and Precious Metals Enterprise in China



CONTENTS

Corporate Information	2
Financial Highlights	3
Our Milestones	4
Selected Brands and Products	5
Management Discussion and Analysis	6
Corporate Governance and Other Information	19
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	25
Condensed Consolidated Statement of Financial Position	27
Condensed Consolidated Statement of Changes in Equity	29
Condensed Consolidated Statement of Cash Flows	30
Notes to the Condensed Consolidated Financial Statements	31



CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Chen Wantian (陳萬天)
Song Guosheng (宋國生)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Song Hongbing (宋鴻兵)
Song Fangxiu (宋芳秀)
Zeng Yilong (曾一龍)

AUDIT COMMITTEE

Zeng Yilong (Chairman)
Song Fangxiu
Song Hongbing

REMUNERATION COMMITTEE

Song Fangxiu (Chairman)
Chen Wantian
Song Hongbing

NOMINATION COMMITTEE

Chen Wantian (Chairman)
Song Fangxiu
Song Hongbing

COMPANY SECRETARY

Chan Hon To (陳瀚濤), HKICPA FCCA

AUTHORISED REPRESENTATIVES

Chen Wantian
Chan Hon To

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

HEADQUARTERS IN THE PRC

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

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.chinasilver.hk

PLACE OF LISTING AND STOCK CODE

The Stock Exchange of Hong Kong Limited
815

PRINCIPAL BANKERS

Bank of Ganzhou
Agricultural Bank of China

AUDITOR

Linksfield 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)

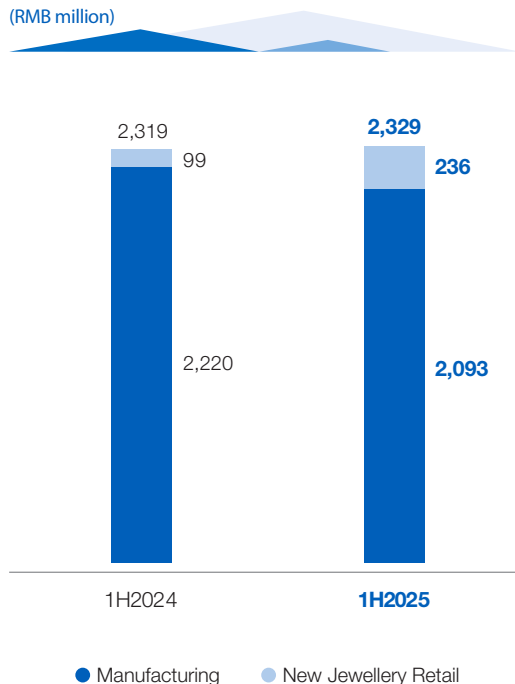
LEGAL ADVISORS

Hong Kong law:
Sullivan & Cromwell (Hong Kong) LLP

FINANCIAL HIGHLIGHTS

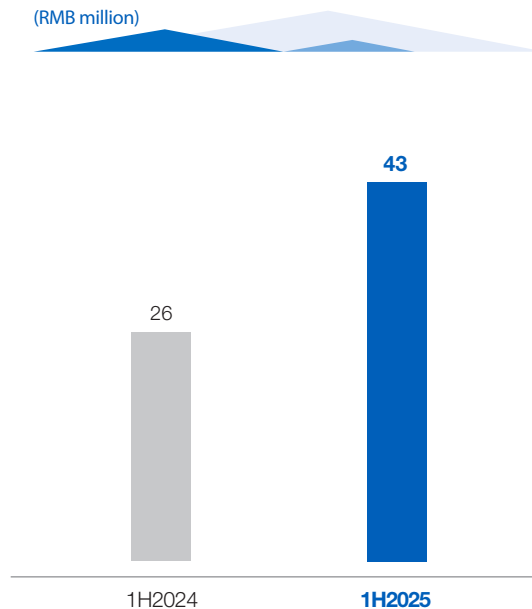
Revenue from continuing operations

(RMB million)



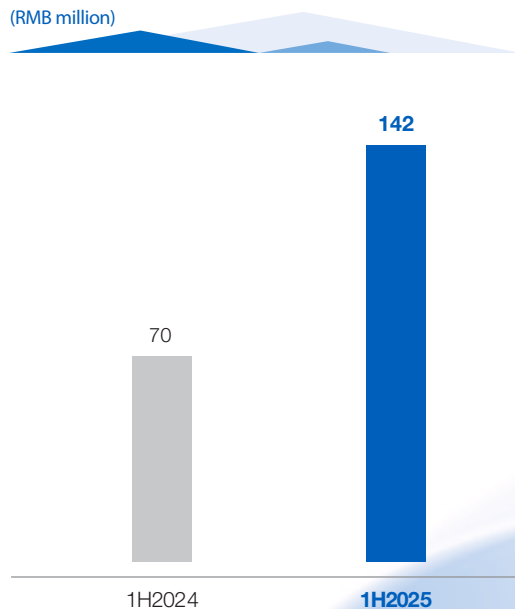
Profit attributable to Owners of the Company from continuing operations

(RMB million)



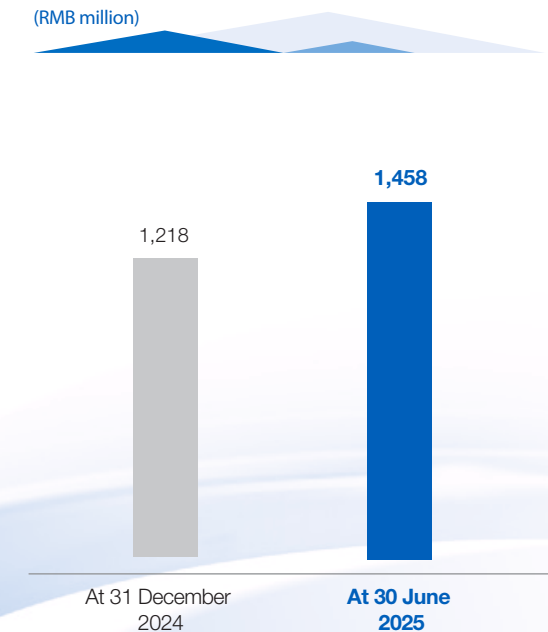
Gross profit

(RMB million)



Net Assets

(RMB million)



OUR MILESTONES

▶ 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, PRC

▶ JAN 2025

Disposal of Fresh Food Retail segment

▶ 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, PRC

▶ 2023

Disposed of Silver Exchange Business

▶ 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 agricultural products in the PRC

▶ 2019

Fully transformed into a leading fully integrated silver, gold, palladium and precious metals enterprise in the People's Republic of China ("PRC")

▶ MAR 2018

Spin-off listing of Mount Everest Gold Group Company Limited (formerly known as CSMall Group Limited) (Stock code: 1815) ("**Everest Gold Group**")

▶ 2016

Acquired Silver Exchange Business

▶ 2014

Developed New Jewellery Retail Business

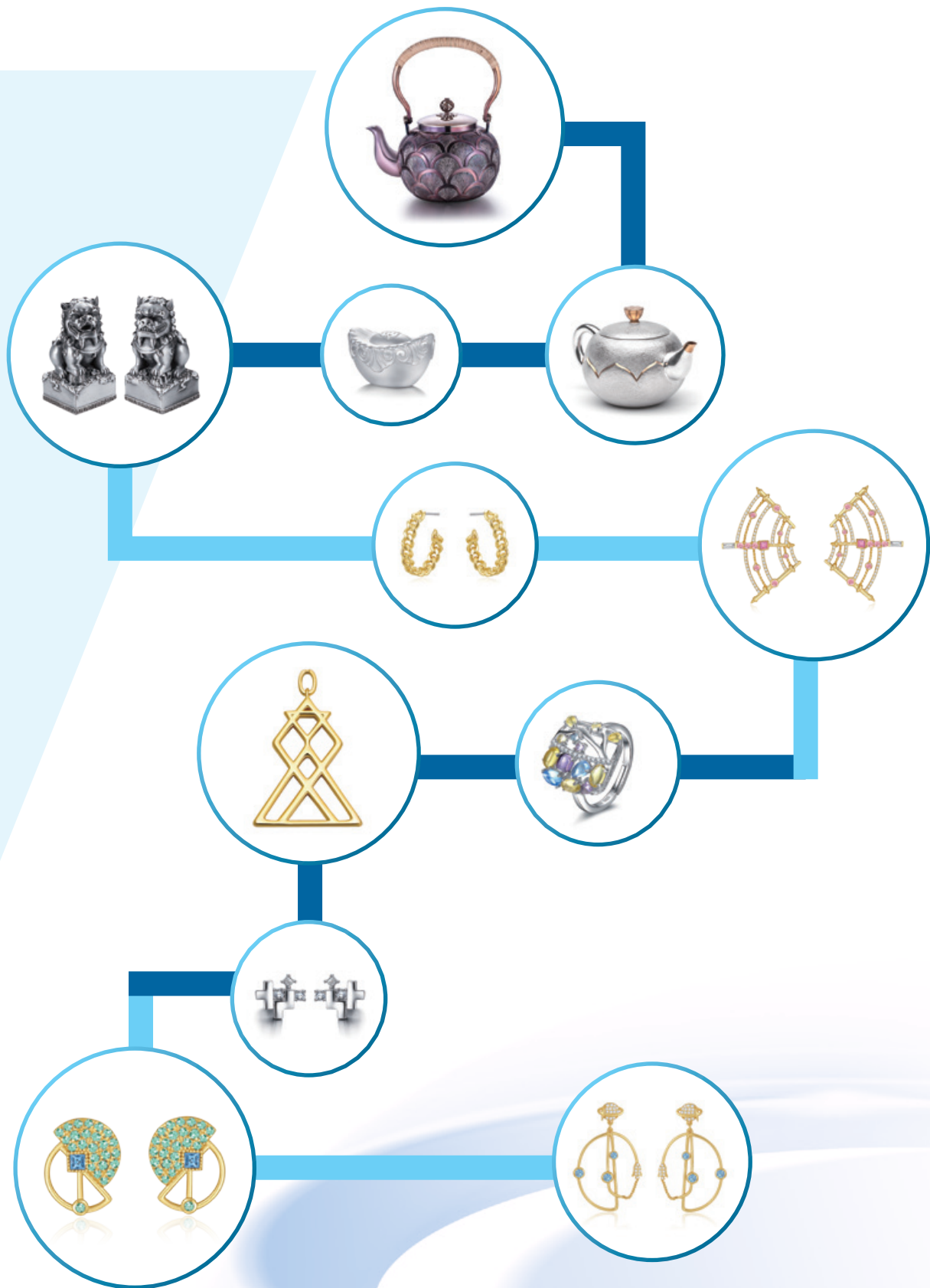
▶ 2012

Listing in Hong Kong

▶ 2002

Silver Manufacturing

SELECTED BRANDS AND PRODUCTS



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2025, intensified macroeconomic uncertainty, geopolitical volatility, and escalating trade tensions significantly heightened demand for precious metals among consumers and investors. According to quotes from the London Bullion Market Association (LBMA), the price of gold rose from approximately US\$2,000 per fine troy ounce in January 2024 to approximately US\$3,300 per fine troy ounce by June 2025 while silver prices increased from approximately US\$24 per troy ounce in January 2024 to approximately US\$36 per troy ounce by June 2025. With the strong upward momentum in gold price, the precious metals market has also entered a phase of unprecedented prosperity.

In order to benefit from this wave of substantial appreciation, the Group proactively adjusted its commercial strategy to shift its focus to gold. On 26 June 2025, the Group and Everest Gold Group, a non-wholly-owned subsidiary of the Company, jointly acquired a total of 55% equity interest in Jiangxi Yiding Trading Co., Ltd. (“**Jiangxi Yiding**”) which holds 100% equity interest in Xizang Shigatse Huaye Mining Development Co., Ltd. (the “**Xizang Shigatse**”), so as to expand the Group’s upstream operation and further enhance the Company’s scale of resources.

In respect of the New Jewellery Retail segment, by fulfilling customer orders through existing low-cost gold inventories, the gold products generated greater profits. This strategic pivot, combined with heightened consumer focus on gold’s safe-haven and capital-appreciation attributes, drove exceptional performance in our New Jewellery Retail segment. The segment achieved significant improvement as compared to the six months ended 30 June 2024 (“**1H2024**”).

In the six months ended 30 June 2025 (“**1H2025**”), the Group had two business segments, including (i) Manufacturing segment, i.e. manufacturing, sales and trading of silver ingots, palladium and other non-ferrous metals in the PRC; and (ii) New Jewellery Retail segment operated under Everest Gold Group, i.e. designing and sales of gold, silver, colored gemstones and gem-set and other jewellery products in the PRC.

For 1H2025, profit for the period from continuing operations was approximately RMB62.8 million (1H2024: RMB26.2 million), representing a significant increase of approximately 139.8% compared to that for 1H2024.

The Group recorded a net profit attributable to owners of the Company of approximately RMB54.9 million for 1H2025, representing a significant increase of approximately 167.1% as compared to 1H2024 of approximately RMB20.6 million.

MANAGEMENT DISCUSSION AND ANALYSIS

The year-on-year significant increase in net profit is mainly attributable to the following factors:

- (i) The New Jewellery Retail segment of the Group (operated by Everest Gold Group) recorded a significant increase of approximately 1,058.7% in sales of gold products in 1H2025, 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 this segment increased substantially, resulting in a significant increase in gross profit of the New Jewellery Retail segment as compared to that for 1H2024. Thus, the overall gross profit of the segment for 1H2025 recorded a significant increase of approximately 103.0% as compared with that for 1H2024; and
- (ii) The Group completed the disposal of its Fresh Food Retail segment (originally operated by Everest Gold Group) on 13 January 2025, and the relevant disposal generated a gain of approximately RMB11.5 million (upon distribution of relevant gain to non-controlling interests) 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 by Everest Gold Group to its employees.

Manufacturing Segment

The Group's Manufacturing segment focuses on the manufacturing of high-grade silver ingots for industrial and trading purposes and is one of the leading silver producers in the PRC. Meanwhile, the Group applied a proprietary production model to manufacture high-quality silver ingots, palladium and the metal by-products derived therefrom.

For 1H2025, the Group's Manufacturing segment generated external sales of approximately RMB2,093.4 million, representing a decrease of approximately 5.7% or approximately RMB127.1 million as compared to approximately RMB2,220.5 million for 1H2024. For both periods, all revenue was contributed by sales of silver ingots. The profit of the Manufacturing segment decreased by approximately 6.3% or approximately RMB2.5 million from approximately RMB39.0 million for 1H2024 to approximately RMB36.5 million for 1H2025. The decrease in segment profit was along with the decline in revenue.

MANAGEMENT DISCUSSION AND ANALYSIS

New Jewellery Retail Segment Operated under Everest Gold Group (Stock Code: 1815)

Since 2014, we have diversified from the traditional Manufacturing segment to the downstream New Jewellery Retail segment which is now operated under our non-wholly-owned subsidiary Everest Gold Group. Apart from leveraging our strength and resources in the upstream business, Everest Gold Group has optimised its sales and marketing strategies since 2018 and gradually shifted its focus to high-margin silver jewellery products.

For 1H2025, the New Jewellery Retail segment of Everest Gold Group recorded external sales of approximately RMB236.3 million, representing a significant increase of approximately 139.9% or approximately RMB137.8 million as compared to approximately RMB98.5 million for 1H2024. External sales revenue accounted for approximately 10.1% (1H2024: 4.2%) of the Group's total revenue. With surged increase in revenue, the New Jewellery Retail segment recorded a significant profit improvement, reaching a segment result of approximately RMB58.2 million compared to approximately RMB5.4 million in 1H2024. The substantial increase in segment result was primarily driven by the active sale of existing inventories, notably existing low-cost gold inventories. This positive impact was partially offset by share-based payment expenses of approximately RMB18.5 million recognised during 1H2025.

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 witnessed 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 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. The sales strategy of the New Jewellery Retail segment is primarily focused on gold and silver, supplemented by gemstones and jewellery. Additionally, the Group's original core businesses of gold, silver and jewellery businesses also achieved sound performance results in 1H2025.

As consumption recovers, we will seek more 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 Everest Gold Group 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 the 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 domestic lab-grown diamond manufacturers 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, our third-party online platforms 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 of 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 seen 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 to expand 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.



MANAGEMENT DISCUSSION AND ANALYSIS

Development of Exploration Business

Tibet has long been regarded as one of the regions with the richest resources in the PRC, and is particularly renowned for its abundant reserves of copper, gold and other non-ferrous metals. Its superior geological conditions and enormous undeveloped 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 acquisition of 51% equity interest in Jiangxi Letong New Materials Co., Ltd. ("**Jiangxi Letong**") which 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 Reporting Period, in January 2025, the Group was pleased to announce the results of the completion of the 2025 General Exploration Report and the Review Opinion. According to the General Exploration Report and the Review Opinion, Tibet Longtianyong discovered certain gold mineralized zones in 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 approximately 20 to 25 tonnes of gold, displaying potential for a large-scale gold mine.

As further exploration progressed, by the end of March 2025, the exploration phase of the mineral exploration right had been upgraded from "general exploration" to "detailed exploration". The area of exploration will also be changed to 22.8246km² from 28.88km². The Tibet Review Centre recently further approved the detailed exploration implementation plan (the "**Detailed Exploration Implementation Plan**") submitted by Tibet Longtianyong 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 characterised by the coexistence of gold and antimony (Sb). As a key semiconductor material, antimony plays an irreplaceable role in the application of semiconductor technologies in cutting-edge fields such as infrared detection, high-efficiency storage, energy utilisation, 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.

MANAGEMENT DISCUSSION AND ANALYSIS

On 18 July 2025, the Group and Everest Gold Group jointly completed the acquisition of the 55% equity interest in Jiangxi Yiding which holds 100% equity interest in Xizang Shigatse. Xizang Shigatse is mainly engaged in the exploration of lead-zinc mines. 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, the PRC 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.

Fresh Food Retail Segment Operated under Everest Gold Group (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 decline 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 the 1H2024, the weakening viability of the business model, limited growth potential and the presence of a willing buyer, on 5 November 2024, Shenzhen Guojintongbao Company Limited* (深圳國金通寶有限公司) (being a wholly-owned subsidiary of the Everest Gold Group and a non-wholly-owned subsidiary of the Group) signed an equity transfer agreement with the buyer to dispose of its entire 51% equity interest in Shenzhen Xiansheng Zhanggui Technology Co., Ltd.* (深圳鮮生掌櫃科技有限公司) (which constituted the Fresh Food Retail segment of the Group), 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 RMB11.5 million for the period.

MANAGEMENT DISCUSSION AND ANALYSIS

Prospects

Looking ahead to 2025, uncertainties in the global macroeconomy are expected to persist. The ongoing geopolitical conflicts and the divergent directions of monetary policies among major economies may all exacerbate market volatility. Against this backdrop, the dual demand for precious metals both as traditional safe-haven assets and for industrial applications will continue to grow, which provides a solid market foundation for the Group's core business.

With the completion of the divestiture of the Fresh Food Retail segment, the Group will focus more on operation of its core businesses of gold, silver and jewellery businesses and continuously optimize its business structure. We will strive to create a more stable and sustainable revenue stream for shareholders by enhancing product research and development and innovation as well as expanding diversified channels. It is expected that the resilient performance of precious metal prices will help maintain the gross profit margin of the Group's production and sales of precious metals at a healthy level.

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 acquisition of Jiangxi Letong and Jiangxi Yiding as well as the exploration license with the potential to prospect for mineral resources, together with the subsequent progress in exploration and commercial development, 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.

The Group will continue to proactively seek opportunities to expand its upstream business, with a view to enhancing its control over the supply chain. The acquisition of Jiangxi Letong and Jiangxi Yiding has further strengthened the Group's layout in the upstream mineral resource sector, generating significant synergies with its existing business.

The New Jewellery Retail segment of Everest Gold Group will continue to implement its sales strategy of focus on gold and silver, supplemented by gemstones and jewellery. Meanwhile, it will proactively review the market expansion of its lab-grown diamond brand SISI, to explore new growth drivers for the Group.

Meanwhile, while remaining vigilant about global market uncertainties, the Group's management is also proactively seeking value-adding investment opportunities. 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.

We firmly believe that by further optimizing the layout of upstream resources and product structure, these strategic initiatives will bring long-term competitive advantages to the Group and further consolidate its leading position in the industry. While the external environment remains complex and volatile, based on the market's structural demand for precious metals and the Group's increasingly improved industrial chain layout, the management maintains a cautiously optimistic outlook on the business prospects for 2025. We will adhere to a prudent operation strategy, leverage the synergistic advantages of the full industrial chain, and seize market opportunities, to continue to create maximum value for shareholders and drive the Group toward a higher level of development.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Continuing operations

Revenue

The revenue of the Group for 1H2025 was approximately RMB2,329.7 million (1H2024: RMB2,319.0 million), representing an increase of approximately 0.5% from that of 1H2024.

	1H2025		1H2024	
	Revenue RMB'000 (unaudited)	% of revenue (unaudited)	Revenue RMB'000 (unaudited) (Restated)	% of revenue (unaudited) (Restated)
Continuing operations				
Manufacturing segment				
Sale of silver ingots	2,093,384	89.9%	2,220,488	95.8%
Segments operated under Everest Gold Group				
New Jewellery Retail segment				
Sale of gold, silver, colored gemstones and gem-set and other jewellery products	236,328	10.1%	98,509	4.2%
Total	2,329,712	100.0%	2,318,997	100.0%

Manufacturing segment

External sales of silver ingot reduced from approximately RMB2,220.5 million for 1H2024 to approximately RMB2,093.4 million for 1H2025, representing a decrease of approximately 5.7% from that of 1H2024.

New Jewellery Retail segment operated under Everest Gold Group

During 1H2025, the New Jewellery Retail segment under Everest Gold Group recorded sales of approximately RMB236.3 million (1H2024: RMB98.5 million), representing a significant increase of approximately 139.9% as compared to 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 margin.

MANAGEMENT DISCUSSION AND ANALYSIS

Cost of Sales

Our cost of sales is comprised of two segments, being:

- (i) cost of sales in Manufacturing segment, mainly represented by the cost of raw materials consumed, purchase cost of silver, direct labor costs and manufacturing overhead in the manufacturing process. Cost of raw materials consumed and purchase cost of silver accounted for over 90% of cost of sales in the Manufacturing segment. The purchase cost of raw materials is determined by the content levels of silver at market prices at the time of purchase; and
- (ii) cost of sales in New Jewellery Retail segment operated under Everest Gold Group, mainly represents cost of materials used for the production of gold, silver and jewellery products. Except for silver, other materials like gold, amber and diamond are sourced from independent third parties.

During 1H2025, the Group recorded cost of sales of approximately RMB2,187.7 million (1H2024: RMB2,249.0 million), representing a decrease of approximately 2.7%. The decline in the Group's overall cost of sales was primarily attributable to strategic inventory utilisation within the New Jewellery Retail segment. By fulfilling customer orders utilising existing gold inventories, which are recorded at lower values of cost, rather than procuring at higher current market prices, the Group achieved significant cost efficiencies.

Gross Profit and Gross Profit Margin

The Group recorded gross profit of approximately RMB142.0 million for 1H2025 (1H2024: RMB70.0 million), representing a significant increase of approximately 103.0% as compared to that for 1H2024, and the overall gross profit margin increased from approximately 3.0% for 1H2024 to approximately 6.1% for 1H2025. The increase in the overall gross profit margin was mainly due to the New Jewellery Retail segment of the Group recorded a significant increase in sales of gold products in 1H2025, leading to a rise in the overall sales of this segment in 1H2025. Most of the gold products sold by this segment in 1H2025 were inventory products with relatively low procurement and/or processing costs and together with the significant increase in gold prices in 1H2025, the gross profit margin of this segment increased substantially, resulting in an increase in the segment's overall gross profit.

Selling and Distribution Expenses

Selling and distribution expenses increased by approximately 32.9% from approximately RMB9.0 million for 1H2024 to approximately RMB11.9 million for 1H2025, mainly contributed by from the New Jewellery Retail segment, which the significant increase in sales of gold products resulted in higher related selling and distribution expenses.

Administrative Expenses

Administrative expenses increased by approximately 108.1% from approximately RMB19.9 million for 1H2024 to approximately RMB41.4 million for 1H2025. The increase was primarily due to share-based payment expenses of approximately RMB18.5 million incurred by Everest Gold Group.

MANAGEMENT DISCUSSION AND ANALYSIS

Income Tax Expense

Income tax expense increased from approximately RMB2.0 million for 1H2024 to approximately RMB22.7 million for 1H2025 was mainly due to increase in provision for PRC Enterprise Income Tax from the New Jewellery Retail segment.

Profit Attributable to Owners of the Company

Overall, the profit attributable to the Owners of the Company arises from continuing operations amounted to approximately RMB43.4 million for 1H2025 (1H2024: RMB25.5 million) representing an increase of approximately RMB17.9 million, or 70.4%. This increase was primarily driven by the increase in overall revenue and profitability which was driven by the reasons described above.

Discontinued operation

As disclosed in the Company's announcements dated 5 November 2024 and 15 January 2025, after considering various factors unfavorable to the operation and development of the Jiangsu Nongmuren platform which gradually emerged, 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 has decided to dispose of the Nongmuren Group, the disposal was completed on 13 January 2025 and recorded a gain on disposal of approximately RMB11.5 million.

Inventories, Trade Receivables and Trade Payables Turnover Cycle

The Group's inventories mainly comprise silver bars, colored gemstones, jewellery products and gold bars. For 1H2025, inventory turnover days were approximately 91.8 days (for the year ended 31 December 2024: 95.5 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 7.0 days (for the year ended 31 December 2024: 4.7 days). The increase in turnover days for trade receivables was primarily attributed to the New Jewellery Retail segment which inherently exhibits a longer turnover rate than the Manufacturing segment due to its business nature, the increased sales in New Jewellery Retail segment in the period has resulted in an increase in the overall turnover days for trade receivables for the Group.

The turnover days for trade payables for 1H2025 were approximately 2.2 days (for the year ended 31 December 2024: 3.1 days). New Jewellery Retail segment which inherently exhibits a shorter turnover rate than the Manufacturing segment due to its business nature, the increased sales in New Jewellery Retail segment in the period has resulted in a decrease in the overall turnover days for trade payables for the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

Bank and other borrowings

As of 30 June 2025, the Group's bank and other borrowings balance amounted to approximately RMB263.5 million (as of 31 December 2024: RMB400.9 million). The amounts are secured by: (i) corporate guarantee and certain assets of the Group's subsidiaries; (ii) personal guarantee by Mr. Chen Wantian and Ms. Zhou Peizhen; (iii) personal guarantee, corporate guarantee and certain assets of a supplier and independent third parties; and will be due for repayment within one year.

Among them, approximately RMB112.0 million (as of 31 December 2024: RMB281.0 million) was carried at fixed interest rates, and approximately RMB151.5 million (as of 31 December 2024: RMB119.9 million) was carried at floating interest rates.

The Group's net gearing ratio was calculated on the basis of total bank and other 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 -25.4% (as of 31 December 2024: -10.3%).

Pledge of Assets

At the end of the reporting period, assets with the following carrying amounts were pledged to secure the bills payables and bank borrowings.

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
– Property, plant and equipment	47,134	49,948
– Leasehold land (included in right-of-use assets)	14,938	15,155
– Pledged bank deposits	19,500	39,800
	81,572	104,903

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.

Capital Expenditures

For 1H2025, the Group acquired a motor vehicle of approximately RMB1.1 million and leasehold land and buildings (through acquisition of subsidiaries) of approximately RMB79.9 million for new headquarter in PRC (1H2024: nil). Please refer to Note 19 to the condensed consolidated financial statements for details of acquisition of subsidiaries.

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

Capital Commitments

As at 30 June 2025, the capital expenditure of the Group contracted for but not yet provided in the financial statements was approximately RMB5.5 million for the acquisition of non-wholly-owned subsidiaries. As of 31 December 2024, the Group did not have any capital commitments.

MANAGEMENT DISCUSSION AND ANALYSIS

Contingent Liabilities

As of 30 June 2025 and 31 December 2024, the Group did not have any contingent liabilities.

Employees

As of 30 June 2025, the Group employed 173 staff members (as of 31 December 2024: 178 staff members) and the total remuneration for 1H2025 amounted to approximately RMB10.8 million (1H2024: RMB12.4 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 schemes as incentives for eligible employees, details of which are set out in the paragraph headed "Share Schemes" 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 and other borrowings. During 1H2025, the Group's principal financing instruments comprised bank balances and cash, pledged bank deposits, trade and other receivables, trade, bills and other payables, and bank and other borrowings. As of 30 June 2025, the bank balances and cash, net current assets, and total assets less current liabilities were approximately RMB633.8 million (as of 31 December 2024: RMB526.3 million), RMB1,253.6 million (as of 31 December 2024: RMB1,090.4 million) and RMB1,459.4 million (as of 31 December 2024: RMB1,220.1 million), respectively.

Interim Dividend

The Board 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 Zhanggui Technology Co., Ltd.* (深圳鮮生掌櫃科技有限公司), 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 Company's announcements published on 5 November 2024 and 15 January 2025.

During the Reporting Period, subsidiaries of the Company and Everest Gold Group jointly entered into an equity transfer agreement 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 above, 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.

MANAGEMENT DISCUSSION AND ANALYSIS

Significant Event After the Reporting Period

On 17 June 2025, subsidiaries of the Company and Everest Gold Group jointly entered into an equity transfer agreement to acquire 55% of Jiangxi Yiding which holds 100% equity interests in Xizang Shigatse. A wholly owned subsidiary of the Company and a wholly owned subsidiary of Everest Gold Group (i.e. non-wholly-owned subsidiary of the Company) agreed to hold 20% and 35% equity interest of Jiangxi Yiding respectively. Further details of the transaction are set out in the Company's announcements published on 17 June 2025 and 26 June 2025. The acquisition has been completed on 18 July 2025.

On 14 July 2025, the Company entered into eight Subscription Agreements with eight Subscribers respectively pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 460,000,000 subscription shares at the subscription price of HK\$0.45 per Share. The closing price per Share as quoted on the Stock Exchange on 14 July 2025, being the date of the eight Subscription Agreements, was HK\$0.56. As of the date of this report, completion of Subscription Agreement A, B and C and partial completion of Subscription Agreement H (collectively, "**Completion of Certain Subscriptions**") took place on 17 September 2025 in accordance with the terms and conditions of each of the relevant subscription agreements. An aggregate of 136,668,000 Shares, comprising all Shares to be subscribed under Subscription Agreement A, B and C and 26,668,000 Shares to be subscribed under Subscription Agreement H, have been issued to the relevant subscribers at the subscription price of HK\$0.45 per Share. For the remaining subscription of an aggregate of 323,332,000 Shares under Subscription Agreement D, E, F, G and H, completion is expected to take place in accordance with the terms and conditions of each of the relevant Subscription Agreements. For further details, please refer to the Company's announcement dated 17 September 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:

(i) Interests in Shares of the Company

Name of Director	Capacity/Nature of interest	Number of Shares ¹	Approximate percentage of interest in our Company
Mr. Chen Wantian	Beneficiary of a trust ²	308,222,187	13.16%
	Beneficial interest ²	1,050,000	0.04%
Mr. Song Guosheng	Beneficial interest ³	456,797	0.02%

Notes:

- All interests are long positions.
- Mr. Chen Wantian is deemed to be interested in 308,222,187 Shares owned by Rich Union Enterprises Limited as his spouse, Ms. Zhou Peizhen, owns the entire issued share capital of Rich Union Enterprises Limited. The entire issued share capital of Rich Union Enterprises Limited has been transferred from Mr. Chen Wantian to his spouse, Ms. Zhou Peizhen, on 19 June 2023. Ms. Zhou Peizhen has declared that all such Shares are held in trust for the benefit of Mr. Chen Wantian. Further, Mr. Chen Wantian is the beneficial owner of 1,050,000 Shares.
- Mr. Song Guosheng is the beneficial owner of 456,797 Shares.

(ii) Interests in shares of Everest Gold, an associated corporation of the Company

Name of Director	Capacity/Nature of interest	Number of Shares ¹	Approximate percentage of interest in Everest Gold
Mr. Chen Wantian	Beneficiary of a trust ²	10,462,036	0.85%
	Beneficial interest ²	17,500	0.00%

Notes:

- All interests are long positions.
- Mr. Chen Wantian is deemed to be interested in 10,462,036 shares of Everest Gold owned by Rich Union Enterprises Limited as his spouse, Ms. Zhou Peizhen, owns the entire issued share capital of Rich Union Enterprises Limited. The entire issued share capital of Rich Union Enterprises Limited has been transferred from Mr. Chen Wantian to his spouse, Ms. Zhou Peizhen, on 19 June 2023. Ms. Zhou Peizhen has declared that all such Shares are held in trust for the benefit of Mr. Chen Wantian. Further, Mr. Chen Wantian is the beneficial owner of 17,500 shares of Everest Gold.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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.

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.

Interests in Shares of the Company

Name of shareholder	Capacity/Nature of interest	Number of Shares ¹	Approximate percentage of interest in our Company
Ms. Zhou Peizhen (周佩珍)	Interest in controlled corporation ²	308,222,187	13.16%
	Interest of spouse ²	1,050,000	0.04%

Notes:

- All interests are long positions.
- The entire issued share capital of Rich Union Enterprises Limited has been transferred from Mr. Chen Wantian to his spouse, Ms. Zhou Peizhen, on 19 June 2023. Ms. Zhou Peizhen has declared that all such Shares are held in trust for the benefit of Mr. Chen Wantian. Further, Mr. Chen Wantian is the beneficial owner of 1,050,000 Shares.

Save 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.

SHARE SCHEMES

The Company previously adopted a share option scheme on 5 December 2012 (the "2012 Scheme") and 21 April 2015 (the "2015 Scheme"; together with the 2012 Scheme, the "Share Option Schemes") respectively for the purpose of rewarding participants who have contributed to our Group and to encourage participants to work towards enhancing the value of our Group. The Share Option Schemes have respectively expired on 5 December 2022 and 21 April 2025. Further details of the Share Option Schemes are set out in Note 21 to the condensed consolidated financial statements.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Details of the movement of the share options granted under the 2012 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	Lapsed during the period	Exercised during the period	Outstanding as of 30 June 2025
Employees							
In aggregate	2 January 2015	HK\$1.80	2 January 2016 – 1 January 2025	44,800,000	(44,800,000)	–	–
				44,800,000	(44,800,000)	–	–

Details of the movement of the share options granted under the 2015 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	Lapsed during the period	Exercised during the period	Outstanding as of 30 June 2025
Employees							
In aggregate	27 August 2015	HK\$1.97	27 August 2016 – 26 August 2025	81,000,000	–	–	81,000,000
				81,000,000	–	–	81,000,000

As at 1 January 2025, the number of share options available for grant under the scheme mandate limit under the 2015 Scheme is 51,059,658. As at 30 June 2025, no share option is available for future grant under the 2015 Scheme as the 2015 Scheme has expired on 21 April 2025. No share option was granted, exercised or cancelled under the 2015 Scheme during 1H2025 and all share options granted under the 2015 Scheme have lapsed as at the date of this report.

On 18 June 2025, the Company adopted Share Award Scheme (the “2025 Scheme”). The purposes of the 2025 Scheme are to reward and incentivize 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. During the six months ended 30 June 2025, no share award was granted, vested, cancelled or lapsed under the 2025 Scheme.

During the six months ended 30 June 2025, the total number of Shares that may be issued in respect of the options and awards granted under all schemes of the Company (which solely consisted of Shares that may be issued in respect of the share options granted under the 2015 Scheme) was 81,000,000, representing approximately 3.46% of the weighted average number of Shares in issue for the six months ended 30 June 2025 (i.e. 2,342,125,559 Shares).

Notes:

- The closing price per Share immediately before 2 January 2015 and 27 August 2015 (the dates on which the share options were granted) was HK\$1.80 and HK\$1.87 respectively.
- Share options granted under the 2012 Scheme on 2 January 2015 are exercisable during the period from 2 January 2016 to 1 January 2025 in three batches, being:
 - 2 January 2016 to 1 January 2025 (up to 30% of the share options granted are exercisable)
 - 2 January 2017 to 1 January 2025 (up to 60% of the share options granted are exercisable)
 - 2 January 2018 to 1 January 2025 (all share options granted are exercisable)
- Share options granted under the 2015 Scheme on 27 August 2015 are exercisable during the period from 27 August 2016 to 26 August 2025 in two batches, being:
 - 27 August 2016 to 26 August 2025 (up to 50% of the share options granted are exercisable)
 - 27 August 2017 to 26 August 2025 (all share options granted are exercisable)

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 two 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 the following deviations:

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Following the resignation of Mr. Sung Kin Man, former chief executive officer of the Company, on 1 January 2019, Mr. Chen Wantian has served as both the chairman and the chief executive officer of the Company. 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.

Mr. Chen Wantian has been leading the Group for many years since he joined the Group in 2012. 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 Wantian 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.

MODEL CODE FOR 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 1H2025.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during 1H2025.

CORPORATE GOVERNANCE AND OTHER INFORMATION

ISSUE OF NEW SHARES UNDER GENERAL MANDATE

The Company has conducted the following equity fundraising activities during 1H2025:

Date of Announcement(s)	Completion Date	Event	Net Proceeds	Intended use of proceeds	Actual use of proceeds as of 30 June 2025
20 and 28 January 2025 *unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in these announcements.	28 January 2025	Loan capitalisation involving issue of (i) 129,516,934 new Shares to Journey Grace Limited ("Journey Grace") and (ii) 258,527,919 new Shares to Medal Chains Internet Technology Group Limited (金鏈網絡科技集團有限公司) ("Medal Chains") (such new Shares, collectively, "Subscription Shares") under general mandate granted to the Directors at the annual general meeting of the Company held on 14 June 2024, pursuant to the respective completion of Journey Grace Subscription Agreement and Medal Chains Subscription Agreement, both dated 20 January 2025. The subscription price and the closing price as at the date of the relevant subscription agreements for such Subscription Shares is HK\$0.252 and HK\$0.285 per Share respectively. The aggregate nominal value of such Subscription Shares is HK\$3,880,448.53.	No proceeds arising from the allotment and issue of the subscription shares	To offset two loans respectively owed by Jiangxi Longtianyong Nonferrous Metals Co., Ltd.* (江西龍天勇有色金屬有限公司), an indirect wholly-owned subsidiary of the Company, comprising (i) the Shanghai Ougen Loan with the outstanding principal amount and interest accrued amounted to RMB30,223,416.44 (equivalent to approximately HK\$32,638,267.41 pursuant to Journey Grace Subscription Agreement) and (ii) the Shanghai Qimao Loan with the outstanding principal amount and interest accrued amounted to RMB60,328,767.12 (equivalent to approximately HK\$65,149,035.62 pursuant to Medal Chains Subscription Agreement), which shall all be deemed to have been fully repaid	Used as intended

For the issue of new Shares after the reporting period under general mandate granted to the Directors at the annual general meeting of the Company held on 18 June 2025 pursuant to the eight Subscription Agreements entered into by the Company with eight Subscribers respectively on 14 July 2025, please refer to the section headed "Significant Event After the Reporting Period" below.

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 all three independent non-executive Directors namely, Dr. Zeng Yilong (Chairman), Ms. Song Fangxiu and Mr. Song Hongbing. 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 and the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025 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 Wantian (Chairman), Ms. Song Fangxiu and Mr. Song Hongbing, 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 Ms. Song Fangxiu (Chairman), Mr. Chen Wantian and Mr. Song Hongbing, among whom Ms. Song Fangxiu and Mr. Song Hongbing 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 Wantian

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 operations			
Revenue	5	2,329,712	2,318,997
Cost of sales		(2,187,674)	(2,249,028)
Gross profit		142,038	69,969
Other income, net		2,028	3,184
Other gains and (losses), net		2,241	(1,337)
Selling and distribution expenses		(11,943)	(8,984)
Administrative expenses		(41,407)	(19,897)
Research and development expenses		(378)	(403)
Reversal of (provision for) impairment loss under expected credit loss model, net	13	1,577	(2,908)
Finance costs		(8,662)	(11,462)
Profit before income tax		85,494	28,162
Income tax expense	6	(22,689)	(1,972)
Profit for the period from continuing operations	7	62,805	26,190
Discontinued operation			
Loss for the period from discontinued operation	15	–	(15,888)
Gain on disposal of subsidiaries	15	11,465	–
Profit and total comprehensive income for the period		74,270	10,302
Profit (loss) and total comprehensive income (expense) for the period attributable to:			
Owners of the Company		54,911	20,556
Non-controlling interests		19,359	(10,254)
		74,270	10,302

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Note	Six months ended 30 June	
		2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited) (Restated)
Profit (loss) for the period attributable to Owners of the Company arises from:			
Continuing operations		43,446	25,503
Discontinued operation		11,465	(4,947)
		54,911	20,556
Earnings per share	9	RMB	RMB
For continuing and discontinued operations			
Basic		0.02	0.01
Diluted		0.02	0.01
For continuing operations			
Basic		0.02	0.01
Diluted		0.02	0.01

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	170,375	98,915
Goodwill	11	–	–
Right-of-use assets	10	18,914	19,057
Intangible assets	10	12,166	6,796
Refundable rental deposits	12	55	–
Deferred tax assets		4,290	4,932
		205,800	129,700
CURRENT ASSETS			
Inventories		1,083,295	1,111,866
Trade and other receivables	12	178,369	140,542
Income tax recoverable		165	736
Pledged bank deposits	14	19,500	39,800
Bank balances and cash		633,775	526,342
Assets of a disposal group classified as held for sale	15	–	29,890
		1,915,104	1,849,176
CURRENT LIABILITIES			
Trade, bills and other payables	16	280,105	198,200
Amount due to a non-controlling interest	17	9,875	6,396
Amount due to the ultimate shareholder	17	74,719	40,010
Lease liabilities – current portion		978	699
Contract liabilities		1,732	5,577
Deferred income		714	714
Income tax payable		29,928	8,501
Bank and other borrowings	18	263,500	400,921
Liabilities directly associated with assets classified as held for sale	15	–	97,732
		661,551	758,750
NET CURRENT ASSETS		1,253,553	1,090,426
TOTAL ASSETS LESS CURRENT LIABILITIES		1,459,353	1,220,126

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
CAPITAL AND RESERVES			
Share capital	20	19,528	15,935
Share premium and reserves		587,051	445,502
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE COMPANY		606,579	461,437
Non-controlling interests		851,490	756,911
TOTAL EQUITY		1,458,069	1,218,348
NON-CURRENT LIABILITIES			
Lease liabilities – non-current portion		272	409
Deferred income		1,012	1,369
		1,284	1,778
TOTAL EQUITY AND NON-CURRENT LIABILITIES		1,459,353	1,220,126

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Attributable to owners of the Company							Sub-total	Attributable to non-controlling interests	Total equity
	Share capital RMB'000	Share premium RMB'000	Share options reserve RMB'000	Capital reserve RMB'000 (note i)	Statutory reserve RMB'000 (note ii)	Exchange reserve RMB'000	Retained profits (accumulated losses) RMB'000			
At 1 January 2024 (audited)	15,935	1,255,434	89,330	129,731	214,306	(2,736)	(1,250,529)	451,471	786,629	1,238,100
Total comprehensive income (expense) for the period	-	-	-	-	-	-	20,556	20,556	(10,254)	10,302
At 30 June 2024 (unaudited)	15,935	1,255,434	89,330	129,731	214,306	(2,736)	(1,229,973)	472,027	776,375	1,248,402
At 1 January 2025 (audited)	15,935	1,255,434	67,871	129,731	214,637	(2,736)	(1,219,435)	461,437	756,911	1,218,348
Issue of new shares (note iii)	3,593	86,638	-	-	-	-	-	90,231	-	90,231
Share-based payments expenses from non-wholly owned subsidiary (note iv)	-	-	-	-	-	-	-	-	18,543	18,543
Lapse of share options	-	-	(25,449)	-	-	-	25,449	-	-	-
Disposal of discontinued operation	-	-	-	-	-	-	-	-	56,677	56,677
Total comprehensive income for the period	-	-	-	-	-	-	54,911	54,911	19,359	74,270
At 30 June 2025 (unaudited)	19,528	1,342,072	42,422	129,731	214,637	(2,736)	(1,139,075)	606,579	851,490	1,458,069

Notes:

- (i) The capital reserve represents the sum of (a) RMB31,487,000 being the excess of the consideration paid by an independent investor to acquire 10% interest in the Group over the par value of the share capital subscribed; (b) RMB654,000 being the excess of the share capital of a subsidiary acquired by the Company over the nominal consideration of US\$1 paid, as part of the group reorganisation prior to the listing of the Company's shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 28 December 2012; (c) RMB115,029,000 and RMB54,303,000 being the difference between the increase in the non-controlling interests and the consideration received from the disposal of partial interests in CSMall Group Limited BVI in 2016 and 2017, respectively; (d) RMB18,000 being the difference between the increase in the non-controlling interests and the consideration received from the increase of partial interest in Yongfeng County Tongsheng Consulting Services Co., Ltd.* (永豐縣通盛顧問服務股份有限公司) ("Tongsheng") in 2017; (e) a negative amount of RMB74,692,000 being the difference between the increase in the non-controlling interests and the net proceeds received from the initial listing of shares in a Group's subsidiary, Mount Everest Gold Group Company Limited (formerly known as CSMall Group Limited) ("Everest Gold") in March 2018; and (f) the decrease of RMB4,671,000 and the increase of RMB7,603,000 being the shortfall of RMB83,008,000 of the share-based payment expense paid by Everest Gold and excess of the proceeds of RMB136,780,000 received from a strategic investor of Everest Gold, respectively, over the increase in the carrying amounts of non-controlling interests as a result of share issuance.
- (ii) According to the relevant laws of the People's Republic of China (the "PRC"), the Company'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.
- (iii) During the period ended 30 June 2025, the Company issue an aggregate of 388,044,853 new shares to two investors. Details are set out in Note 20.
- (iv) Everest Gold, a non-wholly owned subsidiary of the Group has adopted a share option scheme on 27 March 2025 as incentive to eligible employees. The number of shares in respect of which options had been granted and remained outstanding under the Scheme was 123,780,000 as at 30 June 2025.

* The English name is for identification purpose only.

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) (Restated)
Cash flows from operating activities		
Profit before income tax from:		
Continuing operations	85,494	28,162
Discontinued operation	11,465	(15,985)
Profit before income tax including discontinued operation	96,959	12,177
Adjustments for non-cash transactions and items associated with investing or financing activities	23,577	34,877
Operating cash flows before movements in working capital	120,536	47,054
Decrease (increase) in inventories	28,571	(26,091)
Increase in trade and other receivables	(36,120)	(12,403)
Increase (decrease) in trade, bills and other payables	1,680	(29,911)
Other working capital movements	(3,900)	(1,636)
Cash generated from (used in) operations	110,767	(22,987)
Income tax paid	(164)	–
Net cash generated from (used in) operating activities	110,603	(22,987)
Cash flows from investing activities		
Placement of pledged bank deposits	(19,500)	(45,900)
Withdrawal of pledged bank deposits	39,800	113,900
Purchase of property, plant and equipment	(1,191)	–
Additions on intangible assets	(5,551)	–
Proceed from disposal of property, plant and equipment	–	1,616
Interest income received	793	–
Net cash inflows from acquisition of subsidiaries	315	–
Net cash outflows on disposal of subsidiaries	(174)	–
Net cash generated from investing activities	14,492	69,616
Cash flows from financing activities		
Proceed from bank and other borrowings	206,500	61,500
Repayments of bank and other borrowings	(253,690)	(75,500)
Advance from a non-controlling interest	5,155	506
Repayment to a non-controlling interest	(1,676)	(41)
Advance from the ultimate shareholder	34,709	–
Interest paid	(8,662)	(9,725)
Repayment of lease liabilities	(472)	(2,739)
Net cash used in financing activities	(18,136)	(25,999)
Net increase in cash and cash equivalents	106,959	20,630
Cash and cash equivalents at 1 January	526,816	524,682
Cash and cash equivalents at 30 June	633,775	545,312

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”).

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 Everest Gold Group and a non-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 Zhanggui Technology Co., Ltd.* (深圳鮮生掌櫃科技有限公司) (“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.

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 values at the end of the reporting period.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

4 SEGMENT INFORMATION

The Group has two operating and reportable segments (2024: three segments). Management determines the operating segments, based on information reported to the chief operating decision makers (“CODMs”) (i.e. the executive directors of the Company) for the purposes of resource allocation and performance assessment, are as follows:

- (i) Manufacturing, sales and trading of silver ingots, palladium and other non-ferrous metals in the People’s Republic of China (the “PRC”) (“**Manufacturing segment**”); and
- (ii) Designing and sales of gold, silver, colored gemstones and gem-set and other jewellery products in the PRC (“**New Jewellery Retail 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 this discontinued operation, which are described in more detail in Note 15.

The Group’s operating segments also represent its reportable segments.

(a) Segment revenue and results

The following is an analysis of the Group’s revenue and results by operating segments from continuing operations:

For the six months ended 30 June 2025

	Manufacturing segment RMB’000 (unaudited)	New Jewellery Retail segment RMB’000 (unaudited)	Segment total RMB’000 (unaudited)	Elimination RMB’000 (unaudited)	Consolidated RMB’000 (unaudited)
Continuing operations					
Revenue					
External sales	2,093,384	236,328	2,329,712	–	2,329,712
Inter-segment sales*	15,782	–	15,782	(15,782)	–
Total segment revenue	2,109,166	236,328	2,345,494	(15,782)	2,329,712
Results					
Segment results	36,526	58,233	94,759		94,759
Non-segment items					
Unallocated income, expenses, gains and losses					(603)
Finance costs					(8,662)
Profit before income tax from continuing operations					85,494

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

4 SEGMENT INFORMATION (Continued)

(a) Segment revenue and results (Continued)

For the six months ended 30 June 2024 (Restated)

	Manufacturing segment RMB'000 (unaudited)	New Jewellery Retail segment RMB'000 (unaudited)	Segment total RMB'000 (unaudited)	Elimination RMB'000 (unaudited)	Consolidated RMB'000 (unaudited)
Continuing operations					
Revenue					
External sales	2,220,488	98,509	2,318,997	–	2,318,997
Inter-segment sales*	3,847	–	3,847	(3,847)	–
Total segment revenue	2,224,335	98,509	2,322,844	(3,847)	2,318,997
Results					
Segment results	38,980	5,438	44,418		44,418
Non-segment items					
Unallocated income, expenses, gains and losses					(4,794)
Finance costs					(11,462)
Profit before income tax from continuing operations					28,162

* Inter-segment sales are carried out on terms agreed between counterparties.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

4 SEGMENT INFORMATION (Continued)

(b) Segment assets and liabilities

An analysis of the Group's assets and liabilities by operating and reportable segments is as follows:

As at 30 June 2025

	Manufacturing segment RMB'000 (unaudited)	New Jewellery Retail segment RMB'000 (unaudited)	Total RMB'000 (unaudited)
ASSETS			
Segment assets	390,389	1,728,729	2,119,118
Unallocated corporate assets			1,786
Total assets			2,120,904
LIABILITIES			
Segment liabilities	301,444	354,194	655,638
Unallocated corporate liabilities			7,197
Total liabilities			662,835

As at 31 December 2024

	Manufacturing segment RMB'000 (audited)	New Jewellery Retail segment RMB'000 (audited)	Total RMB'000 (audited)
ASSETS			
Segment assets	431,444	1,515,465	1,946,909
Assets of discontinued operation			29,890
Unallocated corporate assets			2,077
Total assets			1,978,876
LIABILITIES			
Segment liabilities	458,597	190,811	649,408
Liabilities of discontinued operation			97,732
Unallocated corporate liabilities			13,388
Total liabilities			760,528

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

4 SEGMENT INFORMATION (Continued)

(c) Other segment information

For the six months ended 30 June 2025

	Manufacturing segment RMB'000 (unaudited)	New Jewellery Retail segment RMB'000 (unaudited)	Unallocated RMB'000 (unaudited)	Total RMB'000 (unaudited)
Amounts included in the measure of segment profit or loss or segment assets:				
Continuing operations				
Amortisation of intangible assets	(181)	–	–	(181)
Depreciation of property, plant and equipment	(5,095)	(1,628)	(193)	(6,916)
Depreciation of right-of-use assets	(217)	–	(540)	(757)
Reversal of impairment loss				
under expected credit loss model, net	–	1,577	–	1,577
Write off of leasehold improvements	–	(2,710)	–	(2,710)

For the six months ended 30 June 2024 (Restated)

	Manufacturing segment RMB'000 (unaudited)	New Jewellery Retail segment RMB'000 (unaudited)	Unallocated RMB'000 (unaudited)	Total RMB'000 (unaudited)
Amounts included in the measure of segment profit or loss or segment assets:				
Continuing operations				
Amortisation of intangible assets	(182)	–	–	(182)
Depreciation of property, plant and equipment	(5,716)	(1,750)	–	(7,466)
Depreciation of right-of-use assets	(217)	(1,082)	(477)	(1,776)
Provision for impairment loss under				
expected credit loss model, net	–	(2,908)	–	(2,908)

(d) 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

Segments	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited) (Restated)
Continuing operations		
By types of goods		
Manufacturing segment		
– Sales of silver ingots	2,093,384	2,220,488
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
	236,328	98,509
Total	2,329,712	2,318,997

All of the revenue are 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 operations		
PRC Enterprise Income Tax ("EIT")		
– current period	22,047	2,557
Deferred tax	642	(585)
	22,689	1,972

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 operations		
Profit for the period has been arrived at after charging (crediting):		
Cost of inventories recognised as expenses (included in cost of sales)	2,187,674	2,249,028
Depreciation of property, plant and equipment	6,916	7,466
Depreciation of right-of-use assets	757	1,776
Amortisation of intangible assets	181	182
Bank interest income	(793)	(1,616)
Net exchange (gain) loss	(2,241)	1,438
Write off of leasehold improvements	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 dividend was 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.

9 EARNINGS PER SHARE

The calculation of the basic and diluted earnings 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 operations for the purpose of basic and diluted earnings per share (RMB'000)	43,446	25,503
Profit (loss) for the period attributable to owners of the Company from discontinued operation for the purpose of basic and diluted earnings (loss) per share (RMB'000)	11,465	(4,947)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share (in thousand)	2,284,240	1,954,081

For the six months ended 30 June 2025 and 2024, the computation of diluted earnings per share does not assume the exercise of the Company's outstanding options because the effect of exercise of these options was anti-dilutive.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

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 subsidiaries) 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 19 for details of acquisition of subsidiaries.

During the current interim period, the Group wrote off 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 any property, plant and equipment).

During the current interim period, the Group entered into one new lease agreement for the staff quarter for 2 years. On the lease commencement, the Group recognised RMB614,000 of right-of-use assets and RMB614,000 of lease liabilities (six months ended 30 June 2024: the Group did not enter into new lease agreement).

During the current interim period, additions to intangible assets comprised the acquisition of patents of RMB20,000 and 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 the six months ended 30 June 2025 and 2024.

11 GOODWILL

	RMB'000
Cost	
As at 1 January 2024	12,476
Reclassified as held for sale (Note 15)	(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)
Classified under non-current assets		
Refundable rental deposits	55	–
Classified under current assets		
Trade receivables for contracts with customers	139,028	73,601
Less: allowance for expected credit losses in respect of trade receivables	(16,885)	(18,462)
	122,143	55,139
Other receivables, deposits and prepayments	41,425	26,864
Prepayments to suppliers (<i>note</i>)	353	51,015
Value-added tax (“VAT”) recoverable	14,247	6,572
Refundable rental deposits	201	952
	178,369	140,542

Note:

The balance represents prepayments for purchase of inventories under the Group's New Jewellery Retail segment.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

12 TRADE AND OTHER RECEIVABLES (Continued)

The Group does not grant any credit period to its retail customers and 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.

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 operations		
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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

14 PLEDGED BANK DEPOSITS

As at 30 June 2025, pledged bank deposits amounting to RMB19,500,000 (31 December 2024: RMB39,800,000) represent deposits pledged to a bank to secure bills payables (see Note 16(ii)) of the Group. The bills payables and bank and other borrowings are due for repayment within one year from the end of the reporting period, and thus the pledged bank deposits are classified as current assets.

15 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 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 15b)	11,465	–
Profit (loss) for the period from discontinued operation	11,465	(15,888)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

15 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	(4,947)
Non-controlling interests	(10,941)
	(15,888)
Loss for the period from discontinued operation included 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
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)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

15 DISCONTINUED OPERATION (Continued)

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

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

(b) Details of the disposal of subsidiaries

	RMB'000 (unaudited)
Consideration received:	
Cash consideration	300

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

15 DISCONTINUED OPERATION (Continued)

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

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	(56,677)
Gain on disposal of subsidiaries (Note 15a)	11,465

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)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

16 TRADE, BILLS AND OTHER PAYABLES

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Trade payables	33,258	19,609
Other payables and accrued expenses (<i>Note i</i>)	152,731	72,604
Bills payables (<i>Note ii</i>)	43,960	79,600
VAT and other tax payables	42,743	18,974
Provision for termination of assignment contracts (<i>Note iii</i>)	7,413	7,413
	280,105	198,200

Notes:

- (i) Included in the balance amounting RMB80,000,000 is the consideration payable for the acquisition of subsidiaries. Details are set out in Note 19.
- (ii) As at 30 June 2025, bills payables amounting to RMB39,000,000 (31 December 2024: RMB79,600,000) are secured by pledged bank deposits of RMB19,500,000 (31 December 2024: RMB39,800,000). All bills payables are issued to suppliers of the Manufacturing segment.
- (iii) In September 2018, Huzhou Baiyin Property Co., Ltd* (湖州白銀置業有限公司) ("Huzhou Baiyin"), an indirect non 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 "Huzhou Municipal 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 Huzhou Municipal Bureau, and a compensation agreement with the Committee, pursuant to which the Committee and the Huzhou Municipal 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 non 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

16 TRADE, BILLS AND OTHER PAYABLES (Continued)

The ageing analysis of the Group's trade payables 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	4,300
31 – 60 days	2,314	9
61 – 90 days	3,546	14
Over 90 days	22,175	15,286
	33,258	19,609

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

17 AMOUNTS DUE TO A NON-CONTROLLING INTEREST AND THE ULTIMATE SHAREHOLDER

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

18 BANK AND OTHER BORROWINGS

The total banking and other facility granted to the Group amounted to RMB267,500,000 (31 December 2024: RMB300,700,000) of which RMB263,500,000 (31 December 2024: RMB255,921,000) were utilised as at 30 June 2025.

As at 30 June 2025, bank borrowings are secured and/or guaranteed by (i) leasehold land and buildings with aggregate carrying amount of RMB14,938,000 and RMB47,134,000 respectively; (ii) personal guarantee and properties held by a director of the Company, Mr. Chen Wantian and his spouse; (iii) personal guarantee, corporate guarantee and certain assets of a supplier and independent third parties; and (iv) personal guarantee from directors of subsidiaries (31 December 2024: (i) leasehold land and buildings with aggregate carrying amount of RMB15,155,000 and RMB49,948,000 respectively; (ii) personal guarantee and properties held by a director of the Company, Mr. Chen Wantian and his spouse; (iii) corporate guarantee and certain assets of a supplier and independent third parties and (iv) personal guarantee from directors of subsidiaries).

Bank and other borrowings of RMB112,000,000 as at 30 June 2025 (31 December 2024: RMB281,000,000) carry interest at fixed rates, ranging from 3.75% to 5.61% (31 December 2024: 4.25% to 10.95%) per annum and RMB151,500,000 (31 December 2024: RMB119,921,000) carry interest at loan prime rate plus from 1.70% to 2.05% (31 December 2024: 1.85% to 2.80%) per annum.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

19 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 non-wholly-owned subsidiary of the Group, entered into an equity transfer agreement with Shenzhen Xinja 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 Vendor 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

20 SHARE CAPITAL

	Number of shares	Share Capital HK\$'000	RMB'000
Authorised:			
At 1 January 2024, 30 June 2024, 31 December 2024, 1 January 2025 and 30 June 2025	3,000,000,000	30,000	24,386
Issued:			
At 1 January 2024, 30 June 2024, 31 December 2024 and 1 January 2025	1,954,080,706	19,542	15,935
Issue of new shares (Note)	388,044,853	3,880	3,593
At 30 June 2025	2,342,125,559	23,422	19,528

Note: During the period ended 30 June 2025, a total of 129,516,934 and 258,527,919 shares have been duly allotted and issued to Journey Grace Limited and Medal Chains Internet Technology Group Limited, respectively at the subscription price of HK\$0.252 per share by way of offsetting against the outstanding principal amount and interest accrued under Shanghai Ougen Loan owed to Shanghai Ougen and Shanghai Qimao Loan owed to Shanghai Qimao by Jiangxi Longtianyong (an indirect wholly-owned subsidiary of the Company). Capitalised terms used herein shall have the same meanings as defined in the Company's announcements dated 20 January 2025 and 28 January 2025 and please refer to these announcements for further details.

As at 30 June 2025, the number of shares in respect of which options had been granted and remained outstanding was 81,000,000 (30 June 2024: 149,500,000) representing 3.46% (30 June 2024: 7.65%) of the shares of the Company in issue at the end of the reporting period. All the share options were vested and the related expenses were recognised in profit or loss in previous years.

21 SHARE OPTION SCHEME

The Company has adopted a share option scheme respectively on 5 December 2012 (the "2012 Scheme") and 21 April 2015 (the "2015 Scheme"). The 2012 Scheme and the 2015 Scheme have respectively expired on 5 December 2022 and 21 April 2025.

Under the 2012 Scheme:

- (i) 44,800,000 share options granted have lapsed during the six months ended 30 June 2025 (2024: no share option was lapsed) and there were no outstanding share options granted as at 30 June 2025 (31 December 2024: 44,800,000);
- (ii) No share option was exercised during the periods ended 30 June 2025 and 31 December 2024; and
- (iii) No share option is available for future grant after the expiry of the 2012 Scheme on 5 December 2022.

Under the 2015 Scheme:

- (i) 81,000,000 share options were granted as at 30 June 2025 (31 December 2024: 81,000,000);
- (ii) No share option was granted or exercised during the periods ended 30 June 2025 and 31 December 2024; and
- (iii) No share option is available for future grant as at 30 June 2025 after expiry of the 2015 Scheme on 21 April 2025.

Further details of share option scheme were set out in the Group's consolidated financial statements for the year ended 31 December 2024.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

22 SHARE AWARD SCHEME

On 18 June 2025, the Company adopted a share award Scheme (the “2025 Scheme”). The purposes of the 2025 Scheme are to reward and incentivise 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. During the six months ended 30 June 2025, no share award was granted.

23 PLEDGE OF ASSETS

At the end of the reporting period, assets with the following carrying amounts were pledged to secure the bills payables and bank borrowings.

	30 June 2025 RMB'000 (unaudited)	31 December 2024 RMB'000 (audited)
Property, plant and equipment	47,134	49,948
Leasehold land (included in the right-of-use assets)	14,938	15,155
Pledged bank deposits	19,500	39,800
	81,572	104,903

24 RELATED PARTY DISCLOSURES

(i) Related party transactions and balances

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.

(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 RMB'000 (unaudited)	2024 RMB'000 (unaudited) (Restated)
Salaries and other allowances	1,265	2,671
Retirement benefits schemes contributions	27	35
	1,292	2,706

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

25 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 non-wholly-owned subsidiaries	5,500	–

26 EVENT AFTER THE REPORTING PERIOD

- (i) On 17 June 2025, Jiangxi Fuhui Lithium Company Limited* (江西富輝鋰業有限公司), an indirect wholly-owned subsidiary of the Group and Jiangxi Jiyin Company Limited* (江西吉銀實業有限公司), an indirect non-wholly-owned subsidiary of the Group (collectively called the “Purchasers”), entered into an equity transfer agreement with Jiangxi Yincai 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 Purchasers agreed to purchase, 20% and 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 RMB2,000,000 and RMB3,500,000 respectively.

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. The transaction was completed on 18 July 2025.

- (ii) On 14 July 2025, the Company entered into eight Subscription Agreements with eight Subscribers respectively pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 460,000,000 Subscription Shares at the Subscription Price of HK\$0.45 per Subscription Share. The closing price per Share as quoted on the Stock Exchange on 14 July 2025, being the date of the Subscription Agreements, was HK\$0.56. Up to the date of this report, completion of the subscriptions pursuant to the Subscription Agreements are in progress.

Save as disclosed above, there were no other significant events that have occurred subsequent to the end of the reporting period.

* The English name is for identification purpose only.