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**潼關黃金集團有限公司**  
**Tongguan Gold Group Limited**

*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 00340)**

**ANNOUNCEMENT OF FINAL RESULTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**HIGHLIGHTS**

- Sale volume of mine-produced gold increased from approximately 1.26 tonnes in 2023 to approximately 2.22 tonnes in 2024.
- For the year ended 31 December 2024, the Group's profit attributable to owners of the Company amounted to approximately HK\$211 million, compared to approximately HK\$51 million in 2023, representing an increase of 310%.
- The earnings per share for 2024 were HK5.19 cents, compared to HK1.39 cents in 2023.
- Revenue for the year ended 31 December 2024 amounted to approximately HK\$1,604 million, compared to approximately HK\$1,497 million in 2023, representing an increase of 7%.
- Final dividend of HK1.2 cents per share is proposed for the year ended 31 December 2024, reflecting our confidence in the Group's performance and our commitment in creating and delivering value to the shareholders.

The board of directors (the "Board") of Tongguan Gold Group Limited (the "Company") hereby announces the consolidated results of the Company and its subsidiaries (collectively known as the "Group") for the year ended 31 December 2024:

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Year Ended 31 December 2024

	<i>Notes</i>	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	4	<b>1,604,821</b>	1,497,236
Cost of sales		<b><u>(1,081,630)</u></b>	<u>(1,329,358)</u>
Gross profit		<b>523,191</b>	167,878
Other income	5	<b>4,000</b>	2,884
Other net gains and losses	6	<b>(19,371)</b>	2,906
Administrative and other expenses		<b>(169,982)</b>	(76,341)
Finance costs	7	<b>(30,821)</b>	(22,403)
Share of result of an associate		<u>—</u>	<u>—</u>
Profit before tax	8	<b>307,017</b>	74,924
Income tax expense	9	<b><u>(96,879)</u></b>	<u>(14,890)</u>
Profit for the year		<b><u>210,138</u></b>	<u>60,034</u>
<b>Other comprehensive expense, net of tax</b>			
<i>Item that will not be reclassified to profit or loss:</i>			
Fair value changes of equity investments at fair value through other comprehensive income		<b>105</b>	(2,170)
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Release of exchange reserve upon deregistration of subsidiaries		—	(628)
Exchange differences arising on translation of financial statements of foreign operations		<b><u>(52,695)</u></b>	<u>(22,413)</u>
Other comprehensive expense for the year, net of tax		<b><u>(52,590)</u></b>	<u>(25,211)</u>
<b>Total comprehensive income for the year</b>		<b><u><u>157,548</u></u></b>	<b><u><u>34,823</u></u></b>

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
Profit (loss) for the year attributable to:			
– Owners of the Company		<b>211,136</b>	51,454
– Non-controlling interests		<b>(998)</b>	8,580
		<u><b>210,138</b></u>	<u>60,034</u>
Total comprehensive income (expense) for the year attributable to:			
– Owners of the Company		<b>164,260</b>	28,814
– Non-controlling interests		<b>(6,712)</b>	6,009
		<u><b>157,548</b></u>	<u>34,823</u>
Earnings per share – Basic and diluted	<i>11</i>	<u><b>HK5.19 cents</b></u>	<u>HK1.39 cents</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		1,746,044	1,756,902
Right-of-use assets		49,868	50,981
Exploration and evaluation assets		1,308,636	1,323,399
Goodwill		752,017	768,452
Other intangible assets		257,175	284,177
Other financial assets		3,718	3,613
Interest in an associate		–	3,266
Other receivable	12	14,039	–
		<u>4,131,497</u>	<u>4,190,790</u>
<b>Current assets</b>			
Inventories		188,015	87,749
Trade and other receivables, deposits and prepayments	12	101,863	116,782
Amount due from an associate		–	1,652
Cash and cash equivalents		172,329	157,887
		<u>462,207</u>	<u>364,070</u>
<b>Current liabilities</b>			
Other payables	13	484,595	416,131
Bank and other borrowings		498,199	444,159
Contract liabilities	14	114,237	11,989
Lease liabilities		1,227	1,263
Tax payables		183,506	157,384
		<u>1,281,764</u>	<u>1,030,926</u>
<b>Net current liabilities</b>		<u>(819,557)</u>	<u>(666,856)</u>
<b>Total assets less current liabilities</b>		<u><u>3,311,940</u></u>	<u><u>3,523,934</u></u>

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	2023 HK\$'000
<b>Non-current liabilities</b>			
Bank and other borrowings		<b>32,397</b>	119,551
Other payables	<i>13</i>	<b>306,287</b>	601,051
Provision for restoration and environmental costs		<b>16,282</b>	16,298
Lease liabilities		<b>1,754</b>	386
Deferred tax liabilities		<b>336,253</b>	325,229
		<u><b>692,973</b></u>	<u>1,062,515</u>
<b>Net assets</b>		<u><b>2,618,967</b></u>	<u>2,461,419</u>
<b>Capital and reserves</b>			
Share capital		<b>407,027</b>	407,027
Share premium and reserves		<b>2,073,724</b>	1,909,464
		<u><b>2,480,751</b></u>	<u>2,316,491</u>
Equity attributable to owners of the Company		<b>2,480,751</b>	2,316,491
Non-controlling interests		<b>138,216</b>	144,928
		<u><b>2,618,967</b></u>	<u>2,461,419</u>
<b>Total equity</b>		<u><b>2,618,967</b></u>	<u>2,461,419</u>

Notes:

## 1. GENERAL INFORMATION

Tongguan Gold Group Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its registered office is at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is at Room 2707A, 27/F., Office Tower of Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong. The information of shareholders are disclosed in the directors’ report to the annual report. The Company is an investment holding company.

The Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are principally engaged in (i) gold mining operation, which is sale of mine-produced gold, including gold concentrate, gold bullion and related products, that contains of gold exploration, mining, processing and/or smelting operations; and (ii) gold recycling, which is purchasing the gold related materials, refining and sale of gold bullion. The Group’s gold mining operation and gold recycling are mainly carried out in the People’s Republic of China (the “PRC”).

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

### Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual periods beginning on or after 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKAS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current year had no material impact on the Group’s consolidated financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

## New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKAS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to HKFRS Accounting Standard	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>3</sup>
Amendments to HKAS 21	Lack of Exchangeability <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>3</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

### ***HKFRS 18 Presentation and Disclosure in Financial Statements***

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Shares* are also made.

HKFRS 18, and amendments to other standards, will effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in future financial statements. The Group is in process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

### 3. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

#### **Basis of measurement and going concern assumption**

The Group had net current liabilities of approximately HK\$819,557,000 at 31 December 2024 (2023: approximately HK\$666,856,000).

Notwithstanding the above, the consolidated financial statements have been prepared on a going concern basis as the directors of the Company have given careful consideration to the current and anticipated future liquidity needs of the Group and is satisfied that the loan facilities from the Group’s financial institutions for its working capital requirement for the next twelve months will be available as and when required, having regard to the following: (i) renewal of financing facilities and (ii) enhancing the Group’s operational efficiency and implementing cost control measures. The Group will actively negotiate with the financial institution for the renewal of the Group’s borrowings when they fall due in order to secure necessary funds to meet the Group’s working capital and financial requirements in the foreseeable future. In the opinion of the directors of the Company, the Group will be able to roll over or refinance the borrowings upon their maturity.

Having taken into account the above, the directors of the Company consider that the Group will have sufficient financial resources to meet in full its working capital requirements and financial obligations as and when they fall due in the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the values of the assets to their recoverable amounts, to provide for any further liabilities which might arise and to classify non-current assets and liabilities as current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in these consolidated financial statements.



## 4. REVENUE AND SEGMENT REPORTING

### Segment revenue and results

Information is reported internally to the board of directors of the Company (the “Board”), being the chief operating decision maker (the “CODM”), for the purposes of resource allocation and assessment of segment performance focuses on the types of goods delivered or services provided. This is also the basis upon which the Group is organised and specifically focuses on the Group’s operating divisions.

For the gold mining operation, the information reported to the CODM is further categorised into different mining locations within the PRC, each of which is considered as a separate operating segment by the CODM. For the purpose of segment reporting, the CODM considered that the operations of different mining locations are related to the mine-produced gold business, these individual operating segments have been aggregated into a single reportable segment.

During the year ended 31 December 2023, the Group commenced in the business engaging in sale of gold bullion, which contains of gold exploration, mining, processing and smelting operation in the PRC along with the acquisition of Grand Gallant Investments Limited and its subsidiaries, and it has been aggregated into gold mining operation segment. No changes of business operation and segment reporting during the year ended 31 December 2024.

Accordingly, the Board reviews the business with the following reportable segments:

1. Gold mining operation – sale of mine-produced gold, including gold concentrate, gold bullion and related products, which contains of gold exploration, mining, processing and/or smelting operations in the PRC
2. Gold recycling – purchasing of gold related materials, refining and sale of gold bullion in the PRC

The above segments have been identified on the basis of internal management reports prepared and regularly reviewed by the Board when making decisions about allocating resources and assessing performance of the Group.

The segment results represent the gross profit earned by each segment (segment revenue less segment cost of sales). Other income, other net gains and losses, administrative and other expenses, finance costs and income tax expense are not allocated to each reportable segment. This is the measure reported to the Board for the purpose of resource allocation and assessment of segment performance.

The information of segment results is as follows:

For the year ended 31 December 2024

	<b>Gold mining operation HK\$'000</b>	<b>Gold recycling HK\$'000</b>	<b>Total HK\$'000</b>
Revenue	1,302,774	302,047	1,604,821
Cost of sales	<u>(779,802)</u>	<u>(301,828)</u>	<u>(1,081,630)</u>
Segment results	<u><b>522,972</b></u>	<u><b>219</b></u>	<u><b>523,191</b></u>

For the year ended 31 December 2023

	<b>Gold mining operation HK\$'000</b>	<b>Gold recycling HK\$'000</b>	<b>Total HK\$'000</b>
Revenue	637,693	859,543	1,497,236
Cost of sales	<u>(470,768)</u>	<u>(858,590)</u>	<u>(1,329,358)</u>
Segment results	<u><b>166,925</b></u>	<u><b>953</b></u>	<u><b>167,878</b></u>

The reportable segment results are reconciled to profit after tax of the Group as follows:

	<b>2024 HK\$'000</b>	2023 HK\$'000
Reportable segment results	<b>523,191</b>	167,878
<i>Unallocated income and expenses:</i>		
Other income	<b>4,000</b>	2,884
Other net gains and losses	<b>(19,371)</b>	2,906
Administrative and other expenses	<b>(169,982)</b>	(76,341)
Finance costs	<u><b>(30,821)</b></u>	<u>(22,403)</u>
Profit before tax	<b>307,017</b>	74,924
Income tax expense	<u><b>(96,879)</b></u>	<u>(14,890)</u>
Profit for the year	<u><b>210,138</b></u>	<u>60,034</u>

The Group's revenue are derived from contracts with customers recognised at a point in time during the year as follows:

	<b>2024</b> <b>HK\$'000</b>	2023 <i>HK\$'000</i>
Revenue from contracts with customers within the scope of HKFRS 15:		
Income from gold mining operation	<b>1,302,774</b>	637,693
Income from gold recycling	<b>302,047</b>	859,543
	<b>1,604,821</b>	1,497,236

The Group recognises revenue on sale of gold products at a point in time when control of the goods has transferred, being when the goods are delivered to the customer. Transportation and other related activities that occur before customers obtain control of the related goods are considered as fulfilment activities. There is no unsatisfied performance obligation at the end of each of the reporting periods.

As no discrete information in respect of segment assets, segment liabilities and other information is used for the assessment of performance and allocation of resources, thus no analysis of segment assets and segment liabilities is presented.

No geographical analysis is presented as the Group's revenue and profit from operations were primarily derived from operating activities in the PRC.

#### ***Information about major customers***

Revenues from customers of the corresponding years contributing over 10% of the total revenue of the Group is as follows:

	<b>2024</b> <b>HK\$'000</b>	2023 <i>HK\$'000</i>
Customer A	<b>875,479</b>	326,238
Customer B	N/A ( <i>Note</i> )	272,961
Customer C	<b>306,986</b>	504,422

Included in revenue, consist of approximately HK\$86,393,000 for the year ended 31 December 2024 (2023: approximately HK\$140,091,000) is derived from selling gold bullion in a trading platform of Shanghai Gold Exchange through a member registered in Shanghai Gold Exchange.

*Note:*

The corresponding revenue for the year ended 31 December 2024 did not contribute over 10% of revenue to the Group.

## 5. OTHER INCOME

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Government grants ( <i>Note</i> )	1,917	238
Interest on bank deposits	1,337	1,788
Interest on loan receivable ( <i>Note 12(d)</i> )	719	–
Rental income	–	821
Others	27	37
	<u>4,000</u>	<u>2,884</u>

*Note:*

The government grants represent subsidies from local government authorities for development scheme and salaries subsidies which were immediately recognised as other income for the year. There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

## 6. OTHER NET GAINS AND LOSSES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Net foreign exchange (losses) gains	(1,332)	1,518
Impairment losses in respect of other receivables ( <i>Note 12(c)</i> )	(8,795)	–
Impairment losses on interest in an associate	(3,212)	–
Impairment losses on amount due from an associate	(1,625)	–
Loss on disposal of property, plant and equipment	(3,911)	(2,479)
Write off of property, plant and equipment and exploration and evaluation assets	–	(37,132)
Gain on modification of other borrowing	–	34,435
Gain on reversal of other payables	–	5,668
Gain on deregistration of subsidiaries	–	628
Others	(496)	268
	<u>(19,371)</u>	<u>2,906</u>

## 7. FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest on bank and other borrowings	23,619	15,511
Interest on promissory note payable at amortised cost	6,548	5,981
Interest expenses on lease liabilities	654	911
	<u>30,821</u>	<u>22,403</u>

## 8. PROFIT BEFORE TAX

Profit before tax is arrived at after charging:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Director's emoluments	4,107	3,105
Staff's salaries, bonus and allowances	40,352	26,155
Contributions to staff's retirement benefits schemes	4,069	2,439
	<u>48,528</u>	<u>31,699</u>
Total staff costs		
Amortisation of other intangible assets	21,028	8,989
Auditor's remuneration	2,000	1,800
Cost of sales comprise of:		
– Cost of inventories recognised as an expense ( <i>Note (a)</i> )	975,878	1,282,526
– Documentation transferring fee	6,761	13,782
Depreciation charges		
– property, plant and equipment	90,081	52,164
– right-of-use assets		
– office premise and factories	1,400	1,458
– prepaid lease payments	1,406	1,085
Invalid exploration costs recognised in administrative and other expenses	39,617	2,001
	<u>39,617</u>	<u>2,001</u>

*Note:*

- (a) Costs of inventories recognised as an expense mainly include mining extraction costs and mining ore processing costs of approximately HK\$547,440,000 (2023: approximately HK\$347,201,000); transportation cost of approximately HK\$3,506,000 (2023: approximately HK\$2,689,000); amortisations and depreciation charges of approximately HK\$84,999,000 (2023: approximately HK\$50,176,000) and purchase cost of gold related materials of approximately HK\$301,695,000 (2023: approximately HK\$858,256,000).

## 9. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the years ended 31 December 2024 and 2023.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

Pursuant to the Notice of the Ministry of Finance, 財政部國家稅務總局海關總署關於深入實施西部大開發戰略有關稅收政策問題的通知 (財稅〔2011〕58號) (transliterated as General Administration of Customs and the State Administration of Taxation on the Issues of Preferential Taxation Policies for Further Implementing the Western Development Strategy (Cai Shui 2011 No. 58)\*), from 1 January 2011, the enterprises in the western region, which engaged in encouraged industries as indicated in the 西部地區鼓勵類產業目錄 (transliterated as Catalogue of Encouraged Industries of Western Region\*) and 產業結構調整指導目錄 (2011年本) (修正) (transliterated as Catalogue of Industrial Structure Adjustment Guidance (2011 Revised)\*) (國家發改委令2013年第21號) (transliterated as National Development and Reform Commission Order 2013 No. 21\*) and which derive 70% of their operating income from the encouraged industries could apply for a tax incentive. After getting in-charge tax bureau’s approval, those enterprises could enjoy a reduced EIT rate of 15% from the statutory EIT rate of 25% for up to 2030.

\* The English translation is for reference only

The amount of income tax expense in the consolidated statement of profit or loss and other comprehensive income represents:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
PRC Enterprise Income Tax		
– Current year	78,532	15,259
– Under (over)-provision in prior years	634	(401)
	<u>79,166</u>	<u>14,858</u>
Deferred tax	17,713	32
	<u><u>96,879</u></u>	<u><u>14,890</u></u>

## 10. DIVIDEND

Subsequent to the end of the reporting period, the Board proposed a final dividend in respect of the year ended 31 December 2024 of HK1.2 cents (2023: Nil) per share, amounting to a total of approximately HK\$48,843,000 (2023: Nil), which is subject to approval by the shareholders of the Company (the “Shareholders”) in the forthcoming annual general meeting. The final dividend proposed after the end of reporting period has not been recognised as a liability at the end of reporting period.

## 11. EARNINGS PER SHARE

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

	2024	2023
Earnings per share are calculated as follows:		
Profit for the year attributable to owners of the Company		
for the purpose of basic and diluted earnings per share ( <i>HK\$'000</i> )	<b>211,136</b>	51,454
Number of shares:		
Weighted average number of ordinary shares for the purpose of		
basic and diluted earnings per share	<b><u>4,070,272,221</u></b>	<b><u>3,696,907,837</u></b>

## 12. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	<i>Notes</i>	<b>2024</b> <b>HK\$'000</b>	2023 <i>HK\$'000</i>
Trade receivables	<i>(a)</i>	–	10,897
<i>Less: loss allowances</i>		–	–
		<u>–</u>	<u>10,897</u>
Other receivables	<i>(c)</i>	<b>67,408</b>	70,472
Loan receivable	<i>(d)</i>	<b>14,039</b>	–
<i>Less: loss allowances</i>	<i>(b)</i>	<b>(9,242)</b>	(490)
		<u>72,205</u>	<u>69,982</u>
Deposits and prepayments		<b>43,274</b>	35,642
Value added tax recoverable		<b>423</b>	261
		<u>115,902</u>	<u>116,782</u>
Analysed for reporting purposes as:			
– Current portion		<b>101,863</b>	116,782
– Non-current portion		<b>14,039</b>	–
		<u>115,902</u>	<u>116,782</u>

*Notes:*

- (a) The following is an aged analysis of trade receivables net of allowances for impairment losses under expected credit loss model presented based on invoice dates/date of delivery of goods:

	<b>2024</b> <b>HK\$'000</b>	2023 <i>HK\$'000</i>
Within 30 days	–	10,897



- (b) Movement in impairment loss allowances under expected credit loss model on other receivables:

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
At 1 January	<b>490</b>	490
Impairment loss recognised ( <i>Note 6</i> )	<b>8,795</b>	–
Exchange adjustment	<b>(43)</b>	–
	<hr/>	<hr/>
At 31 December	<b>9,242</b>	490
	<hr/> <hr/>	<hr/> <hr/>

- (c) As at the end of 31 December 2024, other receivables amounting to approximately HK\$31,034,000 (2023: approximately HK\$31,712,000) are secured by properties pledged as collateral. During the year ended 31 December 2024, the fair value of these properties, as determined by independent valuer, amounts to approximately HK\$21,792,000. Valuations are performed annually and are based on Level 2 inputs under the fair value hierarchy, which include observable market data and comparable property transactions.

An impairment loss of approximately HK\$8,795,000 (2023: Nil) was recognised during the year ended 31 December 2024, reflecting the excess of the carrying amount of the relevant other receivables over the fair value of the collateral properties, less estimated selling costs.

Management continues to monitor market conditions and reviews the adequacy of the impairment provision on an ongoing basis.

- (d) During the year ended 31 December 2024, the Group has granted the loan to an independent third party for approximately HK\$14,039,000, which carried at fixed interest rate of 5.4% per annum, secured by a part of rights of return generated from the mining asset constructed by the debtor and repayable on 30 May 2027.

### 13. OTHER PAYABLES

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Other payables and accruals ( <i>Note (a)</i> )	<b>461,711</b>	487,844
Amounts due to related parties ( <i>Note (b)</i> )	<b>253,461</b>	460,176
Promissory note payable ( <i>Note (c)</i> )	<b>75,710</b>	69,162
	<b><u>790,882</u></b>	<u>1,017,182</u>
Analysed for reporting purposes as:		
– Current portion	<b>484,595</b>	416,131
– Non-current portion	<b>306,287</b>	601,051
	<b><u>790,882</u></b>	<u>1,017,182</u>

#### *Notes:*

- (a) As at 31 December 2024, included in other payables were mainly payable to subcontractors of approximately HK\$310,787,000 (2023: approximately HK\$329,465,000) for mining extraction and construction; and unsecured borrowing from an independent third party of approximately Nil (2023: approximately HK\$8,455,000) carried at interest free and repayable on 14 January 2025. The unsecured borrowing has been settled in full during the year ended 31 December 2024.
- (b) The amounts are due to certain beneficial owners of the shareholders of the Company and are non-trade in nature, unsecured, interest-free and repayable one year after the end of the reporting period.
- (c) Promissory note payable carried at zero interest rate, unsecured and repayable on 9 October 2025. It is measured at amortised cost at effective interest rate of 9.08% per annum.

## 14. CONTRACT LIABILITIES

The Group has recognised the following revenue – related contract liabilities:

	<b>2024</b> <b>HK\$'000</b>	2023 <i>HK\$'000</i>
<i>Contract liabilities arising from:</i>		
Sales of goods under gold mining operations	<b>114,237</b>	11,989

The deposit of the Group received on sales of gold products remains as a contract liability until the date the goods are delivered to customer.

The contract liabilities are expected to be recovered or settled within one year.

*Movements in contract liabilities:*

	<b>2024</b> <b>HK\$'000</b>	2023 <i>HK\$'000</i>
Balance as at 1 January	<b>11,989</b>	32,655
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	<b>(11,989)</b>	(32,655)
Increase in contract liabilities as a result of receipt in advance of sales of gold products not yet delivered at year end	<b>114,237</b>	11,989
Balance at 31 December	<b>114,237</b>	11,989

## 15. EVENTS AFTER THE REPORTING PERIOD

On 27 September 2024, the Company, Tongfei Investment Limited (the “Vendor”) and Mr. Wang Congfei (王從飛), being the ultimate beneficial owner of the Vendor (the “Vendor Guarantor”) entered into the sales and purchase agreement (“Agreement”), pursuant to which the Company conditionally agreed to acquire and the Vendor conditionally agreed to sell the sale shares, representing 100% of the total issued share capital of Huasheng Construction Investment Limited (the “Target Company”) at the total consideration of RMB30,000,000 (i.e., HK\$33,000,000, subject to adjustment), which will be satisfied by the issue of the convertible bond (“Convertible Bond”) upon completion.

The consideration shall be paid and settled in full by the Company by issuing the Convertible Bond with the conversion price to the Vendor upon completion subject to the terms and conditions set out in the Agreement. Details as disclosed in the announcements dated on 27 September 2024, 17 October 2024 and 20 December 2024.

On 24 January 2025, the Convertible Bond has been issued in accordance with the terms and conditions of the Agreement. Following the completion, the Target Company and its subsidiaries have become subsidiaries of the Company and the financial information of the Target Company and its subsidiaries will be consolidated into the Group’s consolidated financial statements.

## **FINAL DIVIDEND**

The directors of the Company recommended the payment of a final dividend of HK1.2 cents per share for the year ended 31 December 2024 (2023: Nil) to Shareholders whose names appear on the register of members of the Company on 17 June 2025. The final dividend will be subject to the approval of the Shareholders at the forthcoming annual general meeting of the Company to be held on 30 May 2025.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Tuesday, 27 May 2025 to Friday, 30 May 2025, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending the forthcoming annual general meeting of the Company, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong no later than 4:00 p.m. on Monday, 26 May 2025.

Assuming that the final dividend for the year ended 31 December 2024 is approved by the Shareholders at the forthcoming annual general meeting of the Company to be held on 30 May 2025, for the purposes of ascertaining the entitlement to the final dividend, the register of members of the Company will be closed from Monday, 16 June 2025 to Tuesday, 17 June 2025, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Friday, 13 June 2025. It is expected that the final dividend will be payable to those entitled on or before Tuesday, 8 July 2025.

## **CHAIRMAN'S STATEMENT**

### **BUSINESS REVIEW**

In 2024, under the ongoing impact of geopolitical tensions and macroeconomic uncertainties, the global economic landscape is expected to remain under pressure. Against this backdrop, financial market volatility has intensified, and investors are increasingly favoring gold or companies with strong fundamentals. In such a market environment, the Group, as a significant player in the gold mining industry, leveraged its sound management and acquisition strategies to achieve a remarkable 250% growth in net profit from approximately HK\$60 million in 2023 to approximately HK\$210 million in 2024. This achievement was primarily attributed to the acquisition of Grand Gallant Investments Limited in the middle of 2023. As anticipated by management, this acquisition strategy not only increased the Group's geographical location to diversify the operational risk but also significantly enhanced its overall performance.

From 2024 until the middle of March 2025, the Group successfully accomplished a series of planned tasks. Firstly, during the second and third quarters of 2024, the processing plant in Tongguan County was temporarily suspended due to the construction of a tailings dam, leading to a decrease in sale volume of mine-produced gold in this region. The construction of the tailings dam was completed on schedule, which demonstrated the Group's efficient management capabilities and the processing plant resumed normal production quickly in the fourth quarter of 2024. Secondly, as published in the announcement dated 27 September 2024, the vertical acquisition of Huasheng Construction Investment Limited, a company engaged in mine engineering and construction, is expected to bring synergy to the Group's business. This acquisition was completed in January 2025. Thirdly, as published in the announcement dated 7 March 2025, the horizontal acquisition of Wise Trend Investment Limited, which holds 70% of the economic benefits of certain exploration licenses in Subui County, is expected to expand the Group's mineral portfolio and support its sustainable development strategy. Looking ahead, the Group with its operational excellence and promising prospect will remain a competitive player in the evolving gold mining industry.

The Group is committed to being a responsible corporate citizen and to fulfilling its corporate social responsibility while remaining competitive and sustainable in its business development. Environmental sustainability, safety production and supporting local communities would continue to be the priority tasks of the Group. In response to safety production, the Group is taking a multi-faceted approach to achieving its goals: (i) it adhered to provide safe and healthy working environment, and carried out trainings to all workers and employees to enhance their safety management and technical knowledge skills, and (ii) the Group is promoting the automation and technological upgrades of underground mining and ore processing equipment. This involves achieving mechanized extraction and automated processing, alongside the development of three-dimensional digital models for geology, processes, and equipment. These upgrades do not only improve production efficiency but also enhance safety monitoring capabilities. To ensure environmental sustainability, the Group continues to monitor and review waste and pollution reduction measures at all of the operating plants to comply with the relevant regulations and requirements. To support the local community, the Group continues to participate in various donation and community activities.

## PROSPECTS

The profitability of the Group is highly dependent on gold prices in both domestic and international markets, particularly in its gold mining operation. As of middle of March 2025, gold prices have reached record highs, driven by a weaker U.S. dollar, rising inflation expectations, lower interest rates, and ongoing geopolitical and economic uncertainties. According to a report released by the World Gold Council, global trade and economic conflicts are likely to encourage central banks to continue their net gold purchases in 2025. This indicates that central banks' sustained interest in gold will remain a key factor supporting gold prices and further solidifying gold's role as a reliable safe-haven asset. Under the current favorable market conditions, more internal resources are expected to be reallocated to the higher-return gold mining segment, aligning better with the Group's long-term development goals. To enhance competitiveness and increase resource reserves, the Group has implemented multiple strategic measures. Firstly, the Group actively advances exploration activities under its exploration and mining licenses to unlock and maximise the potential value of its mine areas. These mine areas are located in favorable mineralization environments, showcasing significant exploration prospects across the majority of the relevant mining regions, which lays a solid foundation for future gold mining. Furthermore, we are committed to acquiring quality gold assets both domestically and internationally to further strengthen our gold mining portfolio. To maximise resource value, the Group plans to enhance processing capacity at appropriate times to meet the ever-changing market demands. Meanwhile, the Group will closely monitor market trends in commodity prices and take necessary measures to mitigate potential risks.

In conclusion, the Group's outstanding results in 2024 highlight its resilience and strategic foresight. With a diversified gold mining portfolio and favorable gold market conditions, the Group is well-positioned for continued growth. In order to reward shareholders' long-term support, the Board recommends the declaration and payment of a final dividend for the 2024 fiscal year. This dividend reflects the Group's confidence in its long-term prospects amidst ongoing global uncertainties. Management remains vigilant in responding to global market uncertainties while pursuing value-added investment opportunities to maximise shareholder value.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW

#### Revenue

During the year ended 31 December 2024, the Group's revenue was approximately HK\$1,604,821,000, representing an increase of approximately 7% as compared to revenue of approximately HK\$1,497,236,000 for the corresponding year in 2023. The increase in revenue was mainly attributable to (i) the increase in average selling price of mine-produced gold; (ii) the increase in sale volume of mine-produced gold mined in Subei Country arising from the acquisition of Grand Gallant Investments Limited (the "Grand Gallant Group") in July 2023; partially offset by (iii) the decrease in sale volume of mine-produced gold mined in Tonggun County, due to the suspension of the processing plant's operation in Tonggun County as a result of the construction of a new tailings dam during the second and third quarter of 2024; and (iv) the decrease in the sale volume of gold recycling business. Detailed analysis is set out in below "Review of Operations" section.

#### Cost of Sales

During the year ended 31 December 2024, the Group's cost of sales was approximately HK\$1,081,630,000 representing a decrease of approximately 19% as compared to cost of sales of approximately HK\$1,329,358,000 for the corresponding year in 2023. The decrease in cost of sales was mainly attributable to the decrease in the sales volume of the gold recycling business, which has a relatively higher cost of sales. Detailed analysis is set out in below "Review of Operations" section.

#### Gross Profit

During the year ended 31 December 2024, the Group's gross profit was approximately HK\$523,191,000, representing an increase of approximately 212% as compared to gross profit of approximately HK\$167,878,000 for the corresponding year in 2023. The increase in gross profit was mainly attributable to an increase in the gross profit from the gold mining operation in 2024. Detailed analysis is set out in below "Review of Operations" section.

#### Other Income

During the year ended 31 December 2024, the Group's other income increased by approximately HK\$1,116,000 as compared to other income of approximately HK\$2,884,000 for the corresponding year in 2023. The increase was mainly due to an increase in government grants and interest on loan receivable.



## **Other Net Gains and Losses**

During the year ended 31 December 2024, the Group's other net losses was approximately HK\$19,371,000 whilst there was other net gains of approximately HK\$2,906,000 in 2023. It was mainly attributable from the impairment loss in respect of other receivables, impairment losses on interest in an associate and amount due from an associate, and loss on disposal of property, plant and equipment recognised in 2024.

## **Administrative and other Expenses**

During the year ended 31 December 2024, the Group's administrative and other expenses was increased by approximately HK\$93,641,000 as compared to administrative and other expenses of approximately HK\$76,341,000 for the corresponding year in 2023. The increase was primarily due to (i) an increase in one-off expenses, such as invalid exploration costs arising from the expansion of exploration activities and cost of closure work of tailings dam; and (ii) the inclusion of the administrative and other expenses incurred by the Grand Gallant Group in 2024, whereas only 5 months of such expenses were included in the Group since its acquisition in 2023.

## **Finance Costs**

During the year ended 31 December 2024, the Group's finance costs was increased by approximately HK\$8,418,000 as compared to finance costs of approximately HK\$22,403,000 for the corresponding year in 2023. The increase was mainly due to the consolidation of Grand Gallant Group's interest expense on bank borrowings in 2024 whereas there was only 5 months included in the Group since its acquisition in 2023.

## **Income Tax Expense**

During the year ended 31 December 2024, the Group's income tax expense was increased by approximately HK\$81,989,000 as compared to income tax expense of approximately HK\$14,890,000 for the corresponding year in 2023. The increase was mainly due to an increase in the overall gross profit in 2024.

## **Profit for the Year Attributable to Owners of the Company**

During the year ended 31 December 2024, the Group's profit for the year attributable to owners of the Company was approximately HK\$211,136,000, representing an increase of approximately 310% from approximately HK\$51,454,000 in 2023.

## **Net Asset Value Per Share\***

The Group's net asset value per share increased by 6% from HK60.5 cents in 2023 to HK64.3 cents in 2024.

\* Using the number of issued ordinary shares of the Company as at the relevant financial year end date.

## **REVIEW OF OPERATIONS**

### **A. Gold Mining Operation**

The activity of the Group's gold mining operations is sale of mine-produced gold, including gold concentrate, gold bullion and related products, that contains of gold exploration, mining, processing and/or smelting operations in Tonggun County and Subei County. In order to construct a new tailings dam in Tonggun County, the Group suspended the processing plant's operation in Tonggun County during the second and third quarters of 2024.

For the financial year ended 31 December 2024, the Group's revenue from gold mining operation amounted to approximately HK\$1,302,774,000, representing an increase of approximately 104.3% from approximately HK\$637,693,000 for the corresponding period in 2023 and was primarily contributed by (i) the increase in average selling price of mine-produced gold by upwards trend of gold from RMB460 per gram for the corresponding period in 2023 to RMB540 per gram for the year 2024; and (ii) an increase in sale volume of mine-produced gold from approximately 1.26 tonnes for the corresponding period in 2023 to approximately 2.22 tonnes in 2024, such increase mainly contributed by Grand Gallant Group.

The cost of sales amounted to approximately HK\$779,802,000, representing an increase of approximately 65.6% from approximately HK\$470,768,000 for the corresponding period in 2023. As results, the gross profit from this operation amounted to approximately HK\$522,972,000 (gross profit margin 40.1%), representing an increase in approximately 213.3% as compared with gross profit of approximately HK\$166,925,000 (gross profit margin 26.2%) for the corresponding period in 2023. The increase in gross profit margin was mainly contributed by increase in average gold grade of ore mined for processing of mine-produced gold from 3.86 gram per tonne for the corresponding period in 2023 to 6.11 gram per tonne for the year 2024.

## **B. Gold Recycling Business**

The activity of the Group's gold recycling business involves sale of physical gold bullion by purchasing gold related materials from other supply chain players, and refining by subcontractors. For the year ended 31 December 2024, the volume of sale of gold bullion was approximately 0.57 tonnes (2023: approximately 1.95 tonnes). Approximately HK\$302,047,000 (2023: approximately HK\$859,543,000) of revenue and approximately HK\$301,828,000 (2023: approximately HK\$858,590,000) of cost of sales were contributed from this operation in 2024. Gross profit from this operation was thin and amounted to approximately HK\$219,000 (2023: approximately HK\$953,000).

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

As at 31 December 2024, the Group had total assets and net assets amounted of approximately HK\$4,593,704,000 (2023: approximately HK\$4,554,860,000) and approximately HK\$2,618,967,000 (2023: approximately HK\$2,461,419,000), respectively. The current ratio was 0.36 as compared to 0.35 as of last year end date.

As at 31 December 2024, the Group had cash and cash equivalents of approximately HK\$172,329,000 (2023: approximately HK\$157,887,000), and most of which were denominated in Renminbi and Hong Kong dollars.

As at 31 December 2024, the Group had bank and other borrowings of approximately HK\$530,596,000 (2023: approximately HK\$563,710,000) which were denominated in Renminbi, including the effective interest rates ranged from 3.28% to 6.45% (2023: from 3.28% to 6.60%) per annum. This included bank borrowings with variable rates ranged from loan prime rate ("LPR")+0.85% to LPR+2.6% (2023: from LPR+0.47% to LPR+2.95%) per annum. The slight decrease in total borrowings is mainly due to adequate funds to cope with daily operation. The gearing ratio, as a ratio of total borrowings to shareholders' funds, was 21.4% (2023: 24.3%).

As at 31 December 2024, the Group has pledged certain property, plant and equipment, right-of-use assets and other intangible assets with carrying amounts of approximately HK\$76,781,000, HK\$46,427,000 and HK\$108,138,000 (2023: approximately HK\$57,255,000, HK\$21,518,000 and HK\$119,115,000) respectively to secure bank borrowings granted to the Group.

As at 31 December 2024, the Group had promissory note of approximately HK\$75,710,000 (2023: approximately HK\$69,162,000). The promissory note with the principal amount of HK\$80,000,000 carries zero interest and to be due on 9 October 2025.

## **FOREIGN EXCHANGE RISK MANAGEMENT**

As part of the Group's assets and liabilities are denominated in Hong Kong dollars and Canadian dollars, in order to minimise the foreign currency risk, the Group aims to utilise the fund for transactions that are denominated in the same currency.

## **SHARE CAPITAL**

As at 31 December 2024, the Company had 4,070,272,221 ordinary shares in issue with total shareholders' fund of the Group amounting to approximately HK\$407,027,000.

## **SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES**

There were no significant investment, material acquisitions or disposals of subsidiaries, associated companies and joint ventures during the year ended 31 December 2024.

## **CONTINGENT LIABILITIES**

As at 31 December 2024, the Group did not have any contingent liabilities (2023: Nil).

## **EVENTS AFTER THE REPORTING PERIOD**

Particulars of the Group's events after the reporting period are set out in Note 15 to consolidated financial statements in this announcement.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 31 December 2024, the Group had approximately 11 and 425 employees in Hong Kong and Mainland China respectively.

The staff cost of the Group (including directors' emoluments in form of salary and other benefits, share-based payments, performance related incentive payments and retirement benefit contributions) was approximately HK\$48,528,000 (2023: approximately HK\$31,699,000) for the year ended 31 December 2024.

Directors' emoluments were fixed with reference to their duties and responsibilities with the Company as well as the Company's remuneration policy.

Employees of the Group are remunerated at a competitive level and are rewarded according to their performance. Our Group's remuneration packages include medical scheme, group insurance, mandatory provident fund for Hong Kong employees, social insurance packages for Mainland China employees, performance bonus and share option scheme. The Group is also dedicated to providing training programs for new employees and regular trainings to employees to enhance their skills and know-how.

According to the share option schemes adopted by the Company on 6 June 2024, share options may be granted to directors, employees and other eligible participants of the Group to subscribe for shares in the Company in accordance with the terms and conditions stipulated therein.

## **PURCHASE, SALES OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

The Company has not redeemed any of its listed securities during the year ended 31 December 2024. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company’s listed securities during the year.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE OF THE LISTING RULES**

The Company has a policy of seeking to comply with the established best practice in corporate governance. The Board believes that good corporate governance is crucial to improve the efficiency and performance of the Group and to safeguard the interests of its shareholders. For the year ended 31 December 2024, the Company has applied the principles and code provisions of the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) (the “Code”), and the associated Listing Rules. During the year ended 31 December 2024, the Company has complied with the code provisions of the Code (“Code Provision(s)”), except for certain deviations as specified and explained below with considered reasons and explanation for such deviations.

1. Under Code Provision C.2.1 of the Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. Since the resignation of Dr. You Xian Sheng as the chairman and the executive director of the Company on 31 January 2014, and until the appointment of Mr. Jiang Zhiyong as the chairman (the “Chairman”) and an executive director of the Company on 8 October 2024, the Board collectively focuses on the overall strategic planning and development of the Group and effective functioning of the Board. The Board considers that the principle of balance of power and authority is achieved by the check and balance between the executive directors and the independent non-executive directors of the Company. Since the resignation of Mr. Wang Hui as the chief executive officer of the Company (the “CEO”) on 1 June 2016, the Company has not appointed a new CEO. Until the appointment of the new CEO, the executive directors of the Company, possessing extensive relevant industry knowledge, collectively oversee the day-to-day management of the business and operations of the Group.

2. Under Code Provision F.2.2 of the Code, the Chairman should attend the annual general meeting. Since the Company did not have any officer with the title of the Chairman until the appointment of Mr. Jiang Zhiyong as the Chairman and executive director of the Company on 8 October 2024, Mr. Yeung Kwok Kuen, the executive director of the Company, has been elected by other directors of the Company present to act as the chairman of the annual general meeting of the Company held on 31 May 2024 in accordance with the Bye-laws of the Company. Mr. Yeung Kwok Kuen has sufficient calibre and knowledge for communication with the shareholders of the Company at the annual general meeting of the Company.
3. Under Code Provision C.6.3 of the Code, the company secretary should report to the board chairman and/or the chief executive officer. Since the Company did not have any officer with the title of the Chairman or CEO before 8 October 2024, the company secretary of the Company reported to the executive directors of the Company before 8 October 2024.

The Board will continue to regularly review and monitor the Company's corporate governance practices to ensure compliance with the relevant provisions under the Listing Rules and to maintain a high standard of corporate governance practices of the Company.

#### **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules. The Company has made specific enquiry of all directors of the Company regarding any non-compliance with the Model Code and its code of conduct regarding directors' securities transaction during the year ended 31 December 2024, and they all confirmed that they had fully complied with the required standards set out in the Model Code.

#### **AUDIT COMMITTEE**

As at the date of this announcement, the audit committee of the Company comprises Mr. Leung Ka Wo, Mr. Chu Kang Nam and Mr. Liang Xushu, all of them are independent non-executive directors. The consolidated financial results of the Group for the year ended 31 December 2024 have been reviewed by the audit committee of the Company.

## **SCOPE OF WORK OF MESSRS. CL PARTNERS CPA LIMITED**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditors, Messrs. CL Partners CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. CL Partners CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. CL Partners CPA Limited on the preliminary announcement.

## **PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This announcement is published on the website of the Company ([www.tongguangold.com](http://www.tongguangold.com)) and the designated website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)).

The 2024 annual report of the Company will be made available on the above websites in due course.

The 2024 annual financial information set out above does not constitute the Group's statutory financial statements for the financial year ended 31 December 2024. Instead, it has been derived from the Group's audited consolidated financial statements for the financial year ended 31 December 2024, which will be included in the Company's 2024 annual report.

## **APPRECIATION**

On behalf of the Board, I would like to take this opportunity to express my appreciation to the continuous support of our shareholders and hard work and dedication of all our staff over the past year.

By Order of the Board  
**Tongguan Gold Group Limited**  
**Yeung Kwok Kuen**

*Executive Director and Chief Financial Officer*

Hong Kong, 24 March 2025

*As at the date hereof, the board of directors of the Company comprises Mr. Jiang Zhiyong, Mr. Shi Xingzhi, Mr. Shi Shengli, Mr. Yeung Kwok Kuen and Ms. Feng Fangging as executive directors and Mr. Chu Kang Nam, Mr. Liang Xushu and Mr. Leung Ka Wo as independent non-executive directors.*