Interim Report
2026

Wanguo Gold Group Limited
萬國黃金集團有限公司

(incorporated in the Cayman Islands with limited liability)
Stock Code: 3939

INTEGRATE RESOURCES, CREATE VALUES, BUILD BENEFITS AND CONTRIBUTE TO THE SOCIETY

Contents

Corporate Information

DIRECTORS

Executive Directors:

Gao Mingqing *(Chairman, Chief Executive Officer)*
Gao Jinzhu
Liu Zhichun *(retired on 5 June 2026)*
Wang Guobiao
Wang Lixin *(appointed on 3 February 2026)*

Non-executive Director:

Wang Renxiang

Independent non-executive Directors:

Tsang Wai Hung
Wong Chi Ming Ming
Wang Xin

AUDIT COMMITTEE

Tsang Wai Hung *(Chairman)*
Wong Chi Ming Ming
Wang Xin

REMUNERATION COMMITTEE

Wong Chi Ming Ming *(Chairman)*
Liu Zhichun *(ceased on 5 June 2026)*
Wang Xin
Gao Jinzhu *(appointed on 5 June 2026)*

NOMINATION COMMITTEE

Tsang Wai Hung *(Chairman)*
Wong Chi Ming Ming
Gao Jinzhu

COMPANY SECRETARY

Wong Chi Wah *(HKICPA, FCCA)*

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Xinzhuang Township Yifeng County
Jiangxi Province
PRC

PRINCIPAL PLACE OF BUSINESS IN THE SOLOMON ISLANDS

Gold Ridge Mine Site
Guadalcanal
Solomon Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1, 28/F
Singga Commercial Centre
144-151 Connaught Road West
Hong Kong

REGISTERED OFFICE

Harneys Fiduciary (Cayman) Limited
4th Floor, Harbour Place,
103 South Church Street,
P.O. Box 10240,
Grand Cayman KY1-1002,
Cayman Islands

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited
PO Box 1093, Boundary Hall
Cricket Square Grand Cayman KY1-1102
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

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

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35/F One Pacific Place
88 Queensway
Hong Kong

LEGAL ADVISER

as to Hong Kong Law
Dentons Hong Kong LLP
3201 Jardine House
1 Connaught Place Central
Hong Kong

PRINCIPAL BANKER

Bank of China, Yifeng Branch
239 Xinchang West Street
Yifeng County
Jiangxi Province PRC

STOCK CODE

3939

COMPANY WEBSITE

www.wgmine.com

BUSINESS REVIEW

Wanguo Gold Group Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") is principally engaged in the business of mining, ore processing and sale of concentrates products in the People's Republic of China ("**PRC**") and the Solomon Islands.

Currently, we, through our wholly-owned subsidiaries, own the entire equity interest in Jiangxi Province Yifeng Wanguo Mining Company Limited ("**Yifeng Wanguo**") which in turn owns the Xinzhuang copper-lead-zinc mine, an operating mine located in Jiangxi Province, the PRC ("**Xinzhuang Mine**") in which we conduct underground mining. The Xinzhuang Mine has a substantial volume of non-ferrous polymetallic mineral resources. Products of our Group primarily include copper concentrates, iron concentrates, zinc concentrates, sulfur concentrates, lead concentrates as well as by-products of gold and silver.

The Group has, on 13 July 2017, completed acquisition of 51% attributable interest of Xizang Changdu County Dadi Mining Company Limited ("**Xizang Changdu**"), which owns the lead-silver mine in Walege of Changdu County, Tibet, the PRC ("**Walege Mine**") in which we may further exploit for open-pit and underground mining. The Walege Mine has a significant volume of mineral resources of lead and silver.

On 30 April 2020, the Group has completed acquisition of 77.78% interest of AXF Gold Ridge Pty Limited, which indirectly owns 90% interest of a gold ridge mine located in the Solomon Islands ("**Gold Ridge Mine**") in which we exploit for mining. The Group has commenced trial production of Gold Ridge Mine since November 2022. In addition, on 9 October 2024, the Group completed acquisition of another 20.22% interest of AXF Gold Ridge Pty Limited, resulted in the Group owning 98% interest of AXF Gold Ridge Pty Limited and 88.2% effective interest in Gold Ridge Mining Limited, which owns the Gold Ridge Mine.

Operating performance

The following tables set forth the volume of respective products sold at the Xinzhuang Mine and Gold Ridge Mine during the six months ended 30 June 2026 compared to the corresponding period in 2025.

	Xinzhuang Mine Six months ended 30 June		
Type of products sold	**2026 Volume**	2025 Volume	**Changes** (approximate %)
Copper in copper concentrates (tonnes)	**1,965**	1,622	21.1
Zinc in zinc concentrates (tonnes)	**1,570**	1,731	(9.3)
Iron concentrates (tonnes)	**16,595**	25,486	(34.9)
Sulfur concentrates (tonnes)	**163,618**	117,971	38.7
Lead in lead concentrates (tonnes)	**277**	529	(47.6)
Sulfur and iron concentrates (tonnes)	**64,620**	25,529	153.1
Gold in concentrates (kg)	**61**	64	(4.7)
Silver in concentrates (kg)	**2,664**	3,225	(17.4)
Copper in concentrates (kg)	**55**	52	5.8

	Gold Ridge Mine Six months ended 30 June				
Type of products sold	**2026 Volume**	**Contained gold (kg)**	2025 Volume	Contained gold (kg)	**Changes in contained gold (kg)** (approximate %)
Gold Doré (kg)	**999**	**807**	1,022	811	(0.5)
Gold Concentrates (tonnes)	**34,186**	**715**	25,170	549	30.2

Management Discussion and Analysis

The following table sets forth the volume of ores mined and processed at our Xinzhuang Mine and Gold Ridge Mine during the six months ended 30 June 2026 and 2025 respectively.

	Xinzhuang Mine Six months ended 30 June			Gold Ridge Mine Six months ended 30 June		
	2026 Volume (tonnes)	2025 Volume (tonnes)	**Changes** (approximate %)	**2026 Volume (tonnes)**	2025 Volume (tonnes)	**Changes** (approximate %)
Volume of ores mined	**569,976**	461,405	23.5	**1,888,168**	1,975,870	(4.4)
Volume of ores processed	**565,976**	450,528	25.6	**1,657,146**	1,272,280	30.3

EXPANSION IN EXISTING MINES

Xinzhuang Mine

We had completed our expansion plan as disclosed in the prospectus of the Company dated 28 June 2012 in Xinzhuang Mine, reaching 600,000 tonnes per annum ("**tpa**") in both mining capacity and processing capacity. We are now in the process of upgrading its capacity to 900,000 tpa.

During the six months ended 30 June 2026, exploration work was carried out primarily in the eastern section, for the purpose of increasing the proportion of deep-level controlled resources. Significant exploration results have been achieved along Lines 25 and 29. There is significant resource potential in the deeper parts of the mining area, and the company will continue to carry out exploration work in these deeper areas to for the mine's sustained and stable development.

Walege Mine

In accordance with the requirements set out in the 'Notice of the Ministry of Natural Resources on Further Improving the Management of Registration for Resource Exploration and Extraction' (Natural Resources Regulation [2023] No. 4)《自然資源部關於進一步完善資源勘查開採登記管理的通知》自然資規[2023]4號, the Group has finalised all documentation required for submission and approval in relation to the transition from exploration to extraction during the six months ended 30 June 2026.

Gold Ridge Mine

The Group, through our wholly-owned subsidiaries, own 88.2% effective interest in Gold Ridge Mining Limited, which owns the Gold Ridge Mine with a substantial volume of gold mineral resources and has commenced trial production since November 2022.

Progress of our additional 10 million production capacity is as follows:

Construction of the main equipment foundations, power supply facilities and auxiliary works is progressing in parallel, with overall progress in line with expectations:

1. Equipment foundation works: Foundations for the core ball mill and semi-autogenous grinding (SAG) mill have been fully completed, and all preconditions for equipment installation have been satisfied;

2. Main equipment installation: Installation of the ball mill is 80% complete and that of the SAG mill is 50% complete, with installation work proceeding steadily in accordance with the planned schedule;

3. Power supply works: Civil works for the 35kV substation system are 90% complete and steel structure installation is 60% complete; civil works for the flotation power distribution room are 60% complete;

4. Auxiliary and supporting works: Ancillary facilities, including the diesel power station, production water ponds and the fabrication of various custom-made (non-standard) equipment, are progressing in an orderly manner, providing supporting assurance for subsequent equipment commissioning and integrated system testing.

SHARE AWARD SCHEME

The Company adopted a share award scheme (the "**2024 Share Award Scheme**") on 15 January 2025 (the "**Adoption Date**"), in order to recognise the contribution or future contribution of the eligible participants for their contribution to the Group by granting awards to them as incentives or rewards, and to attract, retain and motivate high-calibre eligible participants in line with the performance goals of the Group.

As at 15 January 2025, there were 108,382,720 award shares available for grant under the 2024 Share Award Scheme. As at 15 January 2025, the service provider sublimit was 32,514,816 shares of the Company (the "**Shares**") (being 3% of the total number of shares in issue (excluding treasury shares, if any) on the Adoption Date).

As at 1 January 2026, following the share subdivision completed on 25 November 2025 (the "**Share Subdivision**"), 381,490,880 Shares were available for grant under the 2024 Share Award Scheme, representing approximately 8.66% of the Company's total number of issued shares (excluding treasury shares) as at the date of this report. As at 1 January 2026, the service provider sublimit was 123,659,264 Shares. As at 30 June 2026, following the Share Subdivision, 370,435,880 Shares were available for grant under the 2024 Share Award Scheme, representing approximately 8.41% of the Company's total number of issued shares (excluding treasury shares) as at the date of this report. As at 30 June 2026, the service provider sublimit was 123,659,264 Shares.

Please refer to the Company's announcements dated 21 November 2024, 15 January 2025, 10 April 2026 and the Company's circular dated 23 December 2024 for details.

Since the adoption of the 2024 Share Award Scheme, no award shares have been granted under the 2024 Share Award Scheme.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "**2024 Share Option Scheme**") on 15 January 2025, in order to recognise and acknowledge the contributions that eligible participants have made or may make to the Group, and to enable the Group to grant options to the eligible participants as incentives or rewards for their contributions to the Group.

As at 15 January 2025, there were 108,382,720 options available for grant under the 2024 Share Option Scheme. As at 15 January 2025, the service provider sublimit was 32,514,816 Shares (being 3% of the total number of shares in issue (excluding treasury shares, if any) on the Adoption Date).

As at 1 January 2026, following the Share Subdivision, 381,490,880 Shares were available for grant under the 2024 Share Option Scheme, representing approximately 8.66% of the Company's total number of issued shares (excluding treasury shares) as at the date of this report. As at 1 January 2026, the service provider sublimit was 123,659,264 Shares.

During the six months ended 30 June 2026, 11,055,000 options were granted. No options were exercised or lapsed. Accordingly, the number of Shares that have been issued in respect of exercise of options granted during the six months ended 30 June 2026 is nil. As at 30 June 2026, following the Share Subdivision, there were 370,435,880 options available for grant under the 2024 Share Option Scheme and the service provider sublimit was 123,659,264 Shares.

Please refer to the Company's announcements dated 21 November 2024, 15 January 2025, 24 January 2025, 4 February 2025, 20 March 2025 and 24 March 2025, 10 April 2026 and the Company's circular dated 23 December 2024 for details.

Management Discussion and Analysis

Details of the share options outstanding under the 2024 Share Option Scheme as at 30 June 2026 entitling holders thereof to subscribe for the Shares in the Company are as follows:

									Exercise price per Share						
Grantee	Date of grant	Vesting period	Exercise period	Exercise price per Share as at the date of grant and before Share Subdivision became effective (HK$)	Exercise price per Share after Share Subdivision became effective (HK$)	Closing price per Share immediately before the date of grant (HK$)	Fair value of options at the date of grant[1] (HK$)	Weighted average closing price of the Shares immediately before the dates of exercised or vested (HK$)	Balance as at 1 January 2026	Granted during the reporting period[2]	Vested during the reporting period	Exercised during the reporting period	Cancelled during the reporting period	Lapsed during the reporting period	Balance as at 30 June 2026
Directors															
Gao Mingqing (Chairman, Chief Executive Officer,	20 March 2025	20/3/2025 – 20/3/2027	21/3/2027 – 19/3/2035	17.80	4.45	17.26	5.00	N/A	4,320,000	–	–	–	–	–	4,320,000
Executive Director and substantial shareholder)	10 April 2026	10/4/2026 – 10/4/2028	11/4/2028 – 9/4/2036	–	14.064	13.91	4.15	N/A	–	1,080,000	–	–	–	–	1,080,000
Gao Jinzhu (Executive Director and substantial shareholder)	20 March 2025	20/3/2025 – 20/3/2027	21/3/2027 – 19/3/2035	17.80	4.45	17.26	5.00	N/A	1,600,000	–	–	–	–	–	1,600,000
	10 April 2026	10/4/2026 – 10/4/2028	11/4/2028 – 9/4/2036	–	14.064	13.91	4.15	N/A	–	400,000	–	–	–	–	400,000
Liu Zhichun (Executive Director and retired on 5 June 2026)	20 March 2025	20/3/2025 – 20/3/2027	21/3/2027 – 19/3/2035	17.80	4.45	17.26	5.00	N/A	1,600,000	–	–	–	–	–	1,600,000
	10 April 2026	10/4/2026 – 10/4/2028	11/4/2028 – 9/4/2036	–	14.064	13.91	4.15	N/A	–	150,000	–	–	–	–	150,000
Wang Guobiao (Executive Director)	10 April 2026	10/4/2026 – 10/4/2028	11/4/2028 – 9/4/2036	–	14.064	13.91	4.15	N/A	–	400,000	–	–	–	–	400,000
Wang Lixin (Executive Director)	10 April 2026	10/4/2026 – 10/4/2028	11/4/2028 – 9/4/2036	–	14.064	13.91	4.15	N/A	–	50,000	–	–	–	–	50,000
Tsang Wai Hung (Independent non-executive Director)	10 April 2026	10/4/2026 – 10/4/2028	11/4/2028 – 9/4/2036	–	14.064	13.91	4.15	N/A	–	50,000	–	–	–	–	50,000
Wong Chi Ming Ming (Independent non-executive Director)	10 April 2026	10/4/2026 – 10/4/2028	11/4/2028 – 9/4/2036	–	14.064	13.91	4.15	N/A	–	50,000	–	–	–	–	50,000
Wang Xin (Independent non-executive Director)	10 April 2026	10/4/2026 – 10/4/2028	11/4/2028 – 9/4/2036	–	14.064	13.91	4.15	N/A	–	50,000	–	–	–	–	50,000
Wang Renxiang (Non-executive Director)	20 March 2025	20/3/2025 – 20/3/2027	21/3/2027 – 19/3/2035	17.80	4.45	17.26	5.00	N/A	1,000,000	–	–	–	–	–	1,000,000
	10 April 2026	10/4/2026 – 10/4/2028	11/4/2028 – 9/4/2036	–	14.064	13.91	4.15	N/A	–	150,000	–	–	–	–	150,000
Other employees	24 January 2025	24/1/2025 – 24/1/2027	25/1/2027 – 23/1/2035	13.31	3.3275	13.30	4.34	N/A	28,600,000	–	–	–	–	–	28,600,000
	10 April 2026	10/4/2026 – 10/4/2028	11/4/2028 – 9/4/2036	–	14.064	13.91	4.56	N/A	–	8,675,000	–	–	–	–	8,675,000
Service providers	24 January 2025	24/1/2025 – 24/1/2027	25/1/2027 – 23/1/2035	13.31	3.3275	13.30	4.21	N/A	6,400,000	–	–	–	–	–	6,400,000
Total:									43,520,000	11,055,000	–	–	–	–	54,575,000

Notes:

(1) According to Hong Kong Financial Reporting Standard 2 – Share-based Payment, fair value is defined as "the amount for which an asset could be exchanged, a liability settled, or an equity instrument granted could be exchanged, between knowledgeable, willing parties in an arm's length transaction". The share options were appraised on the basis of fair value.

Certain major assumptions have to be adopted in order to sufficiently support the conclusion of value. Major assumptions included there will be no material change in the political, legal, fiscal, technological, market and economic conditions that will materially affect the underlying security of the share options, the interest rates will not differ materially from those of present or expected and information provided by the Company is true and accurate.

The binomial option pricing model was adopted in the valuation. In the valuation, various possible outcomes and the corresponding probability of each scenario were estimated and the value of the share options is represented by the present value of the probability-weighted resulting value of all scenarios considered. The following tables set out the principal valuation parameters have been applied in determining the fair value of the share options granted on 10 April 2026.

Parameters	**Date of grant: 10 April 2026**
Stock Price (HK$)	13.91
Exercise Price (HK$)	14.064
Risk-free Rate (%)	2.93%
Time to Maturity (Years)	10 years
Time to Vest (Year)	2 years
Expected Dividend Yield (%)	2.12%
Expected Volatility (%)	49.09%

(2) The share options granted under the 2024 Share Option Scheme as set out in the table above were not subject to any performance targets.

The number of Shares that may be issued in respect of options and awards granted under all schemes of the issuer (i.e. the 2024 Share Option Scheme and the 2024 Share Award Scheme) during the financial period divided by the weighted average number of shares of the relevant class in issue (excluding treasury shares) for the period is 0.25%.

APPOINTMENT OF A CHIEF ADVISOR AND ESTABLISHMENT OF A STRATEGIC DEVELOPMENT COMMITTEE ("SDC")

On 2 February 2026, the Group appointed Mr. Chen Jinghe (陳景河) as our Chief Advisor and the director of our SDC.

Given Mr. Chen's experience and expertise, the Board believes his appointment will strengthen the Group's development in our Gold Ridge Mine as well as future merger and acquisition projects.

The Company has set up a SDC for advising on development strategies for the Group's existing operations as well as potential projects in future.

The primary duties of the SDC includes (i) research and recommend on the medium-term and long-term development strategy of the Company including but not limited to acquisition of new mines; (ii) review and recommend on the medium-term and long-term strategic goals and development plans of the business of the Company; (iii) research and recommend on any other significant matters affecting the development of the Company; (iv) review the implementation of the above matters; and (v) other duties as delegated by the Board.

The Board believes that establishing a SDC, a team of experienced and knowledgeable experts, can enhance the quality of decision-making, optimise operational efficiency, and introduce advanced technology or management expertise to the Group.

Please refer to p.42 of the Company's 2025 annual report for the biographical information of the members of the SDC.

Management Discussion and Analysis

AN ARSON INCIDENT OCCURRED AT GOLD RIDGE MINE IN SOLOMON ISLANDS

On 20 January 2026, an arson incident occurred at the mine site of our subsidiary, Gold Ridge Mining Limited ("**GRML**"), a company incorporated in the Solomon Islands. GRML owns the mining license and the exploration license in respect of Gold Ridge Project concerning the exploitation and operations of the gold mine located on the island of Guadalcanal, the central island of the Solomon Islands, approximately 30 km south-east of the capital city Honiara in the Solomon Islands.

At approximately 22:00 hours on 20 January 2026 Solomon Islands time, a group of unknown individuals entered the Gold Ridge Mine open-pit area and damaged the GRML's machinery. More than ten machines sustained varying degrees of damage during the incident. No injuries were sustained. At around the time of the incident, the Solomon Islands Government has intensified mine area management, deciding to crack down on illegal gold panning activities and requiring illegal gold panners to vacate the mining zone. GRML has been working closely with the Royal Solomon Islands Police Force ("**RSIPF**") and surrounding landowners over recent months to manage illegal mining activities within the mining lease area. Following the incident, GRML is again fully cooperating with RSIPF officers and landowner chiefs in order to investigate the root cause of the incident and identify the individuals responsible. At this stage, there is no immediate safety risk to personnel and surrounding communities.

The Group has been continuing to closely monitor developments in this matter and further strengthen safety measures at the mining site to ensure the protection of personnel and assets. Concurrently, GRML maintains close communication with the Solomon Islands government to facilitate a proper resolution of the incident and safeguard the project's normal operations.

The production operations at Gold Ridge Mine in the Solomon Islands are proceeding normally.

FINANCIAL REVIEW

	Six months ended 30 June Concentrates products, gold doré and gold concentrates (own mined)	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Revenue	**1,863,332**	1,240,284
Cost of sales	**(422,673)**	(372,428)
Gross profit	**1,440,659**	867,856
Gross profit margin	**77.3%**	70.0%

Revenue, cost of sales, gross profit and gross profit margin

The Group's overall revenue reported an increase by approximately 50.2% from approximately RMB1,240.3 million for the six months ended 30 June 2025 to approximately RMB1,863.3 million for the six months ended 30 June 2026, which was primarily due to the increase in sales generated by Gold Ridge Mine. Our cost of sales increased by 13.5% from approximately RMB372.4 million for the six months ended 30 June 2025 to approximately RMB422.7 million for the six months ended 30 June 2026 which was mainly driven by the corresponding increase in sales from Gold Ridge Mine.

The overall gross profit of the Group increased by approximately 66.0% from approximately RMB867.9 million for the six months ended 30 June 2025 to approximately RMB1,440.7 million for the six months ended 30 June 2026. The overall gross profit margin increased from approximately 70.0% for the six months ended 30 June 2025 to approximately 77.3% for the six months ended 30 June 2026. Such increase was mainly resulted from the increase in gross profit margin of our Gold Ridge Mine.

	Six months ended 30 June					
	Xinzhuang Mine Concentrates products RMB'000 (unaudited)	**Gold Ridge Mine gold doré and gold concentrates RMB'000 (unaudited)**	**2026 Total RMB'000 (unaudited)**	Xinzhuang Mine Concentrates products RMB'000 (unaudited)	Gold Ridge Mine gold doré and gold concentrates RMB'000 (unaudited)	2025 Total RMB'000 (unaudited)
Revenue	**483,787**	**1,379,545**	**1,863,332**	277,041	963,243	1,240,284
Cost of sales	**(156,437)**	**(266,236)**	**(422,673)**	(133,414)	(239,014)	(372,428)
Gross profit	**327,350**	**1,113,309**	**1,440,659**	143,627	724,229	867,856
Gross profit margin	**67.7%**	**80.7%**	**77.3%**	51.8%	75.2%	70.0%

Xinzhuang Mine – concentrates products

Revenue from sales of concentrates products increased by approximately 74.7% from approximately RMB277.0 million for the six months ended 30 June 2025 to approximately RMB483.8 million for the six months ended 30 June 2026.

For the six months ended 30 June 2026, we sold 1,965 tonnes of copper in copper concentrates, 163,618 tonnes of sulfur concentrates and 1,570 tonnes of zinc in zinc concentrates, compared to 1,622 tonnes, 117,971 tonnes and 1,731 tonnes respectively for the six months ended 30 June 2025, representing an increase of approximately 21.1% for copper in copper concentrates and 38.7% for sulfur concentrates, and a decrease of approximately 9.3% for zinc in zinc concentrates respectively, which was due to the increase in volume of ores mined.

The average prices of copper in copper concentrates, sulfur concentrates and zinc in zinc concentrates for the six months ended 30 June 2026 were RMB86,961, RMB933 and RMB17,736 per tonne respectively, compared to RMB65,845, RMB451 and RMB15,640 per tonne respectively for the six months ended 30 June 2025, representing increases of approximately 32.1%, 106.9% and 13.4% for copper in copper concentrates, sulfur concentrates and zinc in zinc concentrates respectively, which was due to major export disruptions in the Middle East, paired with Russian output cuts and export restrictions on sulfur concentrates, severely constrained global supply and triggered a sharp price surge.

The cost of sales of concentrates products increased by approximately 17.2% from approximately RMB133.4 million for the six months ended 30 June 2025 to approximately RMB156.4 million for the six months ended 30 June 2026, which was due to the increase in volume of ores processed.

The gross profit of concentrates products for the six months ended 30 June 2026 was approximately RMB327.4 million, which represented an increase of approximately 128.0% compared to approximately RMB143.6 million for the six months ended 30 June 2025. The gross profit margin increased from approximately 51.8% for the six months ended 30 June 2025 to approximately 67.7% for the six months ended 30 June 2026. Such increase was mainly attributable to the increase in the price of concentrates.

Management Discussion and Analysis

Gold Ridge Mine – gold doré and gold concentrates

Revenue from sales of gold doré and gold concentrates increased by approximately 43.2% from approximately RMB963.2 million for the six months ended 30 June 2025 to approximately RMB1,379.5 million for the six months ended 30 June 2026. The increase was primarily due to the increase in gold price and volume of gold concentrates sold.

The cost of sales of gold doré and gold concentrates increased by approximately 11.4% from approximately RMB239.0 million for the six months ended 30 June 2025 to approximately RMB266.2 million for the six months ended 30 June 2026. This increase was attributable to the increase in volume of ores mined and processed.

The gross profit of gold doré and gold concentrates for the six months ended 30 June 2026 was approximately RMB1,113.3 million, which represented an increase of approximately 53.7% compared to approximately RMB724.2 million for the six months ended 30 June 2025. The gross profit margin increased from approximately 75.2% for the six months ended 30 June 2025 to approximately 80.7% for the six months ended 30 June 2026. Such increase was mainly attributable to the increase in gold prices.

Other income

Our other income comprised mainly bank interest income of approximately RMB8.0 million, interest income from financial assets at fair value through profit or loss ("**FVTPL**") of approximately RMB16.2 million, dividend income from financial assets at FVTPL of approximately RMB6.1 million, government grant and subsidy to Yifeng Wanguo in relation to the mining technology improvement of approximately RMB0.3 million and rental income generated from leasing our machinery to sub-contractors of approximately RMB33.1 million for the six months ended 30 June 2026. Other income increased by approximately RMB34.6 million compared with the corresponding period in 2025, which was mainly attributable to the increase in rental income from sub-contractors.

Other gains and losses

Our other gains and losses decreased by approximately RMB19.8 million from gains of approximately RMB13.7 million for the six months ended 30 June 2025 to losses of approximately RMB6.1 million for the six months ended 30 June 2026, which comprised mainly realised gains in change in fair value of financial assets at FVTPL of approximately RMB16.9 million, unrealised losses from change in fair value of financial assets at FVTPL of approximately RMB4.5 million, unrealised exchange loss of approximately RMB18.4 million for the six months ended 30 June 2026 as a result of the translation of US dollars into Solomon Islands dollars as well as Australian dollars and Hong Kong dollars into Renminbi, whereas for the six months ended 30 June 2025, unrealised gains from change in fair value of financial assets at FVTPL of approximately RMB22.2 million and unrealised exchange loss of approximately RMB7.6 million was incurred as a result of the translation of US dollars into Solomon Islands dollars as well as Australian dollars and Hong Kong dollars into Renminbi.

Distribution and selling expenses

Our distribution and selling expenses increased by approximately 8.7% from approximately RMB64.1 million for the six months ended 30 June 2025 to approximately RMB69.7 million for the six months ended 30 June 2026. The increase was mainly attributable to the increase in the railway, sea freight and transportation fees, export duty and royalties as a result of the increase in the sales volume of gold products in our Gold Ridge Mine.

Administrative expenses

Our administrative expenses increased by approximately 48.0% from approximately RMB88.8 million for the six months ended 30 June 2025 to approximately RMB131.4 million for the six months ended 30 June 2026. The increase was principally attributable to the increase in staff costs, depreciation and security incurred by Gold Ridge Mine and property insurance incurred by GRML to secure our operation in Gold Ridge Mine.

Finance costs

Our finance costs decreased by approximately 52.9% from approximately RMB5.1 million for the six months ended 30 June 2025 to approximately RMB2.4 million for the six months ended 30 June 2026, primarily due to the decrease in bank borrowings.

Income tax expense

Our income tax expense was approximately RMB302.2 million for the six months ended 30 June 2026, consisting of PRC corporate income tax payable of approximately RMB40.7 million, Solomon Islands corporate income tax payable of approximately RMB79.0 million, withholding tax payable of approximately RMB13.2 million, underprovision in respect of prior year of RMB0.6 million and deferred tax liabilities of approximately RMB168.7 million. Our income tax expense was approximately RMB88.4 million for the six months ended 30 June 2025, consisting of PRC corporate income tax payable of approximately RMB14.3 million, Solomon Islands corporate income tax payable of approximately RMB76.0 million, withholding tax payable of approximately RMB5.0 million, underprovision in respect of prior year of RMB0.2 million and deferred tax credit of approximately RMB7.1 million.

The increase in our income tax expense for the six months ended 30 June 2026 was primarily attributable to the significant rise in profit generated from our Gold Ridge Mine operations, which are subject to a 35% income tax rate under the Solomon Islands corporate income tax laws.

Profit for the period

As a result of the foregoing, our profit after taxation increased by approximately 49.3% or approximately RMB328.3 million, from approximately RMB665.3 million for the six months ended 30 June 2025 to approximately RMB993.6 million for the six months ended 30 June 2026. The increase was mainly attributable to the growth of business in both Xinzhuang Mine and Gold Ridge Mine.

Our net profit margin for the six months ended 30 June 2026 was approximately 53.3%, which was broadly in line with approximately 53.6% for the six months ended 30 June 2025. This reflected sustained high profitability from our sales of gold doré and gold concentrates.

Profit attributable to owners of our Company

The profit attributable to the owners of our Company increased by approximately 50.7% or approximately RMB304.5 million, from approximately RMB600.8 million for the six months ended 30 June 2025 to approximately RMB905.3 million for the six months ended 30 June 2026.

Liquidity and financial resources

During the six months ended 30 June 2026, the Group's net cash generated from operating activities was approximately RMB708.7 million (net cash generated from operating activities for the six months ended 30 June 2025: approximately RMB438.2 million) and the Group's bank balances and cash was approximately RMB498.3 million as at 30 June 2026 (as at 31 December 2025: approximately RMB1,025.3 million). Such decrease in bank balances and cash was mainly attributable to the increased trade receivables balance, as the payment collection cycle was still in progress at the reporting date.

Included in bank balances and cash, approximately RMB367.7 million (as at 31 December 2025: approximately RMB620.9 million) was denominated in Hong Kong dollars, Australian dollars, Solomon Islands dollars and US dollars.

Borrowings

As at 30 June 2026, the Group had secured bank borrowings of approximately RMB83.3 million and unsecured bank borrowings of approximately RMB40.0 million in aggregate with maturity within one year and effective interest rate of approximately 3.91%.

Management Discussion and Analysis

Gearing ratio

The Group had a gearing ratio of approximately 2.2% (representing total bank borrowings and payables to former non-controlling shareholder of a subsidiary divided by total assets) as at 30 June 2026. The gearing ratio was approximately 2.8% as at 31 December 2025. The decrease in gearing ratio was mainly attributable to the increase in property, plant and equipment.

Capital expenditure

Capital expenditure mainly included purchase of mining and processing equipment, construction of mining structures at the Gold Ridge Mine as well as payment for exploration and evaluation assets. For the six months ended 30 June 2026, capital expenditure of approximately RMB780.2 million has been incurred (for the six months ended 30 June 2025: approximately RMB174.2 million).

Contractual obligations and capital commitment

As at 30 June 2026, the Group's capital commitment amounted to approximately RMB1,457.2 million, representing a decrease of approximately RMB90.3 million as compared to approximately RMB1,547.5 million as at 31 December 2025, which was primarily due to partial settlement of expenditure for the construction of a secondary hydropower station at the Gold Ridge Mine during the reporting period.

Contingent liabilities

As at 30 June 2026, the Group did not have any material contingent liabilities or guarantees.

Significant investments, acquisitions and disposals of subsidiaries, associates and joint ventures

Save as disclosed in this report, the Group had no significant investments, or material acquisition and disposal of subsidiaries, associated and joint ventures during the six months ended 30 June 2026.

Future plan for material investments and capital assets

Save as disclosed in this report, the Group does not have any plan authorised by the Board for material investments or additions of capital assets as at the date of this report.

Charge on group assets

As at 30 June 2026, the Group's right-of-use assets and buildings with carrying value of approximately RMB49.6 million (as at 31 December 2025: approximately RMB51.9 million) were pledged to secure the Group's bank borrowings and facilities.

Exposure to fluctuations in exchange rates

The Group's businesses are located primarily in the PRC and the Solomon Islands and most of the transactions are conducted in Renminbi, US dollars and Australian dollars. Except for certain of the Group's bank balances and cash, other receivables and other payables denominated in Hong Kong dollars, Australian dollars, Solomon Islands dollars and US dollars, the majority of the Group's assets and liabilities are denominated in Renminbi.

As Renminbi fluctuated against Hong Kong dollars and Australian dollars in a limited extent during the reporting period, the Group had no material adverse exposure to foreign exchange fluctuations during the six months ended 30 June 2026. We have not used any foreign currency hedge arrangement or other derivatives to hedge against exchange rates risk.

Interest rate risk

Our bank borrowings are denominated in Renminbi and Hong Kong dollars borrowed from domestic commercial banks at interest rates that are determined by reference to the benchmark interest rates set by the People's Bank of China ("**PBoC**") and Hong Kong Interbank Offered Rate ("**HIBOR**") respectively. Interest rates on our bank loans are subject to adjustments by our lenders in accordance with changes in the PBoC benchmark rates and HIBOR. We are exposed to interest rate risk resulting from changes in interest rates on our short-term and long-term bank borrowings. Increases in benchmark interest rates will increase the interest rates on our bank loans. Increases in interest rates will increase our expense on outstanding borrowings and the cost of new borrowings, and therefore could have a material adverse effect on our financial results. We have not used any interest rate swaps or other derivatives to hedge against interest rate risk.

INTERIM DIVIDEND

The Board declared an interim dividend of HK$6.00 cents (equivalent to RMB5.21 cents) per share for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$20.30 cents before the Share Subdivision, equivalent to HK$5.075 cents after the Share Subdivision), representing approximately 25.3% (six months ended 30 June 2025: 33.4%) of the profit attributable to owners of the Company, payable to the shareholders of the Company (the "**Shareholders**") whose names appear on the register of members of the Company on Friday, 16 October 2026. Based on the number of issued Shares (excluding treasury shares) as at 30 June 2026, this represents a total distribution of approximately RMB229.4 million. It is expected that the proposed interim dividend will be paid on or before 30 November 2026. The dividend has not been included as a liability in the condensed consolidated financial statements.

CLOSURE OF REGISTER OF MEMBERS

The interim dividend is payable to the Shareholders whose names appear on the register of members of the Company at close of business on Friday, 16 October 2026. For determination of entitlement to the interim dividend, the register of members of the Company will be closed from Wednesday, 14 October 2026 to Friday, 16 October 2026, both days inclusive. In order to qualify for the proposed interim dividend, all share certificates with the properly completed transfer forms, either overleaf or separately, must be lodged with the Company's Hong Kong share register, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 13 October 2026.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2026, the Group employed approximately 1,429 employees, excluding the independent third-party contractor which is responsible for underground mining work in Xinzhuang Mine and mining and drilling works at Gold Ridge Mine. Remuneration is determined and reviewed based on fair principles with reference to market conditions and individual performances.

The Group also provides other benefits to its employees including social insurance together with housing provident funds for our PRC employees, contributions to statutory mandatory provident funds for our Hong Kong employees, superannuation for our Australia employees and national provident funds for our Solomon Islands employees.

EXPLORATION, DEVELOPMENT AND MINING ACTIVITIES

Xinzhuang Mine

Mineral exploration

During the six months ended 30 June 2026, the exploration activities in the Xinzhuang Mine were within 4-33 exploration line. We have completed underground geological drilling of 11,375 m, with drill size of 60-108 mm for the six months ended 30 June 2026. We have also finished tunnel drilling of 476 m and completed adit mapping of 1,159 m. For the six months ended 30 June 2026, approximately RMB1.7 million was incurred for the mineral exploration.

Development

During the six months ended 30 June 2026, the Group incurred development expenditure of approximately RMB14.0 million. Detailed breakdown of development expenditure is as follows:

	RMB (million)
Mining structures	8.0
Buildings	0.1
Machinery and electronic equipment for processing plants	5.8
Motor vehicles	0.1
	14.0

Mining activities

During the six months ended 30 June 2026, we processed a total of 565,976 tonnes of ore in the Xinzhuang Mine. The following table shows the volume of our concentrates products sold during the six months ended 30 June 2026.

	Six months ended 30 June	
	2026	2025
Type of concentrates sold	**Volume**	Volume
Copper in copper concentrates	**1,965 tonnes**	1,622 tonnes
Iron concentrates	**16,595 tonnes**	25,486 tonnes
Zinc in zinc concentrates	**1,570 tonnes**	1,731 tonnes
Sulfur concentrates	**163,618 tonnes**	117,971 tonnes
Lead in lead concentrates	**277 tonnes**	529 tonnes
Sulfur and iron concentrates	**64,620 tonnes**	25,529 tonnes
Gold in copper concentrates	**27 kg**	23 kg
Silver in copper concentrates	**1,692 kg**	1,869 kg
Gold in zinc concentrates	**6 kg**	3 kg
Gold in lead concentrates	**28 kg**	38 kg
Silver in lead concentrates	**972 kg**	1,356 kg
Copper in lead concentrates	**55 kg**	52 kg

During the six months ended 30 June 2026, Xinzhuang Mine incurred expenditures for mining and processing activities of approximately RMB78.1 million (six months ended 30 June 2025: approximately RMB69.9 million) and approximately RMB64.8 million (six months ended 30 June 2025: approximately RMB50.3 million) respectively. The unit expenditures for mining and processing activities during the six months ended 30 June 2026 were approximately RMB137.1/t (six months ended 30 June 2025: approximately RMB155.2/t) and approximately RMB114.5/t (six months ended 30 June 2025: approximately RMB111.7/t) respectively. The decrease in unit expenditure for mining activities was primarily driven by the growth in production volume outpacing the increase in subcontracting costs.

Walege Mine

We own 51% attributable interest of Xizang Changdu which in turn owns the Walege Mine in which we may further exploit for open-pit and underground mining. The Walege Mine has a significant volume of mineral resources of lead and silver. The Group is in the process of converting its exploration license to mining license.

Mineral exploration

No exploration was conducted during the six months ended 30 June 2026.

Development

During the six months ended 30 June 2026, Walege Mine incurred development expenditure of approximately RMB0.7 million mainly in respect of maintenance of exploration license and activities in relation to conversion of exploration license to mining license.

Mining activities

Since the Walege Mine is still in development stage, no mining activities occurred for the six months ended 30 June 2026.

Gold Ridge Mine

Mineral exploration

During the first half of 2026, there were a total of 285 holes drilled with a total of 43,197.66 m at the Gold Ridge Mine, including:

- 36 core drill holes with 14,914.25m;
- 249 reverse circulation drill holes with 28,283.41m

Priority was given to exploration work at the Valehaichichi (VAL), Charivunga (CVA) and Dawsons (DAW) deposits. In the southern part of the VAL mining section, commercial-grade ore bodies were successfully identified, further validating the possibility of the ore bodies extending westwards and connecting with adjacent mining sections; in the eastern part of the CVA mining section, commercial-grade ore bodies with good continuity were discovered, and there remains potential for resource expansion to the east and at greater depths; exploration of the shallow and medium-to-deep parts of the DAW deposit has made positive progress, with several new mineralised zones identified. All these constitutes the basis for the growth of the mining area's resource reserves.

For the first half of 2026, expenditure of mineral exploration was approximately RMB41.7 million. The expenditure includes direct drilling cost, energy cost and assay cost.

Development

For the first half of 2026, the Gold Ridge Mine incurred development expenditure of RMB738.8 million mainly in respect of the construction of mining areas, the improvement of haulage roads, and the upgrading of ore processing and ancillary facilities.

For the purpose of increasing ore processing capacity and output of gold, we have also optimized the production systems and ore processing plant as well as tailings storage facilities and tailings conveyance and discharge pipelines.

Detailed breakdown of development expenditure is as follows:

	RMB (million)
Mining structures	374.3
Machinery and electronic equipment for processing plants	308.0
Motor vehicles	56.5
	738.8

Mining activities

The Gold Ridge Mine is operated using open-pit mining methods, with the ore transported by road to designated areas. The ore is sorted according to its properties and processed using a dual-process production model that combines heap leaching with a combined 'gravity separation and flotation' process.

Management Discussion and Analysis

In the first half of 2026, a total of 5,050,455 tonnes of ore was extracted and stripped, comprising 3,162,287 tonnes of ore stripped, and 1,888,168 tonnes of ore mined. A total of 2,527,388 tonnes of ore has been processed. Of this, the processing plant processed 1,657,146 tonnes of ore, with an average grade of 1.33 grams per tonne; while the heap leaching system received 870,242 tonnes of ore, with ore having been placed on five heaps.

During the first half of 2026, we processed 1,657,146 tonnes of ores, resulted in 41,975 tonnes of gold concentrates with average grade of 20.34g/t. Knelson gravity circuit and heap leach plant produced approximately 1,161.3kg of gold doré.

The following table sets forth the volume of respective products sold from the Gold Ridge Mine during the six months ended 30 June 2026:

	Six months ended 30 June			
	2026 Volume	**Contained gold**	2025 Volume	Contained gold
Type of products sold				
Gold Doré (kg)	**999**	**807**	1,022	811
Gold Concentrates (tonnes)	**34,186**	**715**	25,170	549

The following table sets forth the volume of ores mined and processed at the Gold Ridge Mine during the six months ended 30 June 2026:

	Six months ended 30 June	
	2026 Volume (tonnes)	2025 Volume (tonnes)
Volume of ore mined	**1,888,168**	1,975,870
Volume of ore processed	**1,657,146**	1,272,280

Decrease in volume of ore mined was attributable to using up the historical stockpile of ore at the raw ore storage yard as well as infrastructure stripping and pre-mining works for the expansion project.

Increase in volume of ore processed was due to increase in utilisation rate of equipment from 79.4% to 89.9% as well as upgrading of crushing, grinding and flotation systems.

For the first half of 2026, Gold Ridge Mine incurred expenditures for mining and processing activities of approximately RMB119.4 million and RMB152.2 million (six months ended 30 June 2025: RMB131.7 million and RMB99.7 million) respectively. The unit expenditures for mining and processing activities were approximately RMB63.2/t and RMB91.9/t (six months ended 30 June 2025: RMB66.6/t and RMB78.4/t) respectively for the first half of 2026. The increase in unit expenditure for processing activities was primarily due to surge in fuel prices during the reporting period.

PROSPECT

We intend to continue to grow our business into a leading non-ferrous mining company in the PRC and South Pacific region through the following major strategies.

Growing production at our mine and outsourcing our mining works

The scale of our production operation in the Xinzhuang Mine has increased to our targeted mining capacity and processing capacity of 600,000 tpa by end of 2014 and is now in the final stage of upgrading the mining capacity to 900,000 tpa. We planned to further upgrade the mining capacity to 1,000,000 tpa in coming years. To minimise costs, we will continue to outsource our underground mining works to third-party contractors.

Horizontal expansion through future acquisitions of new mines

We intend to further expand our mineral resources and ore reserves through the acquisitions of new mines. We will consider and balance assessment criteria carefully in respect of our acquisition targets, in order to pursue acquisitions prudently with a view to further growing our business and maximising returns to the Shareholders.

OUTLOOK

According to World Gold Council, 2026 was one of the most dramatic starting to any year, gold soared to record highs in January, crossing above US$5,500/oz intraday before dipping below US$4,000/oz in late June. Down roughly 7% year-to-date, gold nonetheless ranks among the top performers over the past year, as other assets play catch-up. The first half of 2026 showed that gold remains sensitive to heightened geopolitical concerns and abrupt shifts in investor sentiment. It also showcased the growing relevance of Asian markets in gold price discovery.

At current levels, gold's price is broadly in line with a global backdrop of moderate growth, cooling but still elevated inflation, and expectations of further – but limited – central bank tightening. Under these conditions, gold will likely stay relatively rangebound (±5%). But the stage is set for a possible breakout. On the upside, clear catalysts – a worsening economy or renewed geopolitical shock, a shift towards lower interest-rate expectations, or a wave of dip buying – could reignite gold's momentum and lift it back towards US$4,500/oz or above. If the signals are strong, gold could push even higher. Conversely, an environment of resilient growth, rising yields, and calmer markets could see gold slip further – though a fall of more than 10% from current levels may be tempered by bargain-hunting demand.

Meanwhile, enduring central bank demand and policy shifts in key markets like India are additional wildcards that could subtly influence gold's path in the second half.

EVENTS AFTER THE REPORTING PERIOD

A Localized Slope Failure on a Non-Operational Bench at Gold Ridge Mine in Solomon Islands

At approximately 12:45 a.m. on 27 July 2026 (Solomon Islands time), a localized slope failure occurred on a non-operational bench along the northwestern edge of the North Pit 1 open-pit area. Prior to the event, GRML had, based on the conditions at the site, implemented safety control measures, including closing off and cordoning off the affected area and implementing warning controls. No injuries or fatalities were reported, and no equipment or property was damaged as a result of the event. At present, mining operations at Gold Ridge Mine continue as normal, and ongoing construction projects remain unaffected.

Following the event, GRML immediately activated its emergency response mechanism and promptly implemented safety control measures on site. Access to the affected area is strictly prohibited for non-essential and unauthorized personnel, and the closure and access controls remain in place. Concurrently, GRML has deployed technical teams to conduct site inspections in the affected area and carry out remediation and stabilization works.

Corporate Governance Practices

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standards of corporate governance and has complied with all applicable code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Part 2 of Appendix C1 to the Rules (the "**Listing Rules**") Governing the Listing of Securities on the Stock Exchange throughout the six months ended 30 June 2026, except for the deviation from code provision C.2.1 of the CG Code in respect of segregation of the roles of chairman and chief executive officer as mentioned below.

According 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. Mr. Gao Mingqing, in addition to his duties as the chairman of the Company, is also responsible for the strategic planning and overseeing all aspects of the Group's operations as the chief executive officer of the Company. This constitutes a deviation from code provision C.2.1 of the CG Code. Mr. Gao Mingqing, as one of the founders of the Group, has extensive experience and knowledge in the core business of the Group and his duties for overseeing the Group's operations is clearly beneficial to the Group. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Group.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct (the "**Code of Conduct**") regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 to the Listing Rules. Having made specific enquiries with all Directors, all Directors have confirmed that they had complied with the Model Code and the required standard set out in the Code of Conduct during the six months ended 30 June 2026.

The Company has also established written guidelines on terms no less exacting than the Model Code (the "**Employees Written Guidelines**") for securities transactions by relevant employees who are likely to possess inside information of the Company. No incident of non-compliance of the Employees Written Guidelines by the relevant employees was noted by the Company for the six months ended 30 June 2026.

CHANGE IN DIRECTORS' BIOGRAPHICAL DETAILS UNDER RULE 13.51B(1) OF THE LISTING RULES

Mr. Wang Lixin was appointed as an executive Director on 3 February 2026. His biographical details and information as disclosed pursuant to Rule 13.51(2) of the Listing Rules are set out in the announcement of the Company dated 3 February 2026. Mr. Wang Lixin has on 29 December 2025 obtained the legal advice referred to in Rule 3.09D of the Listing Rules and has confirmed that he understood his obligations as a director of the Company.

With effect from 5 June 2026, date of our 2026 annual general meeting, Mr. Liu Zhichun, retired as an executive Director and ceased to be a member of the remuneration committee of the Board (the "**Remuneration Committee**") and Ms. Gao Jinzhu, an executive Director, was appointed as a member of the Remuneration Committee.

Save as disclosed above, there is no change to the Directors' biographical details which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules from the date of the Company's 2025 annual report.

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

During the six months ended 30 June 2026, the Company bought back a total of 21,963,000 issued shares of the Company on the Stock Exchange at an aggregate consideration (excluding expenses) of approximately HK$218,996,000, all of which were held as treasury shares by the Company as at 30 June 2026. Details of the shares bought back during the interim financial period are set out below:

Month/Year	Number of shares bought back	Purchase price per share Highest	Purchase price per share Lowest	Aggregate consideration (excluding expenses)
		HK$	HK$	HK$'000
03/2026	65,500	12.59	12.35	817
05/2026	13,785,000	11.73	11.05	155,379
06/2026	8,112,500	7.97	7.49	62,800
	21,963,000			218,996

Save as disclosed above, during the six months ended 30 June 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company (including sale of treasury share). As at 30 June 2026, the Company held 21,963,000 treasury shares. They were intended to be used in accordance with the applicable rules and regulations, including but not limited to employee share incentive schemes. During the six months ended 30 June 2026, the Company did not sell or transfer any treasury shares.

Such repurchases were made out of confidence in the Company's prospects and recognition of the Company's value, aiming to align the interests of investors, and to stabilise and enhance the value of the Company's shares.

REVIEW OF ACCOUNTS BY THE AUDIT COMMITTEE

The audit committee of the Board (the "**Audit Committee**") comprises three independent non-executive Directors, namely Mr. Tsang Wai Hung, Mr. Wong Chi Ming Ming and Mr. Wang Xin. The purpose of the establishment of the Audit Committee is for reviewing and supervising the financial reporting process, and risk management and internal control of the Group. The Audit Committee has reviewed the unaudited interim results of the Group for the six months ended 30 June 2026 and considered that they were prepared in compliance with the relevant accounting standards, and that the Company has made appropriate disclosure thereof under the requirements of the Listing Rules.

Other Information

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

As at 30 June 2026, the interests or short positions of our Directors and chief executives in the shares, underlying shares or debentures of our Company and our associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("**SFO**")) as notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or as recorded, pursuant to section 352 of the SFO, in the register referred to therein or which were required to be notified to our Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules, were as follows:

Long positions in Shares

Name of Directors	Capacity/nature of interest	Number of Shares or the underlying Shares in which interested	Approximate percentage of shareholding in the Company
Mr. Gao Mingqing	Interest in controlled corporation and other	1,139,070,000(1)	25.74%
Ms. Gao Jinzhu	Beneficial owner, interest in controlled corporation and other	586,388,000(2)	13.25%
Mr. Wang Renxiang	Other	7,150,000(3)	0.16%
Mr. Wang Guobiao	Beneficial owner and other	1,390,500(4)	0.03%
Mr. Wang Lixin	Other	50,000(5)	0.01%
Mr. Tsang Wai Hung	Other	50,000(5)	0.01%
Mr. Wong Chi Ming Ming	Other	50,000(5)	0.01%
Mr. Wang Xin	Other	50,000(5)	0.01%

Notes:

1. The 1,133,670,000 Shares were owned by Victor Soar Investments Limited which is wholly owned and controlled by Mr. Gao Mingqing. In addition, Mr. Gao Mingqing holds 4,320,000 options and 1,080,000 options granted by the Company on 20 March 2025 and 10 April 2026 respectively, pursuant to the 2024 Share Option Scheme.

2. The 556,080,000 Shares were owned by Achieve Ample Investments Limited and 20,000,000 shares were held by Grace Ocean Investments Limited, which are wholly-owned and controlled by Ms. Gao Jinzhu. In addition, Ms. Gao Jinzhu owns 8,308,000 Shares as the beneficial owner, and holds 1,600,000 options and 400,000 options granted by the Company on 20 March 2025 and 10 April 2026 respectively, pursuant to the 2024 Share Option Scheme.

3. The 6,000,000 Shares were owned by a company which is owned and controlled by Mr. Wang Renxiang's spouse. In addition, Mr. Wang holds 1,000,000 options and 150,000 options, granted by the Company on 20 March 2025 and 10 April 2026 respectively, pursuant to the 2024 Share Option Scheme.

4. Mr. Wang Guobiao owns 990,500 Shares as the beneficial owner, and holds 400,000 options granted by the Company on 10 April 2026, pursuant to the 2024 Share Option Scheme.

5. Each of Mr. Wang Lixin, Mr. Tsang Wai Hung, Mr. Wong Chi Ming Ming and Mr. Wang Xin holds 50,000 options granted by the Company on 10 April 2026, pursuant to 2024 Share Option Scheme.

Save as disclosed above, as at 30 June 2026, so far as is known to any Directors or chief executives of the Company, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or (c) were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PARTIES' INTERESTS IN SECURITIES

As at 30 June 2026, the following persons, other than the Directors and chief executives of the Company, had or were deemed or taken to have an interest and/or short position in the shares or the underlying shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company under section 336 of the SFO, or who was, directly or indirectly, interested in 5% or more of the issued share capital of the Company.

Long positions in Shares

Name of Shareholder	Number of Shares or the underlying Shares in which interested	Capacity in which Shares or the underlying Shares are held	Approximate percentage of interest
Victor Soar Investments Limited(1)	1,133,670,000	Beneficial owner	25.62%
Mr. Gao Mingqing(1)	1,133,670,000	Interest in controlled corporation	25.62%
	5,400,000	Other	0.12%
Ms. Lin Yinyin(2)	1,139,070,000	Interest of spouse	25.74%
Achieve Ample Investments Limited(3)	556,080,000	Beneficial owner	12.57%
Grace Ocean Investments Limited(3)	20,000,000	Beneficial owner	0.45%
Ms. Gao Jinzhu(3)	576,080,000	Interest in controlled corporation	13.02%
	8,308,000	Beneficial owner	0.19%
	2,000,000	Other	0.05%
Mr. Wang Weimian(4)	586,388,000	Interest of spouse	13.25%
Shandong Humon Mining Development Limited(5)	663,164,000	Beneficial owner	14.99%
Shandong Humon Smelting Co., Ltd(5)	663,164,000	Interest in controlled corporation	14.99%
Jiangxi Copper Company Limited(5)	663,164,000	Interest in controlled corporation	14.99%
Jiangxi Copper Corporation Limited(5)	663,164,000	Interest in controlled corporation	14.99%
Gold Mountains (H.K.) International Mining Company Limited(6)	607,000,000	Beneficial owner	13.72%
Zijin Mining Group Co., Ltd(6)	607,000,000	Interest in controlled corporation	13.72%

Notes:

1. Victor Soar Investments Limited is wholly owned and controlled by Mr. Gao Mingqing. In addition, Mr. Gao Mingqing holds 4,320,000 options and 1,080,000 options granted by the Company on 20 March 2025 and 10 April 2026 respectively, pursuant to the 2024 Share Option Scheme.

2. Ms. Lin Yinyin is the wife of Mr. Gao Mingqing and is deemed to be interested in the 1,133,670,000 Shares held by Victor Soar Investments Limited, a company controlled by Mr. Gao Mingqing, and the 4,320,000 options and 1,080,000 options held by Mr. Gao Mingqing, granted by the Company on 20 March 2025 and 10 April 2026, pursuant to the 2024 Share Option Scheme.

3. Each of Achieve Ample Investments Limited and Grace Ocean Investments Limited is directly or indirectly wholly owned and controlled by Ms. Gao Jinzhu. In addition, Ms. Gao Jinzhu owns 8,308,000 Shares as the beneficial owner, and holds 1,600,000 options and 400,000 options granted by the Company on 20 March 2025 and 10 April 2026, pursuant to the 2024 Share Option Scheme.

4. Mr. Wang Weimian is the husband of Ms. Gao Jinzhu and is deemed to be interested in the 556,080,000 Shares held by Achieve Ample Investments Limited, a company controlled by Ms. Gao Jinzhu, the 20,000,000 Shares held by Grace Ocean Investments Limited, a company controlled by Ms. Gao Jinzhu, the 8,308,000 Shares held by Ms. Gao Jinzhu as the beneficial owner, and the 1,600,000 options and 400,000 options held by Ms. Gao Jinzhu, granted by the Company on 20 March 2025 and 10 April 2026 respectively, pursuant to the 2024 Share Option Scheme.

5. Shandong Humon Mining Development Limited is a wholly-owned subsidiary of Hong Kong Humon International Logistics Limited (香港恆邦國際物流有限公司), which in turn is wholly-owned by Shandong Humon Smelting Co., Ltd., a company listed on Shenzhen Stock Exchange with stock code: 002237.

   Shandong Humon Smelting Co., Ltd is owned as to 36.50% by Jiangxi Copper Company Limited, a company listed on both Shanghai Stock Exchange and Hong Kong Stock Exchange with stock code: 600362 and 358 respectively, which in turn is owned as to 45.72% by Jiangxi Copper Corporation Limited. Jiangxi Copper Corporation Limited is owned as to 90.00% by Jiangxi State-Owned Capital Operation Holdings Group Co. Ltd (江西省國有資本運營控股集團有限公司).

6. Zijin Mining Group Co., Ltd. (紫金礦業集團股份有限公司), a company incorporated in the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 601899) and the Stock Exchange (stock code: 2899) ("**Zijin Mining**"). Gold Mountains (H.K.) International Mining Company Limited is controlled by Zijin Mining.

Other than as disclosed above, as at 30 June 2026, the Company has not been notified by any person (other than the Directors or chief executive of the Company) who had interests or short position in the shares or underlying shares of the Company as recorded in the register required to be kept pursuant to section 336 of the SFO.

By Order of the Board
Wanguo Gold Group Limited

Gao Mingqing
Chairman

18 August 2026

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

		Six months ended 30 June	
	NOTES	**2026** **RMB'000** **(unaudited)**	2025 RMB'000 (unaudited)
Revenue	3	**1,863,332**	1,240,284
Cost of sales		**(422,673)**	(372,428)
Gross profit		**1,440,659**	867,856
Other income		**64,748**	30,077
Other gains and losses		**(6,081)**	13,735
Distribution and selling expenses		**(69,656)**	(64,125)
Administrative expenses		**(131,447)**	(88,759)
Finance costs	4	**(2,441)**	(5,076)
Profit before tax		**1,295,782**	753,708
Income tax expense	5	**(302,212)**	(88,386)
Profit for the period	6	**993,570**	665,322
Other comprehensive expense			
– Exchange differences on translation from functional currency to presentation currency		**(136,875)**	(2,183)
Total comprehensive income for the period		**856,695**	663,139
Profit for the period attributable to:			
Owners of the company		**905,330**	600,760
Non-controlling interests		**88,240**	64,562
		993,570	665,322
Total comprehensive income for the period attributable to:			
Owners of the company		**777,578**	597,063
Non-controlling interests		**79,117**	66,076
		856,695	663,139
Earnings per share			
Basic (RMB cents)	7	**20.47**	13.86 (Restated)
Diluted (RMB cents)	7	**20.33**	13.81 (Restated)

Condensed Consolidated Statement of Financial Position

At 30 June 2026

	NOTES	At 30 June 2026 RMB'000 (unaudited)	At 31 December 2025 RMB'000 (audited)
Non-current assets			
Property, plant and equipment	9	**1,840,142**	1,416,263
Right-of-use assets	9	**101,972**	53,231
Mining rights		**225,457**	232,628
Exploration and evaluation assets	9	**335,638**	311,814
Other intangible asset		**312,165**	312,165
Intangible assets		**2,979**	3,085
Deposit for purchase of property, plant and equipment	12	**362,724**	132,046
Deferred tax assets		**8,052**	7,263
Other receivable		**24,630**	24,630
Restricted bank balances		**9,966**	7,540
		3,223,725	2,500,665
Current assets			
Inventories		**432,406**	333,188
Trade and other receivables	12	**1,112,760**	619,761
Financial assets at fair value through profit or loss ("**FVTPL**")	10	**1,683,483**	1,537,494
Amount due from a related company	13	**2**	3
Amount due from a non-controlling interest	13	**51,007**	45,547
Bank balances and cash			
– restricted bank balances		**3,301**	3,308
– cash and cash equivalents		**498,269**	1,025,348
– term deposits		**170,272**	175,720
		3,951,500	3,740,369
Current liabilities			
Trade and other payables	14	**958,967**	267,134
Contract liabilities		**18,888**	11,256
Lease liabilities		**1,150**	1,094
Amounts due to related parties	15	**255**	615
Consideration payable to a former non-controlling shareholder of a subsidiary		**38,136**	47,936
Tax payable		**156,805**	312,676
Bank borrowings	16	**123,257**	72,551
		1,297,458	713,262
Net current assets		**2,654,042**	3,027,107
Total assets less current liabilities		**5,877,767**	5,527,772

Condensed Consolidated Statement of Financial Position

At 30 June 2026

	NOTES	**At 30 June 2026 RMB'000 (unaudited)**	At 31 December 2025 RMB'000 (audited)
Non-current liabilities			
Bank borrowings	16	–	56,000
Lease liabilities		**1,377**	2,024
Deferred income		**2,860**	3,152
Deferred tax liabilities		**438,351**	268,881
Provisions for restoration costs		**22,626**	20,085
		465,214	350,142
Capital and reserves			
Share capital	11	**93,273**	93,273
Reserves		**4,778,313**	4,622,507
Equity attributable to owners of the Company		**4,871,586**	4,715,780
Non-controlling interests		**540,967**	461,850
Total equity		**5,412,553**	5,177,630
		5,877,767	5,527,772

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Attributable to owners of the Company											
	Share capital	Share premium	Treasury shares	Capital reserve	Statutory and surplus reserves	Translation reserve	Other reserves	Share option reserve	Retained profits	Sub-total	Non controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000 (note a)	RMB'000 (note b)	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025 (audited)	91,223	1,921,040	–	71,005	152,844	(19,230)	(596,039)	–	1,513,735	3,134,578	318,743	3,453,321
Profit for the period	–	–	–	–	–	–	–	–	600,760	600,760	64,562	665,322
Other comprehensive expense for the period	–	–	–	–	–	(3,697)	–	–	–	(3,697)	1,514	(2,183)
Total comprehensive (expense) income for the period	–	–	–	–	–	(3,697)	–	–	600,760	597,063	66,076	663,139
Dividend recognised as distribution (note 8)	–	(236,211)	–	–	–	–	–	–	–	(236,211)	–	(236,211)
Recognition of equity-settled share based payments (note 21)	–	–	–	–	–	–	–	8,763	–	8,763	–	8,763
At 30 June 2025 (unaudited)	91,223	1,684,829	–	71,005	152,844	(22,927)	(596,039)	8,763	2,114,495	3,504,193	384,819	3,889,012
At 1 January 2026 (audited)	93,273	2,135,641	–	71,005	152,844	(29,734)	(596,039)	20,091	2,868,699	4,715,780	461,850	5,177,630
Profit for the period	–	–	–	–	–	–	–	–	905,330	905,330	88,240	993,570
Other comprehensive expense for the period	–	–	–	–	–	(127,752)	–	–	–	(127,752)	(9,123)	(136,875)
Total comprehensive (expense) income for the period	–	–	–	–	–	(127,752)	–	–	905,330	777,578	79,117	856,695
Dividend recognised as distribution (note 8)	–	(445,557)	–	–	–	–	–	–	–	(445,557)	–	(445,557)
Repurchase of shares	–	–	(191,147)	–	–	–	–	–	–	(191,147)	–	(191,147)
Recognition of equity-settled share based payments (note 21)	–	–	–	–	–	–	–	14,932	–	14,932	–	14,932
At 30 June 2026 (unaudited)	93,273	1,690,084	(191,147)	71,005	152,844	(157,486)	(596,039)	35,023	3,774,029	4,871,586	540,967	5,412,553

Notes:

(a) The capital reserve represents contributions from an equity participant in 2011.

(b) The statutory reserve represents the appropriation of 10% of profit after taxation determined based on the relevant accounting rules and regulations of the People's Republic of China (the "**PRC**") in accordance with the relevant PRC laws until the PRC statutory reserve reaches 50% of the registered capital of the relevant subsidiaries. The statutory reserve can be applied either to set off accumulated losses or to increase capital.

The surplus reserve represents further appropriation out of the retained profits of the subsidiaries established in the PRC for any amount approved by its board of directors after the appropriation to the statutory reserve.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**708,693**	438,172
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(752,788)**	(152,916)
Payment for exploration and evaluation assets	**(27,402)**	(21,315)
Payments for right-of-use assets	**(50,898)**	–
Placement of restricted bank balances	**(2,419)**	(1,232)
Redemption of financial assets at fair value through profit or loss	**1,537,350**	574,917
Purchases of financial assets at fair value through profit or loss	**(1,721,585)**	(587,246)
Loan to a non-controlling shareholder	**(6,710)**	–
Proceeds from disposal of property, plant and equipment	**–**	21
Interest received	**23,236**	24,326
NET CASH USED IN INVESTING ACTIVITIES	**(1,001,216)**	(163,445)
FINANCING ACTIVITIES		
Repayment of bank borrowings	**(30,257)**	(141,063)
Interest paid	**(2,348)**	(4,925)
Repayment of advances from related parties	**(342)**	(446)
Repayment of consideration payable to a former non-controlling shareholder of a subsidiary	**(9,800)**	(10,000)
Repayments of lease liabilities	**(662)**	(513)
Payments on repurchase of shares	**(191,147)**	–
New bank borrowing raised	**25,000**	30,000
Dividend paid	**(9,027)**	–
NET CASH USED IN FINANCING ACTIVITIES	**(218,583)**	(126,947)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	**(511,106)**	147,780
CASH AND CASH EQUIVALENTS AT 1 JANUARY	**1,025,348**	513,728
Effect of foreign exchange rate changes	**(15,973)**	(2,187)
CASH AND CASH EQUIVALENTS AT 30 JUNE, represented by bank balances and cash	**498,269**	659,321

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

1. GENERAL INFORMATION

Wanguo Gold Group Limited is a public limited company incorporated in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the interim report.

The principal activity of the Company is investment holding. The principal subsidiaries of the Company are (i) Jiangxi Province Yifeng Wanguo Mining Company Ltd ("**Yifeng Wanguo**"), located in Jiangxi Province, the PRC, which is engaged in mining and processing of ores and sales of processed concentrates in the PRC and (ii) Gold Ridge Mining Limited ("**GRML**"), located in the Solomon Islands, which is engaged in exploration, mining and processing of mineral resources, and sales of processed gold concentrates and gold doré in the Solomon Islands.

As at 30 June 2026, Victor Soar Investments Limited, a company incorporated in the British Virgin Islands, wholly owned and controlled by Mr. Gao Mingqing who is the chairman and executive director of the Company, held approximately 25.62% of the issued shares of the Company, being the single largest shareholder and controlling shareholder of the Company.

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard as issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

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

The application of the amendments to a HKFRS Accounting Standard in the current 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. REVENUE AND SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker ("**CODM**"), being the executive directors of the Company, in order to allocate resources to segments and to assess their performance.

The Group mainly operates in the PRC and Solomon Islands, and all revenue is generated from the PRC and Solomon Islands. The Group's principal non-current assets are located in the PRC and Solomon Islands.

Disaggregation of revenue from contracts with customers

Revenue represents revenue arising on sales of processed concentrates of various metals. All of the revenue of the Group is recognised at a point in time. An analysis of the Group's revenue from its major products for the reporting period is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Sales of processed concentrates		
– Gold doré	**729,441**	605,414
– Gold concentrates	**650,104**	357,829
– Copper concentrates	**170,879**	106,800
– Sulfur concentrates	**152,612**	53,191
– Zinc concentrates	**27,845**	27,073
– Gold in lead concentrates	**26,477**	25,491
– Iron concentrates	**10,214**	14,705
– Gold in copper concentrates	**25,260**	14,357
– Silver in copper concentrates	**27,188**	11,736
– Sulfur and iron concentrates	**25,232**	9,238
– Silver in lead concentrates	**14,370**	8,245
– Lead concentrates	**1,995**	5,236
– Copper in lead concentrates	**813**	615
– Gold in zinc concentrates	**902**	354
	1,863,332	1,240,284
By revenue source		
– Own mined products	**1,863,332**	1,240,284
	1,863,332	1,240,284

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

Segment revenues and results

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

	Yifeng Project RMB'000	Solomon Project RMB'000	Total RMB'000
For the period ended 30 June 2026 (unaudited)			
Segment revenue	**483,787**	**1,379,545**	**1,863,332**
Segment profit	**289,431**	**996,520**	**1,285,951**
Unallocated expense			**(31,614)**
Unallocated other income, other gains and losses			**41,579**
Unallocated finance cost			**(134)**
Profit before tax			**1,295,782**
For the period ended 30 June 2025 (unaudited)			
Segment revenue	277,041	963,243	1,240,284
Segment profit	109,457	621,031	730,488
Unallocated expense			(16,207)
Unallocated other income, other gains and losses			39,597
Unallocated finance cost			(170)
Profit before tax			753,708

Note: There was no inter-segment revenue for the periods ended 30 June 2026 and 2025.

Segment profit represents the profit earned by each segment without allocation of certain administrative expenses, other gains and losses, finance costs and unallocated income and expenses. This is the measure reported to CODM for the purpose of resource allocation and performance.

All the segment revenue reported above is from external customers.

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities

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

Segment assets

	At 30 June 2026 RMB'000 (unaudited)	At 31 December 2025 RMB'000 (audited)
Yifeng Project	**779,838**	545,151
Solomon Project	**3,687,984**	2,403,011
Total segment assets	**4,467,822**	2,948,162
Assets not allocated to segments:		
Property, plant and equipment	**9,211**	9,595
Right-of-use assets	**2,193**	2,767
Other intangible assets	**312,165**	312,165
Exploration and evaluation assets	**199,304**	198,637
Other receivables, deposit and prepayments	**20,006**	20,298
Financial assets at FVTPL	**1,619,702**	1,502,350
Restricted bank balances	**13,267**	186,568
Cash and cash equivalents	**531,555**	1,060,492
Consolidated total assets	**7,175,225**	6,241,034

Segment liabilities

	At 30 June 2026 RMB'000 (unaudited)	At 31 December 2025 RMB'000 (audited)
Yifeng Project	**284,500**	305,390
Solomon Project	**876,257**	626,314
Total segment liabilities	**1,160,757**	931,704
Liabilities not allocated to segments:		
Trade and others payable	**66,430**	14,460
Amounts due to related parties	**255**	614
Lease liabilities	**2,526**	3,118
Bank borrowings	**657**	951
Deferred tax liabilities	**98,091**	98,891
Tax payable	**4,818**	4,414
Dividend payable	**429,138**	9,252
Consolidated total liabilities	**1,762,672**	1,063,404

3. REVENUE AND SEGMENT INFORMATION *(Continued)*

Geographical information

The Group mainly operates in the PRC and Solomon Islands, and all revenue is generated from the PRC and Solomon Islands. The Group's principal non-current assets are located in the PRC and Solomon Islands. Information about its revenue and non-current assets by geographical locations of operations are detailed below:

	Revenue Six months ended 30 June		**Non-current assets***	
			As at 30 June	As at 31 December
	2026	2025	**2026**	2025
	RMB'000	RMB'000	**RMB'000**	RMB'000
	(unaudited)	(unaudited)	**(unaudited)**	(audited)
The PRC	**483,787**	277,041	**941,611**	956,246
Solomon Islands	**1,379,545**	963,243	**2,228,056**	1,492,625
Australia	**–**	–	**4,802**	5,094
Hong Kong	**–**	–	**6,608**	7,267
	1,863,332	1,240,284	**3,181,077**	2,461,232

* Non-current assets excluded deferred tax assets, other receivable and restricted bank balance.

4. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest on bank borrowings	**2,317**	4,925
Imputed interest expenses on lease liabilities	**124**	151
	2,441	5,076

5. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Current tax charge:		
Hong Kong		
– Under provision in prior years	**582**	–
PRC Enterprise Income Tax ("**EIT**")		
– Current period	**40,719**	14,273
– Under provision in prior years	**–**	173
Solomon Islands Enterprise Income Tax ("**Solomon Islands EIT**")		
– Current period	**79,030**	76,004
Withholding tax	**13,200**	5,000
	133,531	95,450
Deferred tax charge (credit)		
– Current period	**168,681**	(7,064)
	302,212	88,386

No provision for Hong Kong Profits Tax has been made as the Group had no assessable profit subject to Hong Kong Profits Tax during both periods.

Under the Law of the Solomon Islands Government, the tax rate of the subsidiary incorporated in the Solomon Islands was 35% during both periods.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of EIT Law, the tax rate of the subsidiaries established in the PRC was 25% for both periods, except for one subsidiary, Yifeng Wanguo.

Yifeng Wanguo was entitled to a preferential EIT rate of 15% from 2021 to 2026, as it satisfied the conditions of high and new technology enterprises with the Certificate of High and New Technology Enterprises. It renewed the Certificate of High and New Technology Enterprises in 2024 therefore its entitlement to the preferential EIT rate of 15% was extended to 2026.

Starting from 2023, pursuant to the relevant rules and regulations, certain qualified research expenses incurred by the Group during the period and endorsed by a local tax authority in the PRC is eligible for a further deduction for PRC EIT up to 100% of the relevant costs incurred. In addition, for all qualified enterprises, amortisation of qualifying intangible assets is subject to a super-deduction rate of 200% under the prevailing PRC tax rules.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiary from 1 January 2008 onwards. Deferred taxation has not been provided for in these condensed consolidated financial statements in respect of temporary differences attributable to certain retained profits of the PRC subsidiaries amounting to RMB574,245,000 (as at 31 December 2025: RMB589,830,000) as at 30 June 2026, as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not be reversed in the foreseeable future. As at 30 June 2026, a deferred tax liability of RMB20,050,000 (as at 31 December 2025: RMB20,850,000) has been recognised in respect of undistributed profits of subsidiaries in the PRC amounting to RMB401,000,000 (as at 31 December 2025: RMB417,000,000).

6. PROFIT FOR THE PERIOD

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Profit for the period has been arrived at after charging the following items:		
Directors' emoluments	**7,184**	3,819
Other staff costs	**64,338**	47,617
Retirement benefit scheme contributions, excluding those of directors	**2,568**	2,007
Total staff costs	**74,090**	53,443
Depreciation of property, plant and equipment	**54,425**	38,252
Depreciation of right-of-use assets	**1,207**	1,094
Amortisation of mining rights	**6,145**	9,815
Amortisation of intangible assets	**106**	106
Total depreciation and amortisation	**61,883**	49,267
Capitalised in inventories	**(52,292)**	(26,701)
Capitalised in construction in progress	**–**	(314)
	9,591	22,252
Research and development costs (note)	**18,477**	14,504
Cost of inventories recognised as an expense	**422,673**	372,428

Note: The amounts were recognised in the line of "administrative expenses" in the condensed consolidated statement of profit or loss and other comprehensive income.

7. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
		(Restated)
		Note
Earnings figures are calculated as follows:		
Profit for the period attributable to owners of the Company for the purpose of basic earnings per share (in RMB'000)	**905,330**	600,760
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share (in thousand)	**4,422,366**	4,335,309
Effect of diluted number of ordinary shares:		
Share options	**31,238**	14,069
Weighted average number of ordinary shares for the purpose of diluted earnings per share (in thousand)	**4,453,604**	4,349,378

Note: On 25 November 2025, the Company undertook share split by subdivision of each existing issued and unissued share with a par value of HK$0.10 each into four shares with a par value of HK$0.025 each. The new shares rank pari passu with the existing shares in all respects. The number of shares has been adjusted for the period ended 30 June 2025 retrospectively.

8. DIVIDENDS

During the period, the Company recognised the following dividends as distribution:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Dividend for the year ended:		
Ordinary cash dividend		
31 December 2025: RMB10.10 cents per share (2025: RMB14.50 cents per share for the year ended 31 December 2024)	**445,557**	155,820
Special cash dividend		
31 December 2025: nil cents per share (2025: RMB7.50 cents per share for the year ended 31 December 2024)	–	80,391
	445,557	236,211

Subsequent to the end of the interim period, the directors of the Company have determined that an interim dividend of HK$6.00 cents (equivalent to RMB5.21 cents) per share (six months ended 30 June 2025 after share subdivision: HK$5.08 cents (equivalent to RMB4.62 cents) and six months ended 30 June 2025 before share subdivision: HK$20.30 cents (equivalent to RMB18.48 cents)), being RMB229.40 million in total with reference to the issued shares as at 30 June 2026, which will be payable in cash to the shareholders of the Company whose names appear on the register of members of the Company at the close of business on 16 October 2026.

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT, EXPLORATION AND EVALUATION ASSETS AND RIGHT-OF-USE ASSETS

During the current interim period, the Group acquired property, plant and equipment and incurred construction costs of approximately RMB517,194,000 (six months ended 30 June 2025: RMB155,704,000).

During the current interim period, the Group incurred costs directly associated with the exploration and evaluation assets of RMB23,824,000 (six months ended 30 June 2025: RMB21,315,000).

During the current interim period, the Group entered into several new lease agreements with lease terms ranged from 27 to 39 years (six months ended 30 June 2025: no new lease agreements were entered into). On date of lease commencement, the Group recognised right-of-use assets of RMB49,999,000.

Depreciation charge on property, plant and equipment of RMB54,425,000 (six months ended 30 June 2025: RMB38,252,000) has been recorded in cost of inventories and operating expenses.

Right-of-use assets depreciation expenses of RMB1,207,000 (six months ended 30 June 2025:RMB1,094,000) has been recorded in operating expenses.

10. FINANCIAL ASSETS AT FVTPL

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Structured products (note (a))	**943,632**	1,044,647
Money market fund (note (b))	**540,781**	443,988
Stock	**199,070**	48,859
Amount shown under current assets	**1,683,483**	1,537,494

Structured products and money market fund are classified as current as the management expects to realise these financial assets within twelve months after the reporting period.

Notes:

(a) During the period from 4 March 2025 to 11 November 2025, the Company subscribed for structured products with an aggregate principal amount of approximately US$131 million.

During the six months ended 30 June 2026, the Company subscribed for the structured products in the total principal amount of approximately US$155 million.

During the six months ended 30 June 2026, the Company redeemed the relevant structured products with an aggregate principal amount of US$105 million.

(b) During the period from 7 June 2025 to 17 November 2025, the Company subscribed for liquidity funds with an aggregate principal amount of approximately US$16 million. During the six months ended 30 June 2026, the Company redeemed an aggregate principal amount of US$7 million of the aforesaid liquidity funds.

11. SHARE CAPITAL

Details of share capital of the Company are as follows:

	Number of shares '000	Share capital HK$'000
Ordinary shares of HK$0.025 each		
Authorised:		
At 1 January 2025	10,000,000	1,000,000
Subdivision of shares	30,000,000	–
At 31 December 2025 and 30 June 2026 (Unaudited)	40,000,000	1,000,000
Issued:		
At 1 January 2025	1,083,827	108,383
Issue of shares	22,500	2,250
Subdivision of shares	3,318,982	–
At 31 December 2025 and 30 June 2026 (Unaudited)	4,425,309	110,633

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Shown in the condensed consolidated statement of financial position	**93,273**	93,273

Note: During the six months ended 30 June 2026, the Company repurchased 21,963,000 (six months ended 30 June 2025: nil) of its own ordinary shares through the Stock Exchange of Hong Kong Limited with an aggregate consideration of HK$219,462,000 (equivalent to RMB191,147,000).

21,963,000 shares were not cancelled and remained as treasury shares at the end of the reporting period.

12. TRADE AND OTHER RECEIVABLES

	Notes	**As at 30 June 2026 RMB'000 (unaudited)**	As at 31 December 2025 RMB'000 (audited)
Trade receivables from contracts with customers	(a)	**592,376**	272,514
Prepayments and other receivables			
– prepayments to major subcontractors	(b)	**48,525**	9,875
– prepayments to other suppliers	(c)	**172,781**	114,526
– other receivables from major subcontractors	(d)	**122,655**	98,191
– tax credit		**62,253**	64,010
– other receivables		**138,800**	85,275
		545,014	371,877
Deposit for purchase of property, plant and equipment		**362,724**	132,046
Total trade and other receivables		**1,500,114**	776,437
Less: non-current portion:			
– deposit for purchase of property, plant and equipment		**(362,724)**	(132,046)
– other receivable		**(24,630)**	(24,630)
Amounts shown under current assets		**1,112,760**	619,761

Notes:

(a) Trade receivables

No trade receivables are past due at the end of the reporting period. The Group does not hold any collateral over these balances.

The expected credit loss ("**ECL**") for trade receivables as at 30 June 2026 and 31 December 2025 have been assessed collectively based on the trade debtors' aging, grouped by debtor balances that are not yet past due and different aging brackets of numbers of days past due (if any). Based on the assessment of the management of the Group, allowance for credit losses from the trade receivables as at 30 June 2026 and 31 December 2025 is insignificant.

(b) Prepayments to major subcontractors

The prepayments were the subcontracting fee to mining subcontractors by Yifeng Wanguo and GRML for mining of ores, which amounted to approximately RMB48,525,000 (as at 31 December 2025: RMB9,875,000) as at 30 June 2026.

12. TRADE AND OTHER RECEIVABLES *(Continued)*

Notes: *(Continued)*

(c) Prepayments to other suppliers

Included in the balance is prepayment to suppliers for procurement of raw materials amounted to approximately RMB79,889,000 (as at 31 December 2025: RMB39,654,000).

(d) Other receivables from major subcontractors

As at 30 June 2026, the balance mainly represents payments made on behalf of mining subcontractors. As at 30 June 2026, approximately RMB119,207,000 (as at 31 December 2025: RMB95,385,000) is expected to be offset against mining costs payable by the Group in the future, and such offset is regarded as a non-cash transaction.

For long-term customers with good credit quality and payment history, the Group allows credit periods of no more than 60 days for sales of certain products. For others, the Group generally requests for deposits in advance from customers.

The following is an aging analysis of trade receivables, presented based on the invoice dates.

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Within 30 days	**545,353**	272,514
31 to 60 days	**47,023**	–
	592,376	272,514

13. AMOUNT DUE FROM A RELATED COMPANY/AMOUNT DUE FROM A NON-CONTROLLING INTEREST

	Note	**As at 30 June 2026 RMB'000 (unaudited)**	As at 31 December 2025 RMB'000 (audited)
Amount due from a related company	(i)	**2**	3

	Note	**As at 30 June 2026 RMB'000 (unaudited)**	As at 31 December 2025 RMB'000 (audited)
Amount due from a non-controlling interest	(ii)	**51,007**	45,547

Note:

(i) The balance is due from a company wholly owned and controlled by Mr. Gao Mingqing, the chief executive of the Company. The balance is interest free, unsecured and repayable on demand.

(ii) At 30 June 2026, the balance is non-interest bearing.

14. TRADE AND OTHER PAYABLES

	Note	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Trade payables	(i)	**341,160**	111,130
Value-added tax, resource tax and other tax payables		**50,373**	42,171
Payables for property, plant and equipment		**40,462**	45,376
Dividend payable		**429,138**	9,252
Accrued expenses and other payables			
– Accrued expenses		**12,840**	22,513
– Accrued staff cost		**6,049**	6,467
– Other payables		**78,945**	30,225
		617,807	156,004
Total trade and other payables		**958,967**	267,134

The following is analysis of trade payables by age, presented based on the delivery dates.

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Within 30 days	**240,373**	82,830
31-60 days	**72,583**	23,614
61-90 days	**18,397**	969
Over 90 days	**9,807**	3,717
	341,160	111,130

Note:

(i) The average credit period on purchase of goods is 30 days upon delivery. No interest is charged on overdue trade payable.

15. AMOUNTS DUE TO RELATED PARTIES

	Notes	**As at 30 June 2026 RMB'000 (unaudited)**	As at 31 December 2025 RMB'000 (audited)
Mr. Gao Mingqing	(a)	**–**	350
Achieve Ample Investments Limited ("**Achieve Ample**")	(a), (b)	**255**	265
		255	615

Notes:

(a) All of the amounts above are non-trade in nature, interest free, unsecured and repayable on demand, of which nil (2025: RMB268,000) are denominated in HK$.

(b) Ms. Gao Jinzhu, an executive director of the Company, has 12.57% (2025: 12.98%) of the issued share capital of the Company as at 30 June 2026 via Achieve Ample which is wholly owned and controlled by her.

16. BANK BORROWINGS

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Unsecured bank borrowings at:		
– fixed rate	**40,000**	40,000
Secured bank borrowings at:		
– fixed rate	**25,000**	30,000
– floating rate	**58,257**	58,551
	123,257	128,551
The carrying amounts of the above borrowing are repayable:		
– within one year	**122,600**	71,600
– within a period of more than one year but not exceeding two years	**–**	56,000
	122,600	127,600
Carrying amount of bank borrowings that contain a repayment on demand clause (shown under current liabilities)	**657**	951
	123,257	128,551
Less: Amount due within one year shown under current liabilities	**(123,257)**	(72,551)
Amount shown under non-current liabilities	**–**	56,000

The interest rates of the Group's floating rate borrowings are based on Hong Kong Interbank Offered Rate and RMB Benchmark Loan Rates issued by the People's Bank of China. Interest is reset every year.

The bank borrowings were guaranteed by certain directors of the Company, certain related parties and certain equity interests of certain subsidiaries. Secured bank borrowings were secured by equity interests of certain subsidiaries and certain property, plant and equipment and certain right-of -use assets of certain subsidiaries.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

17. PLEDGE OF ASSETS

At the end of the reporting period, the following assets were pledged to bank borrowings granted to the Group:

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Property, plant and equipment	**28,379**	30,399
Right-of-use assets	**21,179**	21,502
	49,558	51,901

18. CAPITAL COMMITMENTS

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Capital expenditure in respect of:		
– acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	**1,457,200**	1,547,513

19. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value measurements and valuation processes

In estimating the fair value, the Group uses market-observable data to the extent it is available. The fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities;

- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

19. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS *(Continued)*

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

Financial asset	Fair value as at		Fair value hierarchy	Valuation technique and key inputs
	30/06/2026 RMB'000	31/12/2025 RMB'000		
Financial assets at FVTPL	**1,683,483**	1,537,494	Level 2	Discounted cash flow Future cash flows are estimated based on estimated return.

There were no transfers between levels 1, 2 and 3 during the period.

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

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the condensed consolidated financial statements approximate their fair values.

20. RELATED PARTY DISCLOSURES

(a) Related party transactions and balances

Details of the balances with related parties as at 30 June 2026 and 31 December 2025 are set out in the condensed consolidated statement of financial position and in notes 13 and 15.

In addition, certain of the Group's bank borrowing as set out in note 16 as at 30 June 2026 and 31 December 2025 were personally guaranteed by Mr. Gao Mingqing and Ms. Gao Jinzhu.

(b) Compensation of key management personnel

The remuneration of directors of the Company and other key management personnel during the period were as follows:

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Fees, salaries and other allowances	**7,799**	4,575
Discretionary bonuses	**653**	36
Retirement benefit scheme contributions	**53**	74
Share-based compensation expenses	**5,719**	1,373
	14,224	6,058

The remuneration of directors of the Company and key management personnel is determined having regard to the performance of individuals and market trends.

21. SHARE-BASED PAYMENTS

The Company's 2024 Share Option Scheme (the "**Share Option Scheme**") was adopted pursuant to a resolution passed on 15 January 2025. The purposes of the Share Option Scheme are to recognise and acknowledge the contributions that the Group employees, directors and service providers (the "**Eligible Participants**") have made or may make to the Group, and to enable the Group to grant options to the Eligible Participants with the view to achieve the principal objectives of (i) recruiting and retaining high-calibre personnel and key staff members that are valuable to the Group and whose contributions are important to the long-term growth and profitability of the Group; and (ii) motivate the Eligible Participants whose contributions are, will or expected to be beneficial to the Group.

At 30 June 2026, the number of shares in respect of which options had been granted and remained outstanding under the Share Option Scheme was 54,575,000 (as at 31 December 2025: 43,520,000 (before share subdivision: 10,880,000)).

Set out below are details of the movements of the outstanding options granted under the Share Option Scheme during period ended 30 June 2026:

For the period ended 30 June 2026

Date of grant	Vesting period	Exercisable period	Exercise price	Outstanding as at 1.1.2026 before share subdivision (Note 4)	Outstanding as at 1.1.2026 after share subdivision	Granted during the year	Exercised during the period	Cancelled during the period	Outstanding as at 30.6.2026
24 January 2025(Note1)	Note 2	Note 3	HK$13.31	8,750,000	35,000,000	–	–	–	35,000,000
20 March 2025(Note1)	Note 2	Note 3	HK$17.80	2,130,000	8,520,000	–	–	–	8,520,000
10 April 2026 (Note1)	Note 2	Note 3	HK$14.06	–	–	11,055,000	–	–	11,055,000
				10,880,000	43,520,000	11,055,000	–	–	54,575,000
Exercisable at the end of the period				–	–	–	–	–	–
Weighted average exercise price				HK$14.18	HK$3.55	HK$14.06	–	–	HK$5.68

Note 1: On 10 April 2026, the Company granted an aggregate of 11,055,000 share options to director and employees of the Group, comprising 8,675,000 share options to employees and 2,380,000 share options to directors. On 24 January 2025, the Company granted an aggregate of 10,880,000 share options to director, employees and service providers of the Group, comprising7,150,000 share options to employees, 2,130,000 share options to directors, and 1,600,000 share options to service providers. On 4 February 2025, the Company and each of the director agreed to cancel all of the relevant share options previously granted. The difference of the fair value of the share options granted to the directors between the grant date and cancelled date is not material. On 20 March 2025, the Company granted 2,130,000 share options to the directors of the Group.

Note 2: All the share options shall vest two years from the date of grant, subject to the employees continuing to be a service provider through each such date.

21. SHARE-BASED PAYMENTS *(Continued)*

For the period ended 30 June 2026 *(Continued)*

Note 3: The exercise period of the options granted under the Share Option Scheme shall commence from the date on which the relevant options become vested and end on the 10th anniversary of the grant date, subject to the terms of the Share Option Scheme and the share option award agreement signed by the grantee.

Note 4: On 25 November 2025, the Company undertook share split by subdivision of each existing issued and unissued share with a par value of HK$0.10 each into four shares with a par value of HK$0.025 each. Consequentially, all share options granted prior to 25 November 2025 were adjusted, the number of share options granted was multiplied by four, while the fair value of the underlying shares was divided by four. The total expected share-based payment cost remains unchanged.

The fair value of the options granted during the year ended 30 June 2026 is HK$49,454,000 (RMB42,953,000 in equivalent), which determined by the binomial option-pricing model. These fair values and corresponding inputs into the model were as follows:

Grant to employees at the date of 10 April 2026:

	30 June 2026
Expected volatility	**49.09%**
Risk-free interest rate (per annum)	**2.93%**
Expected dividend yield	**2.12%**
Time to Vest (Year)	**2 years**
Expected exercise multiple	**2.8**
The number of share options granted	**8,675,000**
Fair value of the underlying shares on the date of option grants	**4.56**

Grant to director at the date of 10 April 2026:

	30 June 2026
Expected volatility	**49.09%**
Risk-free interest rate (per annum)	**2.93%**
Expected dividend yield	**2.12%**
Time to Vest (Year)	**2 years**
Expected exercise multiple	**2.8**
The number of share options granted	**2,380,000**
Fair value of the underlying shares on the date of option grants	**4.15**

The fair value of the options granted during the year ended 30 June 2025 is HK$48,414,000 (RMB44,595,000 in equivalent), which determined by the binomial option-pricing model. These fair values and corresponding inputs into the model were as follows:

21. SHARE-BASED PAYMENTS *(Continued)*

Grant to employees at the date of 24 January 2025:

	30 June 2025
Expected volatility	46.55%
Risk-free interest rate (per annum)	3.84%
Expected dividend yield	2.49%
Time to Vest (Year)	2 years
Expected exercise multiple	2.8
The number of share options granted (before share subdivision)	7,150,000
The number of share options granted (after share subdivision)	28,600,000
Fair value of the underlying shares on the date of option grants (before share subdivision)	4.34
Fair value of the underlying shares on the date of option grants (after share subdivision)	1.09

Grant to service providers at the date of 24 January 2025:

	30 June 2025
Expected volatility	46.55%
Risk-free interest rate (per annum)	3.84%
Expected dividend yield	2.49%
Time to Vest (Year)	2 years
Expected exercise multiple	2.2
The number of share options granted (before share subdivision)	1,600,000
The number of share options granted (after share subdivision)	6,400,000
Fair value of the underlying shares on the date of option grants (before share subdivision)	4.21
Fair value of the underlying shares on the date of option grants (after share subdivision)	1.05

Grant to director at the date of 20 March 2025:

	30 June 2025
Expected volatility	46.77%
Risk-free interest rate (per annum)	3.47%
Expected dividend yield	2.25%
Time to Vest (Year)	2 years
Expected exercise multiple	2.8
The number of share options granted (before share subdivision)	2,130,000
The number of share options granted (after share subdivision)	8,520,000
Fair value of the underlying shares on the date of option grants (before share subdivision)	5.00
Fair value of the underlying shares on the date of option grants (after share subdivision)	1.25

The directors of the Group estimated the risk-free interest rate based on the yield of the Hong Kong 10-Year Bond with a maturity life close to the option life of the share option. Volatility and dividend yield was estimated at grant date based on average of historical volatilities and dividend yields of the company with length commensurable to the time to maturity of the share options. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations.

The Group recognised total expense of approximately HK$17,497,000 (RMB14,932,000 in equivalent) for the period ended 30 June 2026 in relation to share options granted by the Group.