HANKING GOLD INTERNATIONAL LIMITED
罕王黄金國際有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 03788)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

RESULTS HIGHLIGHTS *NOTES*

1. Strategic implementation adjustment and value enhancement of the Company

In July 2025, the Company proposed to spin-off and separately list its gold business on the main board of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") by way of introduction, aiming to raise funds as soon as possible to commence the construction of the Cygnet Gold Project. Subsequently, the Company made significant progress in technology, corporate and financing aspects of the gold business. In January 2026, the Company conducted a comprehensive assessment of its gold business. After careful consideration, it was concluded that the earlier the Company becomes a gold producer, the greater value it will creat for shareholders. Therefore, the Company adjusted its strategic implementation by terminating the originally proposed spin-off listing plan, and instead using the Company itself as the platform to develop its gold business. This involves concentrating human and financial resources to fully support the development and commissioning of the Mt Bundy Gold Project, with the target of achieving first gold pour in the first quarter of 2028.

2. Stable domestic business operations

In 2025, the production and operations of the Company's two domestic business segments remained stable, and the production and sales volume of iron ore concentrate and high-purity iron exceeded the annual budget. However, affected by the overall market conditions, average selling prices per metric ton of product were lower than those of corresponding period of last year. Revenue of the two business segments in 2025 still reached RMB2,558,581,000, representing a year-on-year increase of 3.16%; profit before tax was RMB342,167,000, representing a year-

Notes:

1. In this announcement, cost data (being information which is not required to be disclosed under the International Accounting Standards) has not been reviewed by the auditor of the Company.
2. Due to rounding, numbers presented throughout this announcement may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

on-year increase of 5.33%. Of which, the high-purity iron business turned profitable in 2025, recording a profit before tax of RMB15,011,000 (the corresponding period of last year: loss before tax of RMB78,174,000).

3. **Increase in resources and reserves**

Following the completion of the Stage 1 pre-feasibility study (PFS) for the Cygnet Gold Project and the updated definitive feasibility study (DFS) for the Mt Bundy Gold Project, and subsequent assessments by independent experts from SRK China in accordance with the JORC Code, the Company's JORC gold reserves increased by 53.1% to 2.62 million ounces, and JORC gold resources increased to 5.54 million ounces. Additionally, the Company obtained a renewed mining license for the Shangma Mine during the year. Approximately 79.76 million metric tons of newly explored iron ore resources, previously identified under the exploration license through the Company's self-conducted exploration, have been included in the renewed mining license. Consequently, the Company's JORC iron ore reserves increased by approximately 34.21 million metric tons. These increases in resources and reserves further expand the Group's minable reserves and strengthened the foundation for the Group's sustainable development in the future.

MAJOR FINANCIAL DATA AND INDICATORS

	For the year ended 31 December		
	2025	2024	Change
Revenue (RMB thousand)	**2,559,504**	2,484,150	3.03%
Profit for the year (RMB thousand)	**168,772**	175,549	(3.86%)
Earnings per share (RMB cent)	**8.9**	9.4	(5.32%)
Final dividend (HKD per share)	**0**	0.02	(100.00%)
Net margin	**6.59%**	7.07%	Down 0.48 percentage points
Adjusted net profit	**200,212**	180,115	11.16%
Return on net assets	**9.98%**	12.14%	Down 2.16 percentage points

Note: The adjusted net profit represents the profit for the year of the Group after adding back the listing-related expenses incurred in relation to the proposed spin-off of the gold business and share-based payments.

The board (the "**Board**") of directors (the "**Directors**") of Hanking Gold International Limited (the "**Company**" or "**Hanking Gold**", together with its subsidiaries, collectively the "**Group**") hereby announced the audited consolidated results of the Group for the year ended 31 December 2025 (the "**2025 Annual Results**"). The 2025 Annual Results have been audited by Deloitte Touche Tohmatsu, the auditor of the Company, have been reviewed by the audit committee of the Company (the "**Audit Committee**"), and have been approved by the Board on 25 March 2026.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

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 2025 as set out in this announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board on 25 March 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on this announcement.

OPERATION REVIEW

I. SUMMARY OF THE COMPANY'S BUSINESS

The Group upholds the core value of "people-first and business integrity", adheres to the principles of "safety, harmony and green", and strives to perform the enterprises' social responsibilities.

- ***Gold Business in Australia***

  A team has been assembled by the Company in Australia since 2010, and the then subsidiary of the Company in Australia was established in 2011, which is headquartered in Perth, the capital of Western Australia. Over the last 10 years, by completing the closed loop of acquisition, resource exploration, relaunched production and operation and capitalization in respect of SXO Gold Project, Hanking Australia has developed a gold mining and operation team with outstanding performance and applied its experience to the existing gold projects, in an effort to create maximum value for the shareholders of the Company (the "**Shareholders**").

- ***Iron Ore and High-purity Iron Business in China***

  Benefiting from the advantages of its own high-quality iron ore resources and unique technical process, the average grade of iron ore concentrate produced by the Company is over 69%. Due to the minimal impurity contents of sulfur, phosphorus and titanium, together with the technical advantages accumulated over the years, high-purity iron products smelted by the Company enjoy strong corrosion resistance and high tensile strength, thereby well meeting the casting requirements of major equipment in wind power, marine engineering and other sectors. Therefore, the Company's iron ore and high-purity iron business in China provides high-quality raw materials for clean energy wind power component casting enterprises.

II. INDUSTRY OVERVIEW

According to the World Gold Council, record-breaking investment demand and sustained high-level central bank gold purchases formed dual core drivers that pushed total annual global gold demand (including over-the-counter transactions) to 5,002 metric tons in 2025, a slight year-on-year increase of 0.5%, marking a second consecutive year of record highs. Although the pace of global central bank gold purchases moderated in 2025 compared to the high intensity level averaging over 1,000 metric tons annually over the previous three years, it remained firmly in a historically high range. Net purchases by official institutions for the year stood at 863 metric tons, providing solid underlying support for the global gold market. In 2025, the average annual price of London gold spot climbed to US$3,431/ounce, a substantial year-on-year increase of 43.8%, peaking at US$4,584/ounce. The record-high gold price resonated with steadily growing physical and investment demand, propelling the total value of global gold demand in 2025 to surge to US$555,000 million, a year-on-year increase of 45.3%. Looking ahead to 2026, the gold market is expected to continue its core theme of "high-level fluctuations with a structural upward trend". Potential upward momentum primarily stems from factors such as "de-dollarization", escalating geopolitical conflicts, expectations of the start of a Federal Reserve interest rate cut cycle, and the normalization of global central bank gold purchases. Short-term constraining factors mainly include technical correction pressure following cumulative gold price increases, the possibility of Federal Reserve interest rate cut being less than market expectations, and a rebound in risk appetite driven by a potential stronger-than-expected global economic recovery. These multiple factors will collectively dominate the pattern of gold price fluctuations during the year.

According to the data of Mysteel, the imported iron ore price in 2025 exhibited a trend of "increase – decrease – rebound and high-level fluctuations". The average price of 62% of Australian Iron Ore Index of iron ore was US$101.78/dry metric tons, a decrease of US$7.39/dry metric tons or 6.77% compared to the average annual price in 2024. According to the data from the National Bureau of Statistics, the domestic production of raw iron ore in 2025 was 984 million metric tons, a year-on-year decrease of 5.59%. China imported a total of 1,259,000,000 metric tons of iron ore in 2025, a year-on-year increase of 1.84%. Meanwhile, the domestic production of pig iron and raw steel continued to decline year-on-year in 2025, marking a second consecutive year of decline. Looking ahead to 2026, global iron ore mines continue to be in a period of capacity and production expansion, and the global supply of iron ore is expected to maintain an increasing trend. On the demand side, total global demand for iron ore is expected to witness modest growth, with overseas markets becoming the primary source of incremental demand, while Chinese demand enters a plateau phase or even experiences a slight decline. The iron ore market is expected to enter a phase of relatively ample supply in 2026.

Data on domestic iron ore production and import volume

Year	2021	2022	2023	2024	**2025**
Raw iron ore (domestic) output (100 million metric tons) [Note 1]	9.8053	9.6787	9.9056	10.4194	**9.8372**
Iron ore fines and its concentrate (import) output (100 million metric tons) [Note 2]	11.2432	11.0686	11.7906	12.3600	**12.5871**

Notes:

1. Data from National Bureau of Statistics.

2. Data from Monthly Statistics of the General Administration of Customs.

According to statistics from the National Energy Administration, China's cumulative installed wind power capacity reached 640 million kilowatts by the end of 2025, representing a year-on-year increase of 22.9%; newly installed wind power capacity surged to 120 million kilowatts, up by 51% year-on-year, with onshore wind power increased by 110 million kilowatts and offshore wind power increased by 6.59 million kilowatts. In 2025, the cumulative grid-connected installed capacity of wind and solar power reached 1,840 million kilowatts, accounting for 47.3% of the total, historically surpassing that of thermal power. Looking ahead to 2026, new energy is expected to maintain a significant commissioning volumes under the national "dual carbon" goals. According to deployment of the National Energy Work Conference for 2026, the planned newly installed capacity for wind and solar power in 2026 is over 200 million kilowatts. Driven by policy and market forces, China's wind power industry is expected to encounter unprecedented development opportunities in 2026, with demand for wind power components expected to achieve both volume and price increases.

III. STRATEGIC IMPLEMENTATION ADJUSTMENT – FOCUSING ON GOLD BUSINESS IN AUSTRALIA

Since 2011, the Company has successfully managed and operated four gold projects in Australia: SXO, Coolgardie, Mt Bundy and Cygnet. However, the Company sold the SXO and Coolgardie Gold Projects in 2017 and 2021 respectively due to limited financial resources, which constrained the development pace of the Company's gold business. Consequently, the Company aims to raise funds as soon as possible to commence the construction of the Mt Bundy Gold Project and Cygnet Gold Project in Australia. In line with this plan, the Group completed the following financing and strategic implementation adjustment in 2025 and up to the date of this announcement:

1. **Financing in 2025**

(1) On 22 September 2025 (after trading hours), the Company entered into subscription agreements with subscribers (i) Zijin Global Fund; and (ii) Gold Mountains (H.K.) International Mining Company Limited (金山(香港)國際礦業有限公司), pursuant to which the subscribers conditionally agreed to subscribe for an aggregate of 75,000,000 shares of the Company at the subscription price of HKD3.13 per subscription share. The gross proceeds of the subscription amounted to approximately HKD234.75 million, and the net proceeds are approximately HKD231.67 million. The Company intends to use the net proceeds from the subscription, together with its own capital, to support Hanking Gold Limited (a non-wholly owned subsidiary of the Company) in developing the Australian gold mining projects. The above details are set out in the Company's announcements dated 22 September 2025 and 29 September 2025. On 30 September 2025, the Company applied all of the net proceeds from the Subscription to subscribe for shares of Hanking Gold Limited at a price of HKD2.62 per share.

(2) On 30 September 2025, Hanking Gold Limited (a non wholly-owned subsidiary of the Company) entered into six subscription agreements with six subscribers (including the Company) in respect of the subscription for an aggregate of 436,550,000 shares of Hanking Gold Limited at the subscription price of HKD2.62 per subscription share. The total proceeds from the subscription amounted to approximately HKD1.14 billion. Hanking Gold Limited intends to use the proceeds from the subscription to support the development of the Australian gold mining projects and repaid the inter-group loans of approximately AUD86 million owed to the Company. Immediately following the completion of the subscription, the Company held 91.19% equity interest in Hanking Gold Limited. The above details are set out in the Company's announcement dated 30 September 2025.

(3) On 27 October 2025, Hanking Gold Limited, through its subsidiary, acquired an aggregate of 6.63% equity interest in Cygnet Gold Pty Ltd from minority shareholders, increasing its shareholding in such company to 100%. Such minority shareholders, based on their confidence in the future development of the Cygnet Gold Project and Hanking Gold Limited, subscribed for an aggregate of 20,900,000 shares of Hanking Gold Limited at a subscription price of HKD2.62 per subscription share. Immediately following the completion of the subscription, the Company's equity interest in Hanking Gold Limited will be diluted from 91.19% to 90.44%. The gross proceeds from the Subscription amounted to approximately HKD54.76 million. Hanking Gold Limited intends to use the proceeds from the subscription to support the development of the Australian gold mining projects. The above details are set out in the Company's announcement dated 27 October 2025.

2. **Financing in January 2026**

(1) On 21 January 2026 (after trading hours), the Company entered into subscription agreements with four subscribers respectively, pursuant to which the subscribers have conditionally and severally agreed to subscribe for, and the Company has conditionally agreed to issue and

allot, an aggregate of 43,960,000 subscription shares at the subscription price of HKD3.80 per subscription share. The total proceeds from the subscription amounted to approximately HKD167.05 million and the net proceeds from the subscription amounted to approximately HKD164.76 million.

(2) On 22 January 2026 (before trading hours), the Company and the placing agents entered into placing agreement, pursuant to which the placing agents have conditionally and severally agreed, as the Company's placing agents, to procure, on a best efforts basis, not less than six placees to subscribe for up to 162,040,000 new shares at the placing price of HKD3.80 per share. The gross proceeds of the placing amounted to approximately HKD615.75 million and the net proceeds of the placing amounted to approximately HKD607.34 million.

The gross proceeds from the subscription and the placing amounted to approximately HKD782.80 million, and the aggregate net proceeds from the subscription and the placing will be approximately HKD772.10 million. The Company intends to apply the net proceeds from the subscription and the placing, together with its own capital, to support the development of the Mt Bundy Gold Project, and it is expected that all of the net proceeds will be fully utilised by the end of 2027. Details of the above financings are set out in the Company's announcements dated 22 January and 29 January 2026.

3. Strategic Implementation Adjustment

In the second half of 2025, the Company has obtained the approval of the Hong Kong Stock Exchange for the PN15 application in relation to the proposed spin-off introduction listing. Prior to submitting the listing application, the Company is required to complete the preparation of the preliminary financial reports. Given that Mt Bundy Gold Project has completed an updated DFS, obtained all key permits including mining licenses and EIA approval, and received non-binding indicative financing offers, and on the other side, the recent drilling at Cygnet Gold Project clearly demonstrates its resource and reserve potential of this project is yet to be further explored, prior to being designed and constructed into a mine that is ready for actual mining operations, therefore, it aligns with the Company's strategic objective of becoming a gold producer as soon as possible and is in the best interest for all Shareholders that Mt Bundy Gold Project be developed first while continually exploring the Cygnet Gold Project.

As the Company changes the development sequence of the Cygnet Gold Project and the Mt Bundy Gold Project, and additional time is also needed for the preparation of the relevant independent technical reports, the Company assesses that it may not be able to complete the proposed spin-off listing plan of gold business within the originally scheduled time.

Given the above information, the Company has made the following strategic decisions:

(1) To concentrate all efforts including human and financial resources to support the development of the Mt Bundy Gold Project while maintaining the steady production of iron ore and high-purity iron operations in China;

(2) To reflect its asset value as implied from its capital raising, its increased gold resources and reserves and its strategic goal of becoming a middle tier gold producer, the Company changed its name to "Hanking Gold International Limited" by a special resolution on 12 February 2026, with Dr. Qiu Yumin leading the transformation as an executive Director, chief executive officer and president of the Company, supported by the Board which is chaired by the non-executive Director Mr. Xia Zhuo;

(3) To act as the platform for the development of gold business, the Company will terminate the originally planned spin-off listing of gold business.

Through the strategic implementation adjustment, it allows the concentration of time, effort and funds to the high growth of gold business and to obtain financial support from its steady cashflows, thereby enabling the Company to join the ranks of mid-tier gold producers quickly. Details of the strategic adjustment are set out in the Company's announcement dated 14 January 2026.

(I) Mt Bundy Gold Project

1. As at 5:00 p.m. on 1 July 2025, as Huineng Gold Pty Ltd failed to obtain a no objection statement from Australia Foreign Investment Review Board, i.e., failed to satisfy a condition precedent under the share sale agreement signed with HGM Resource Pty Ltd, a subsidiary of the Company, HGM Resource Pty Ltd therefore terminated the aforementioned share sale transaction in accordance with the terms of the share sale agreement. Details are set out in the Company's announcement dated 2 July 2025.

2. DFS update:

   The Rustlers Roost and Annie Oakley pits within the Mt Bundy Gold Project were re-optimised based on a gold price of AUD3,750 per ounce, new (lower) government royalties and the updated capital and operational costs after inflation adjustment and third-party quotes. The results of the updated DFS of the Mt Bundy Gold Project included:

   - Pre-production construction capital increased by 10.9% to AUD437 million from AUD394 million.

- Construction period of 18 months.

- Total gold production has been increased to approx.1.79 Moz from 1.69 Moz Au.

- LOM (Life of Mine) of 16 years.

- Average gold production over the 1st 10 years of LOM: approx.150 Koz Au.

- All-in sustainable cost per ounce over the 1st 10 years averages approx. AUD1,858 (AUD1,883 over LOM).

(II) Cygnet Gold Project

The acquisition of the Corinthia Gold Mine was completed in March 2025. Following completion of the acquisition, the Cygnet Gold Project was consolidated into a gold mining project with scalable production capacity, comprising three deposits, namely Golden Pig, Copperhead and Corinthia.

1. Phase I Feasibility Study of the Cygnet Gold Project

   Following the latest JORC Code mineral resource estimate for the Cygnet Gold Project in July 2025, the Company completed the initial Ore Reserve estimate for the Cygnet pre-feasibility study. The PFS was led by the Australian gold mine engineering firm MACA Interquip Mintrex Pty Ltd, which has designed and constructed many gold mines in Australia and other countries. Key interim results of the Cygnet pre-feasibility study are summarized below:

   - A conventional CIL processing plant with a designed processing capacity of 2 Mtpa located at Corinthia open-pit gold deposit, which is situated in the middle of a paved road between the Copperhead underground mine 15km to the north and the Golden Pig underground gold mine 15 km to the south.

   - Pre-production capital expenditure of AUD239 million, including the 2 Mtpa processing plant, tailing storage facility, 300-man camp and other associated capital works. The current mining inventory is approx. 1.01 Moz with an average of 1.81 g/t gold, estimated at a gold price of AUD3,750 per ounce.

   - Initial LOM of 9 years, which is anticipated to be extended after further study optimization and additional drilling (currently underway).

   - Average annual gold production over the initial 9 years LOM is approx. 91 Koz.

2. The Company has obtained the drainage construction permits for the Golden Pig and Copperhead underground gold mines. This approval allows underground mine water to be discharged at low cost prior to the commencement of underground mine development at the Golden Pig and Copperhead gold mines, enabling the Company to plan the development of underground decline access in advance. Such development will not only facilitate underground mining operations, but also enable the expansion and upgrading of gold resources and reserves through cost-effective underground drilling from underground workings. Details are set out in the Company's announcements dated 30 October and 29 December 2025.

(III) Significant Increase in Resources and Reserves

Following the completion of the stage 1 PFS for the Cygnet Gold Project and the updated definitive feasibility study for the Mt Bundy Gold Project, and subsequent assessments by independent experts from SRK China in accordance with the JORC Code, the Company's JORC gold reserves increased by 53.1% to 2.62 Moz, and JORC-compliant gold resources increased to 5.54 Moz.

As at the end of 2025, the Group held JORC Code gold resources of approximately 5.54 Moz, with an average grade of 0.94 g/t, and JORC Code gold reserves of approximately 2.62 Moz, with an average grade of 0.90 g/t.

Table 1 – Gold mine resources as at the end of 2025

	Ore resources (thousand metric tons)	Measured grade (g/t)	Gold (Koz Au)	Ore resources (thousand metric tons)	Indicated grade (g/t)	Gold (Koz Au)	Ore resources (thousand metric tons)	Inferred grade (g/t)	Gold (Koz Au)	Ore resources (thousand metric tons)	Total grade (g/t)	Gold (Koz Au)
Cygnet Project												
Copperhead	–	–	–	5,931	3.48	664	2,630	2.55	216	8,561	3.20	880
Golden Pig	246	3.53	28	6,845	3.34	736	1,958	2.4	151	9,049	3.14	915
Corinthia	–	–	–	3,235	1.64	171	540	1.72	30	3,775	1.66	201
Ore stockpile	5,045	0.45	73	213	0.28	2	–	–	–	5,258	0.45	76
Subtotal	5,291	0.63	101	16,224	3.02	1,573	5,128	2.41	397	26,643	2.42	2,071
Mt Bundy Project												
Rustlers Roost	–	–	–	84,183	0.62	1,686	41,396	0.43	577	125,579	0.56	2,263
Toms Gully	–	–	–	2,671	5.7	490	565	5.53	100	3,236	5.67	590
Quest 29	–	–	–	19,751	0.62	391	9,432	0.75	227	29,183	0.66	618
Subtotal	–	–	–	106,605	0.75	2,567	51,393	0.55	904	157,998	0.68	3,471
Total	**5,291**	**0.63**	**101**	**122,829**	**1.05**	**4,140**	**56,521**	**0.72**	**1,301**	**184,640**	**0.94**	**5,543**

Table 2 – Gold mine reserves as at the end of 2025

	Approved Reserves			Estimated Reserves			Total		
	Ore resources (thousand metric tons)	Grade (g/t)	Gold (Koz Au)	Ore resources (thousand metric tons)	Grade (g/t)	Gold (Koz Au)	Ore resources (thousand metric tons)	Grade (g/t)	Gold (Koz Au)
Cygnet Project									
Copperhead	—	—	—	4,414	2.94	417	4,414	2.94	417
Golden Pig	47	2.99	5	1,562	2.44	122	1,609	2.45	127
Corinthia	—	—	—	2,533	1.49	122	2,533	1.49	122
Ore stockpile	—	—	—	4,488	0.47	68	4,488	0.47	68
Subtotal	47	2.99	5	12,996	1.75	729	13,043	1.75	734
Mt BundyProject									
Rustlers Roost	—	—	—	69,254	0.66	1,464	69,254	0.66	1,464
Toms Gully	—	—	—	1,657	5.04	268	1,657	5.04	268
Quest 29	—	—	—	6,422	0.75	155	6,422	0.75	155
Subtotal	—	—	—	77,333	0.76	1,887	77,333	0.76	1,887
Total	**47**	**2.99**	**5**	**90,330**	**0.90**	**2,616**	**90,377**	**0.90**	**2,621**

Note: The figures do not imply precision and may not add up due to rounding.

(IV) Reorganisation of the Gold Mining Projects

1. Acquisition of the 6.63% equity interest in Cygnet Gold Pty Ltd held by minority shareholders

    a. Consideration for the acquisition: AUD16.60 million. Including this acquisition, Hanking Gold Limited has acquired 100% equity interest in the Cygnet Gold Project, which hosts 2.07 million ounces of gold resources, at an aggregate consideration of approximately AUD60.31 million.

    b. Based on their confidence in the future development of the Cygnet Gold Project and Hanking Gold Limited, the minority shareholders of Cygnet Gold Pty Ltd (including Dr. Qiu Yumin, a director of Hanking Gold Limited) subscribed for an aggregate of 20.9 million shares of Hanking Gold Limited at HKD2.62 per share, for a total consideration of HKD54.76 million.

2. Redemption of all outstanding share options of Hanking Australia Investment Pty Ltd ("**Hanking Australia**")

    a. Background: After Hanking Australia acquired the PGO Gold Project in 2018, and in order to incentivise the Hanking Australia team to further develop the project, the Company adopted the Hanking Australia Share Option Scheme as one of the key measures under its talent strategy. The scheme was approved at the Company's extraordinary general meeting held on 25 January 2019, with a total grant limit of 21 million shares, representing 10% of the total issued share capital of Hanking Australia. In aggregate, 11.25 million share options were granted under the scheme, which played a key role in retaining and motivating employees and contributed significantly to the development of the Company's gold mining business to its current scale and stage.

    b. Redemption: The exercise of any share options under the Hanking Australia Share Option Scheme would result in changes to the shareholding structure of Hanking Gold Limited. Accordingly, the Board approved on 27 October 2025 the redemption of all outstanding share options granted under the Hanking Australia Share Option Scheme, at a total redemption consideration of approximately AUD20.49 million.

    c. Impact of the redemption: Upon cancellation, the remaining unrecognised share-based payment expense relating to unvested options was accelerated and recognised in profit or loss. The redemption consideration paid in excess of the carrying amount of the share-based payment reserve was recognised directly in equity. As at 31 December 2025, the relevant share options had been redeemed and cancelled, and the Hanking Australia Share Option Scheme had been terminated.

    Details of the above reorganisation are set out in the Company's announcement dated 27 October 2025. Upon completion of the reorganisation, Hanking Gold Limited holds 100% interests in the Mt Bundy and Cygnet Gold Projects, and Hanking Australia has become a single consolidated tax group in Australia.

(V) Future Development Plan for the Australian Gold Projects

The Mt Bundy Gold Project has completed the latest DFS, and all major approvals have been obtained, including the mining licence and EIA approvals. Meanwhile, through the Group's equity financing, sufficient internal funds have been secured to support the development of the Mt Bundy Gold Project. Accordingly, the Company has commenced preparatory work prior to construction and plans to begin construction of the processing plant and supporting facilities in the third quarter of 2026, with first gold production expected in the first quarter of 2028.

The Cygnet Gold Project still has potential for further exploration and expansion of its resources and reserves. In 2026, the Group will continue exploration activities at the Cygnet Gold Project to further increase its resources and reserves, thereby optimising the DFS, while also advancing the relevant permitting processes. The project is planned to commence mine construction in the second half of 2028, with first gold production expected before the end of 2029.

The Board wishes to emphasise that, due to uncertainties in metal prices and the operating environment, the above plans are made based on current market conditions and the Group's present circumstances. The Board may adjust the relevant development plans in response to changes in circumstances.

IV. Iron Ore and High-Purity Iron Business in the PRC

(I) Iron Ore Business

In 2025, through continuous exploration, the iron ore business significantly expanded its resource reserves and entered the ranks of large-scale mines. Leveraging its high-quality resource endowment and sustained low-cost operational advantages, the business continues to generate stable cash flow for the Group.

Rich and high-quality iron ore resources

The iron ore resources of the iron ore business of the Company are situated at the well-known iron ore metallogenic belt of Anshan to Benxi where iron ore resources are rich and in good quality. The Company is committed to improving the quality of its iron ore concentrate products and has continuously invested in optimising its production processes. The average grade of iron ore concentrate produced in 2025 reached over 69%, and its content of sulfur, phosphorus and titanium impurities is low. This significantly reduces production costs for customers and enables the Company's products to command a premium compared with those of its industry peers. Aoniu Mining has been recognised as a "Specialised, Refined, Distinctive and Innovative 'Little Giant' Enterprise" in Liaoning Province, and the Company's high-grade, high-purity iron concentrate has been awarded the title of a "technologically advanced" product in Liaoning Province.

Digitalisation to Enhance Management Efficiency

The Company began developing a smart mine system for iron ore business in 2019, and in 2023 it was recognised as a provincial-level digital workshop in Liaoning Province. In 2025, the Company continued to optimise and upgrade its intelligent systems, with a particular focus on production, safety, and environmental protection departments. With the rapid development of technologies such as artificial intelligence, big data and cloud computing, the construction of smart mines has become a core driving force for the transformation and upgrading of the industry.

Cost Reduction and Efficiency Enhancement

In response to the downward pressure on market prices and to strengthen the Company's core competitiveness, the Company continued to promote cost reduction and efficiency enhancement initiatives for iron ore business in 2025, in line with the principles of lean management. On the one hand, production and operational optimisation was carried out to unlock internal potential, including measures such as improving equipment maintenance and extending service life, reducing procurement costs, enhancing capital utilisation efficiency, and strictly controlling administrative expenses. On the other hand, efforts were made to revitalise existing assets and release embedded value, including internal asset redeployment, clearance and sale of scrap and obsolete materials, and disposal of idle assets, thereby further reducing costs.

Low-Cost Operations

In 2025, the Company's iron ore business maintained stable production, with iron concentrate output reaching 954,000 tonnes, representing a year-on-year decrease of 55,000 tonnes or 5.45%, and 100.42% of the annual budget target achieved. Stable production, together with a series of cost reduction and efficiency enhancement measures implemented by the Company during the year, resulted in the Company's average cash operating cost per tonne of iron concentrate decreasing to RMB339 in 2025, representing a year-on-year decrease of RMB14 per tonne or 3.97%. The Company's cash operating cost has declined for three consecutive years, further reinforcing its low-cost operational advantage.

Table 3– Cash operation costs of the iron ore business

	For the year ended 31 December		
	2025 (RMB/ metric ton of iron ore concentrate)	2024 (RMB/ metric ton of iron ore concentrate)	Change
Mining	**170**	175	(2.86%)
Processing	**78**	80	(2.50%)
Transportation[Note 1]	**20**	15	33.33%
Tax	**53**	58	(8.62%)
Mine management[Note 2]	**18**	26	(30.77%)
Total	**339**	354	(4.24%)

Notes:

1. The increase in transportation cost per tonne was mainly attributable to the rise in third-party freight charges and changes in sales volumes among different customers.

2. Mine management expenses were reduced during the year through the implementation of a series of cost reduction and efficiency enhancement measures.

Table 4 – Operation breakdown of iron ore business

	For the year ended 31 December		
	2025	2024	Change
Output of iron ore concentrates (thousand metric tons)	**954**	1,009	(5.45%)
Sales volume of iron ore concentrates (thousand metric tons)	**980**	989	(0.91%)
Average selling price (RMB per metric ton)	**874**	973	(10.17%)
Average cost of sales (RMB per metric ton)	**352**	363	(3.03%)
Revenue (RMB thousand)	**861,586**	966,175	(10.83%)
Gross profit (RMB thousand)	**516,438**	606,772	(14.89%)
Gross margin	**59.94%**	62.80%	Down 2.86 percentage points

For the year ended 31 December 2025, the capital expenditure of the iron ore business was RMB87,626,000 (2024: RMB69,508,000), mainly representing expenditure on plant, machinery and equipment and property.

Underground Mining Expansion Project

In September 2025, construction of the underground mining expansion project for the No. 2 mining area of the Maogong Mine officially commenced. The project will integrate and develop newly identified resources in the Eboling ore block of the No. 2 mining area, while maximising the utilisation of the existing processing plant, underground mining equipment and infrastructure, thereby extending the service life of the No. 2 mining area of the Maogong Mine. The construction period of the project is expected to be four years, with a mine life of 15 years. Upon completion of the infrastructure development period, the production capacity will reach 2.9 Mtpa. The Group has entered into a project loan agreement with a bank, thereby reducing the occupation of the Group's internal funds. Upon completion of the project, the production capacity of the Maogong Mine will be smoothly sustained, further strengthening its ability to continue creating value.

Resources and reserves

Exploration activities

The Company is well aware of the importance of sustainable high-quality resources and has been committed to prospecting for minerals in and around existing mining areas. In 2025, exploration activities continued at the Shangma and Maogong mining areas, with a total of 59 drill holes completed during the year, representing an aggregate drilling footage of approximately 37,054 metres. During 2025, new iron ore resources were discovered within the existing open pit of the Maogong Mine. Drilling programmes were subsequently carried out and a reserves verification report has been prepared and submitted accordingly.

In 2025, the Shangma Mine obtained a renewed mining licence. The mining area was expanded from 6.7224 square kilometres to 10.9753 square kilometres. In addition, approximately 79.76 million tonnes of iron ore resources previously identified through exploration conducted by the Company under its exploration licence have been incorporated into the renewed mining licence. The Shangma Mine currently holds total iron ore resources of approximately 110 million tonnes, reaching the scale of a "large-scale iron mine". The renewal of the mining licence has further enhanced the Group's exploitable resource reserves and laid a solid foundation for the sustainable development of the Group's iron ore business in the future. Details are set out in the Company's announcement dated 30 July 2025.

As at the end of 2025, the Group held iron ore resources of approximately 167 million tonnes.

Table 5 – Iron ore resources as at the end of 2025

	Measured Resources		Indicated Resources		Inferred Resources		Total	
Mine	**Metric ton**	**TFe (%)**	**Metric ton**	**TFe (%)**	**Metric to n**	**TFe (%)**	**Metric ton**	**TFe (%)**
Aoniu Mine	—	—	12,983,099	32.45	20,476,550	31.80	33,459,649	32.05
Maogong Mine	—	—	5,189,000	34.67	18,024,000	34.65	23,213,000	34.66
Shangma Mine	18,297,420	34.77	37,637,380	33.63	54,337,930	33.51	110,272,730	33.76
Total	18,297,420	34.77	55,809,479[1]	33.45	92,838,480[2]	33.35	166,945,379	33.54

1 The resources amount includes 11,364,039 metric tons of the resources amount not shown on the mining licenses.

2 The resources amount includes 18,590,850 metric tons of the resources amount not shown on the mining licenses.

Note 1: For the determination of iron ore resources, firstly, the industrial parameters were determined in accordance with the requirements of the general standard of the geological exploration profession in the PRC "Geological Exploration Standards for Iron, Manganese and Chrome Deposits" (DZ/T0200-2002); and then the "Geological Block" method was selected based on the geological characteristics of the ore bodies to estimate the amount of ore resources using the volume and specific gravity of ore body in each block. The resources category classification is based on the extent of geological exploration work carried out and is comparable to the JORC Code.

Note 2: The figures do not imply precision and may not add up due to rounding. Mineral resources are quoted inclusive of mineral reserves.

As at the end of 2025, the Group owned approximately 61,120,000 metric tons of JORC Code iron ore reserves.

Table 6 – Iron ore reserves as at the end of 2025

Mine	**Reserves category**	**Increased amount for 2025 (metric ton)**	**Reserves at the end of 2025 (metric ton)**	TFe (%)
Aoniu Mine	Probable Ore Reserve	**0**	0[1]	—
Maogong Mine	Probable Ore Reserve	**0**	5,189,000	34.67
Shangma Mine	Probable Ore Reserve	**34,214,380[2]**	55,934,800	34.00
Total	Probable Ore Reserve	**34,214,380**	61,123,800	34.06

1 According to the latest dynamic monitoring report, the remaining iron ore reserves at Aoniu Mine are temporarily unexploitable because they are mainly located at the security pillars of mine.

2 As the Shangma Mine obtained a renewed mining licence in 2025, part of the resources previously recorded under the exploration licence were converted into reserves.

Note: In accordance with the JORC Code, ore resources are the economically mineable portion of the resources obtained through exploration and are determined based on mine feasibility study as well as actual operation parameters from the operations of relevant mines.

(II) High-purity Iron Business

High-quality, High-purity Iron

The product structure of the Company's high-purity iron business is mainly pig iron for high-end ductile casting, which is mainly characterized by extremely low content of harmful impurities such as phosphorus, sulfur, titanium and tension-active element, strong corrosion resistance and high tensile strength, and is positioned in the high-end market of the PRC's casting industry. This is attributable to the long-term and stable supply of high-quality raw iron ore concentrates from the Group's own mines on the one hand, and the Company's more than 10 years of advantages and experience in the production process of ductile casting iron for wind power, and years of cooperative relations with major customers on the other hand. Relying on stable and high-quality raw materials, mature processes and experience accumulated over the years, and an annual production capacity of 930,000 metric tons in the market field of ductile casting iron, we provide high-end pig iron for ductile casting with stable quality and reliable quantity for customers of downstream castings.

Stable Production and Blast Furnace Upgrade

Maintaining continuous and stable production remains the key focus and foundation for the development of the high-purity iron business. In 2025, both the number of days of smooth blast furnace operation and the average daily output increased, resulting in improved production efficiency. The annual output of high-purity iron reached 882,000 tonnes, representing a year-on-year increase of 16.51%, and achieving 105.95% of the annual budget target. From mid-September to the end of October 2025, we carried out an intermediate overhaul and upgrade of the 580-cubic-metre blast furnace, which serves as the main production unit. Upon completion of the project, the blast furnace was successfully recommissioned, bringing multiple benefits: first, extending the service life of the furnace while reducing the overall failure rate and production downtime; second, enhancing production efficiency and increasing daily output; and third, reducing energy consumption costs and improving various emission indicators through the addition or upgrading of energy-saving and environmental protection equipment.

Turning Profitable

On the basis of stable production, we strengthened technical exchanges with suppliers on the procurement side to ensure supply quality while broadening procurement channels to reduce raw material costs. During the year, the average selling cost was RMB2,458 per tonne, representing a year-on-year decrease of 16.53%. On the sales side, we continued to explore new industries and develop new customers, while consistently working to enhance the value-added of our products. In 2025, the Company's sales volume of high-purity iron reached 876,000 tonnes, representing a year-on-year increase of 16.33%, of which ductile iron for wind power accounted for approximately 66% of total sales and iron for other high-end castings accounted for approximately 29% of total sales. In 2025, gross profit amounted to RMB189,392,000, representing a year-on-year increase of 201.86%, while the gross profit margin was 8.08%, up 5.33 percentage points year-on-year. The business turned profitable, recording a profit before tax of RMB15,011,000 (compared with a loss before tax of RMB78,174,000 in the same period last year).

Table 7 – Operation breakdown of high-purity iron business

	For the year ended 31 December		
	2025	2024	Change
Output (thousand metric tons)	**882**	757	16.51%
Sales volume (thousand metric tons)	**876**	753	16.33%
Average selling price (RMB per metric ton)	**2,658**	2,990	(11.10%)
Average cost of sales (RMB per metric ton)	**2,458**	2,945	(16.53%)
Revenue (RMB thousand)	**2,342,797**	2,281,905	2.67%
Gross profit (RMB thousand)	**189,392**	62,741	201.86%
Gross margin	**8.08%**	2.75%	Up 5.33 percentage points

For the year ended 31 December 2025, capital expenditures of the high-purity iron business amounted to RMB51,080,000 (2024: RMB21,351,000), mainly representing expenditures on plant, machinery and equipment and property.

(III) Future Plans for Domestic Business in the PRC

Mineral resources form the foundation of the Group's business. The Group will continue exploration activities within and around its existing iron ore mining areas and will advance the conversion of existing exploration results into mineral resources, thereby continuously enhancing the Group's reserves of high-quality iron ore resources. Through the ongoing development of its smart mining system, the Group will continue to optimise management and improve efficiency while reducing costs. In 2026, the Group plans to produce approximately 936,000 tonnes of iron concentrate, further consolidating its competitive advantages of high quality and low cost.

In 2026, the Group plans to produce approximately 898,000 tonnes of high-purity iron. Leveraging the Company's advantages in resources, production capacity, technology and market presence in the high-purity iron sector, the Group will continue to provide high-quality raw materials to the wind power industry while seeking to expand its customer base in other high-end manufacturing application sectors.

The Board would like to emphasize that due to the uncertainties in metal prices, the domestic raw materials market and the production environment, the above plans are made solely on the basis of the current market situation and the existing conditions of the Group. The Board may adjust the relevant production plan in light of any changes in the circumstances.

SAFETY, ENVIRONMENTAL PROTECTION, EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2025, the Group had a total of 1,724 employees (as at 31 December 2024: 1,714 employees). For the year ended 31 December 2025, the aggregate remuneration expenses and other employee benefits costs of the Group amounted to RMB231,620,000 (2024: RMB207,997,000). Employee costs include basic salary, commission and bonus, housing allowance, pension, medical insurance, occupational injury insurance and other insurances required by the government. In accordance with the remuneration policy of the Company, the income of employees is related to the performance of individual employees and the operating performance of the Company. The Company carried out performance assessment to motivate employees, so as to enhance its operating performance. In order to improve the overall quality and professional skills of the employees, the Group has developed and implemented the Administrative System on Training.

For details on safety, environmental protection and employee development of the Group for the year 2025, please refer to the Environmental, Social and Governance Report of the Company for the year 2025 to be published on the website of the Hong Kong Stock Exchange at www.hkexnews.hk and the Company's website at www.hankinggold.com.

FINANCIAL REVIEW

1. Revenue, Cost of Sales, Gross Profit

For the year of 2025, the Group's revenue was RMB2,559,504,000, representing an increase of RMB75,354,000 or 3.03% as compared to last year. The increase was mainly due to the fact that the selling volume of high-purity iron in 2025 increased by approximately 123,000 metric tons and the sales price decreased by RMB332 per metric ton as compared to last year, resulting in an increase in revenue of RMB76,097,000.

For the year of 2025, cost of sales incurred by the Group amounted to RMB1,869,118,000, representing an increase of RMB58,527,000 or 3.23% as compared to last year, mainly due to the combined effect of an increase in the sales volume of high-purity iron by approximately 123,000 metric tons and a decrease in unit cost as compared to last year.

For the year of 2025, gross profit of the Group was RMB690,386,000, representing an increase of RMB16,827,000 or 2.50% as compared to last year. The increase was mainly attributable to an increase in the sales volume of high-purity iron by approximately 123,000 metric tons and a decrease in unit costs resulting from continuous and stable production. As compared to last year, gross margin of the Group only slightly decreased from 27.11% to 26.97% in 2025, despite the decline in selling prices.

Analysis on the revenue by major products

	For the year ended 31 December 2025 RMB'000				For the year ended 31 December 2024 RMB'000			
	Iron ore business	**High-purity iron business**	**Others**	**Total**	Iron ore business	High-purity iron business	Others	Total
Iron ore concentrates	**215,237**	**—**	**—**	**215,237**	200,318	—	—	200,318
High-purity iron	**—**	**2,328,803**	**—**	**2,328,803**	—	2,252,706	—	2,252,706
Others	**4,988**	**9,553**	**923**	**15,464**	3,840	23,409	3,877	31,126
Total	**220,225**	**2,338,356**	**923**	**2,559,504**	204,158	2,276,115	3,877	2,484,150

2. Other Income, Other Expense, Other Gains and Losses, Expected Credit Losses

For the year of 2025, other income of the Group was RMB13,967,000, representing an increase of RMB1,112,000 or 8.65% as compared to last year. Other income mainly represented interest income. The increase in other income was mainly due to the increase in interest income caused by the increase in bank deposits.

For the year of 2025, other expenses of the Group amounted to RMB975,000. Other expense represented donation expenditure.

For the year of 2025, the Group recorded other gains of RMB2,178,000, as compared with other losses of RMB12,973,000 last year. The change was mainly attributable to the impairment of interests in an associate of RMB5,975,000 recognised by the Group in 2024. Other losses mainly consisted of the impairment loss of assets, foreign exchange losses, gains or losses from disposal of available-for-sale financial assets, net gain or loss from disposal of properties, plants and equipment, and other overheads, etc.

For the year of 2025, impairment loss under the Group's expected credit loss model was RMB3,380,000, as compared with an impairment reversal of RMB1,067,000 last year. The Group has, upon more due consideration, made provision for an impairment loss on receivables under expected credit loss model according to the historical settlement pattern, industry practice, the Group's historical actual loss experience and general economic conditions of the industry in which the debtors operate.

3. Distribution and Selling Expenses, Administrative Expenses

For the year of 2025, the distribution and selling expenses of the Group were RMB117,373,000, representing an increase of RMB29,267,000 or 33.22% as compared to last year, which was mainly due to the increase in sales volume of high-purity iron of approximately 123,000 metric tons as compared to last year and the change in delivery distance of customers. Selling and distribution expenses consisted of transportation expenses, labour expenses and others.

For the year of 2025, the administrative expenses of the Group were RMB233,246,000, representing an increase of RMB24,902,000 or 11.95% as compared to last year. The increase was mainly attributable to listing-related expenses of approximately RMB14,075,000 incurred in 2025 in connection with the proposed spin-off listing of the Group's gold mining business. Administrative expenses included remuneration paid to the management and administrative staff of the Group, depreciation and amortization, leasing and office expenses, business development expenses, professional consultation and service expenses, taxation expenses, bank charges and others.

4. Finance Costs and Income Tax Expense

For the year of 2025, the finance costs of the Group were RMB69,432,000, representing an increase of RMB1,914,000 or 2.83% as compared to last year. Finance costs included interest expenses on bank borrowings, discount expenses and other finance expenses. The slight increase in finance costs for the year as compared to last year was mainly due to higher interest expenses caused by the year's increased borrowings.

For the year of 2025, the income tax expense of the Group was RMB113,512,000, representing a decrease of RMB10,059,000 or 8.14% as compared to the income tax expense last year. Income tax expense included the sum of current tax payable and deferred tax.

5. Profit for the Year and Total Comprehensive Income

Based on the aforesaid reasons, the Group's profit for the year of 2025 was RMB168,772,000, representing a decrease of RMB6,777,000 or 3.86% as compared to last year. The Group's adjusted net profit for the year of 2025 was RMB200,212,000 (2024: RMB180,115,000). The adjusted net profit represents the profit for the year of the Group after adding back the listing-related expenses incurred in relation to the proposed spin-off listing of the gold business and share-based payments.

Based on the profit for the year, and affected by the changes in fair values of financial assets measured at fair value through other comprehensive income and foreign currency translation etc., the total comprehensive income of the Group for the year of 2025 was RMB181,081,000, representing an increase of RMB32,085,000 or 21.53% as compared to last year.

6. Property, Plant and Equipment, Inventories, Intangible Assets

As at 31 December 2025, the net value of property, plant and equipment of the Group was RMB659,263,000, representing an increase of RMB5,178,000 or 0.79% as compared to the end of last year.

As at 31 December 2025, the inventories of the Group were RMB237,167,000, representing a decrease of RMB24,147,000 or 9.24% as compared to the end of last year, mainly due to the decline in the prices of finished products and raw materials in the high-purity iron segment as compared to last year.

As at 31 December 2025, the intangible assets of the Group were RMB684,389,000, representing an increase of RMB404,734,000 or 144.73% as compared to the end of last year. The increase was mainly due to the reclassification back of assets previously classified as assets held for sale at the end of last year following the cancellation of the disposal transaction of Primary Gold Pty Ltd and its subsidiaries, as well as expenditures incurred during the period on mining rights, exploration and feasibility studies in relation to the iron ore and gold mining business.

7. Trade and Other Receivables, Trade and Other Payables

As at 31 December 2025, trade receivables of the Group were RMB239,807,000, representing an increase of RMB83,508,000 as compared to the end of last year, including RMB122,990,000 for factoring the third party trade receivables to non-bank financial institutions, representing an increase of RMB73,390,000 as compared to last year.

As at 31 December 2025, other receivables of the Group were RMB91,626,000, representing an increase of RMB25,294,000 as compared to the end of last year. Such increase was due to the increase in advanced to suppliers.

According to the requirements of IFRS 9 Financial Instruments, the Group has classified the bills receivables as the receivables at fair value through other comprehensive income based on the characteristics of the business model and contractual cash flow. The fair value and expected credit losses were assessed by the Group at the end of the reporting period, with the changes in the fair value included in other comprehensive income and the expected credit losses included in impairment losses under expected credit loss model.

As at 31 December 2025, bills receivables of the Group were RMB279,127,000, representing a decrease of RMB6,949,000 as compared to the end of last year, including undiscounted and unendorsed bills receivables of RMB100,468,000. Such bills can be discounted or endorsed at any time to satisfy the Group’s capital requirement.

As at 31 December 2025, trade payables of the Group were RMB114,900,000, representing a decrease of RMB80,491,000 as compared to the end of last year, including the decrease of RMB93,571,000 in accounts payable that has endorsed bills receivable to suppliers but not derecognised in their entirety. As at 31 December 2025, other payables of the Group were RMB157,387,000, representing an increase of RMB28,227,000 as compared to the end of last year, mainly due to the increase in payables and other transportation fee payable for acquisition of property, plant and equipment.

8. Cash Use Analysis

The summary of the Group's consolidated statement of cash flows for the year of 2025 is set out below.

	For the year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Net cash flows from operating activities	**112,522**	178,669
Net cash flows from investing activities	**(571,663)**	(68,217)
Net cash flows from financing activities	**510,097**	(22,012)
Net increase in cash and cash equivalents	**50,956**	88,440
Cash and cash equivalents at the beginning of the year	**358,128**	270,258
Cash and cash equivalents classified as assets held for sale	**1,817**	(1,817)
Effect of changes in foreign exchange rate on cash and cash equivalents	**(5,333)**	1,247
Cash and cash equivalents at the end of the year	**405,568**	358,128

The net cash inflow from operating activities during the year of 2025 was RMB112,522,000. The amount was mainly attributed to the profit before tax of RMB282,284,000, together with depreciation and amortization of RMB154,839,000, finance costs of RMB69,432,000, which were offset by the net change in working capital of RMB306,130,000 and the payment of income tax of RMB96,847,000.

According to IFRS accounting standards, the cash flows from (i) proceeds from bills discounted to banks that are not derecognised in their entirety, and (ii) proceeds from factoring of trade receivables to non-bank financial institutions with full recourse, are classified under cash flows from financing activities, rather than under cash flows from operating activities. The Directors are of the view that both relevant cash flow items should be taken into consideration to fully reflect the cash flows generated from our operations. In 2025, the cash flow generated from operations after considering the above two items of cash flow was RMB345,980,000 (2024: RMB315,849,000).

For the year of 2025, the net cash outflow from investing activities amounted to RMB571,663,000. This amount mainly included the amount of RMB75,551,000 paid for the addition of plant and equipment as well as acquisition of properties in order to achieve expansion of production capacity and technological upgrade, the amount of RMB110,146,000 paid for the acquisition of intangible assets, the amount of RMB76,992,000 paid for the acquisition of non-controlling equity of the Cygnet Gold Project in Western Australia, time deposits of RMB437,620,000, interest income of RMB10,133,000 and the net recovery of borrowings and bills deposits of RMB95,325,000.

For the year of 2025, the net cash inflow from financing activities was RMB510,097,000, which was mainly from the new bank borrowings of RMB882,700,000, the repayment of bank borrowings of RMB762,480,000, the net outflow from notes financing of RMB136,278,000, the settlement of loan interest of RMB66,789,000, the payment of dividend of RMB37,815,000, proceeds from bills discounted to banks that are not derecognised in their entirety of RMB110,468,000, proceeds from factoring of trade receivables to non-bank financial institutions with full recourse of RMB122,990,000, the payment of RMB94,991,000 for repurchase of share options, proceeds from issuance of shares of RMB214,486,000 and proceeds from issuance of equity interests in subsidiaries to minority shareholders of RMB282,050,000.

9. Cash and Borrowings

As at 31 December 2025, the available cash and bank acceptance bills of the Group amounted to RMB943,656,000, representing an increase of RMB567,802,000 or 151.07% as compared to the end of last year.

Breakdown of Available Cash and Bank Acceptance Bills

	31 December 2025 RMB'000	31 December 2024 RMB'000	Changes Amount RMB'000	Changes Ratio
Cash and bank balance	**405,568**	358,128	47,440	13.25%
Fixed deposits	**437,620**	—	437,620	—
Bank acceptance bills (undiscounted and unendorsed)	**100,468**	17,726	82,742	466.78%
Available cash and bank acceptance bills	**943,656**	375,854	567,802	151.07%

As at 31 December 2025, bills payables and borrowings of the Group amounted to RMB458,300,000 and RMB1,111,806,000, respectively, and the amount net of borrowings and bills deposits was RMB886,810,000, representing an increase of RMB78,719,000 or 9.74% as compared to the end of last year.

Breakdown of Borrowings and Bills Payables

	31 December 2025 RMB'000	31 December 2024 RMB'000	Changes Amount RMB'000	Changes Ratio
Borrowings – due within one year	**989,306**	895,857	93,449	10.43%
Borrowings – due after one year	**122,500**	—	122,500	—
Subtotal	**1,111,806**	895,857	215,949	24.11%
Bills payables	**458,300**	594,578	(136,278)	-22.92%
Total	**1,570,106**	1,490,435	79,671	5.35%
Less: borrowings and bills deposits	**449,838**	526,156	(76,318)	-14.50%
Less: discounted bank acceptance bills	**110,468**	106,588	3,880	3.64%
Less: factored trade receivables	**122,990**	49,600	73,390	147.96%
Net borrowings and bills payables	**886,810**	808,091	78,719	9.74%

Save for the information disclosed above or otherwise in this announcement, the Group has no outstanding mortgage, pledge, debentures or other loan capital issued or agreed to be issued, bank overdrafts, loans, liabilities under acceptance or other similar liabilities, hire purchase and finance lease commitments, or any guarantees or other material contingent liabilities. The Directors have confirmed that, save as disclosed above, there were no material changes in the debts and contingent liabilities of the Group from 31 December 2024.

10. Gearing Ratio

The gearing ratio of the Group decreased from 59.87% as at 31 December 2024 to 51.98% as at 31 December 2025. The gearing ratio is calculated by dividing total liabilities by total assets.

The Group's net gearing ratio decreased from 31.21% as at 31 December 2024 to 24.81% as at 31 December 2025. The net gearing ratio is calculated by dividing net borrowings and bills payables net of borrowings and bills deposits as well as cash and cash equivalents by total equity.

11. Major Risks

Commodity price risk: The prices of the Group's products are influenced by international and domestic market prices and changes in global supply and demand for such products. Price volatility of non-ferrous metals is also affected by the global and the PRC economic cycles as well as the fluctuations of the global currency markets. Both the international and domestic market prices of non-ferrous metals as well as the volatility of their supply and demand are beyond the control of the Company. Therefore, the volatility of commodity prices may materially affect the turnover and the comprehensive income of the Group.

State policy risk: The Group owns assets in China and Australia, which may amend their policies according to any changes in the macro environment from time to time. Changes in policies are beyond the control of the Group, which will have a material effect on the operation of the Group.

Interest rate risk: The interest rate risk in the fair value of the Group mainly relates to the bank borrowings. The management of the Group will continue to monitor the loan portfolio and interest rate risks of the Group, and may consider taking appropriate measures to hedge material interest rate risks when necessary.

Foreign exchange risk: As of the date of this announcement, the reporting currency of the Group was RMB. Since RMB is not freely convertible, the risk that the Chinese government may take measures to interfere exchange rates may bring effects to the Group's net asset value, profit and the dividends declared to the extent that such dividends are subject to foreign exchange. In addition, the Group owns assets in Australia. Their assets and liabilities are denominated in AUD and the Group has bank deposits dominated in HKD and USD, which are subject to fluctuation in the foreign exchange rate and may affect the net assets value and profit of the Group to some extent. The management of the Group will continue to monitor the currency matching between the revenue and costs of the Group and exchange risks, and may consider taking appropriate measures to hedge material exchange risks when necessary.

12. Pledge of Assets and Contingent Liabilities

Some of the bank borrowings and bills payables of the Group are secured by bank deposits, bank acceptance bills, property, plant and equipment, mining rights as well as right-of-use assets. As at 31 December 2025, the net carrying value of the pledged bank deposits, bank acceptance bills, trade receivables, property, plant and equipment, mining rights and right-of-use assets amounted to RMB449,838,000, RMB115,834,000, RMB122,990,000, RMB48,908,000, RMB51,651,000 and RMB39,909,000, respectively.

As at 31 December 2025, the Group had no material or contingent liabilities.

13. Capital Commitment

As at 31 December 2025, the capital commitment of the Group was RMB236,608,000, representing an increase of RMB195,064,000 or 469.54% as compared to last year. The capital commitment mainly relates to engineering expenditures for the renovation and expansion of Maogong Mine.

14. Capital Expenditure

The Group's capital expenditure increased from RMB139,793,000 in 2024 to RMB227,400,000 in 2025. Expenditure incurred in 2025 mainly included (i) expenditures for plants, machines and equipment and properties amounting to RMB119,891,000; (ii) expenditure for intangible assets amounting to RMB92,807,000; and (iii) increase of RMB14,702,000 in right-of-use assets.

15. Significant Investments Held

As at 31 December 2025, the Group did not hold any significant investments.

16. Material Acquisitions and Disposals of Subsidiaries and Associated Companies

On 27 October 2025, the Company, through its subsidiary, further acquired 6.63% of the shares of the company to which the Cygnet Gold Project was belong, increasing its shareholding to 100%, at a consideration of AUD16,600,000 (equivalent to RMB76,992,000).

Save as disclosed above, the Group had no material acquisitions or disposals of subsidiaries, associated companies and joint ventures during the year of 2025.

17. Significant Subsequent Events

Except as disclosed in this announcement, there are no other significant matters occurring after the end of the year ended 31 December 2025.

18. Material Changes

Save as disclosed in "Strategic Implementation Adjustment - Focusing on Gold Business in Australian" on Page 5 of this announcement, there have been no material changes in respect of the future development of the business of the Group (including the Company's prospects for the current financial year) since the publication of the Company's 2024 annual report.

OTHERS

1. Dividend

Notwithstanding the Group recorded a net profit for the year 2025, after careful consideration of the overall financial arrangements and strategic development direction of the Company, the Board has resolved to retain profits to support relevant preparation work so as to ensure the smooth progress of the gold mine business and safeguard the long-term interests of shareholders. Accordingly, the Board did not recommend the payment of the final dividend for the year ended 31 December 2025 to the Shareholders.

2. Closure of Register of Members

The annual general meeting of the Company is scheduled to be held on Friday, 22 May 2026. The register of members of the Company will be closed from Friday, 15 May 2026 to Friday, 22 May 2026 (both days inclusive) to determine the entitlement to attend and vote at the annual general meeting, during which period no transfer of shares will be registered. The record date is Friday, 22 May 2026. In order to attend and vote at the 2026 annual general meeting of the Company, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Thursday, 14 May 2026.

3. Management Contracts

For the year ended 31 December 2025, there is no contract entered into by the Company relating to its management and administration or subsisting during the year which is substantial to the entire or any part of the business of the Group.

4. Purchase, Redemption or Sale of Listed Securities of the Company

For the year ended 31 December 2025, neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules of the Company), if any) of the Company. The Company did not have any treasury shares as at 31 December 2025.

5. Restricted Share Award Scheme

The Company adopted a restricted share award scheme on 29 August 2019, which shall be valid and effective for a period of 10 years. The maximum number of award shares that may be granted under this scheme in aggregate shall be no more than 90,000,000 shares.

The purpose and objective of this scheme is (i) to recognize and motivate the contribution of the key management personnel and core employees of the Group; (ii) to help the Group retain and attract the selected participants in attaining the long term business objectives of the Company; and (iii) to further align the interests of the selected participants directly to the Shareholders through ownership of shares.

As of the date of this announcement, the trustee, as instructed by the Board, purchased a total of 39,539,000 shares on the market at a total consideration of HKD50,438,200 (No shares were purchased during the year ended 31 December 2025). The trustee holds these shares pursuant to the rules of the scheme and the terms of the deed of trust.

As of the date of this announcement, no award shares have been granted to the selected participants under this scheme.

6. Non-competition Agreement Compliance

The Company signed a non-competition agreement (the "**Non-Competition Agreement**") with the controlling Shareholders on 16 June 2011. In accordance with the Non-Competition Agreement, the independent non-executive Directors are responsible for reviewing and considering whether to exercise such option and pre-emptive right, as well as entitled to conduct annual review of implementation of the agreement on behalf of the Company. During the year of 2025, each controlling Shareholder has made annual confirmation of compliance with the Non-Competition Agreement, and the independent non-executive Directors have also reviewed the implementation of the Non-Competition Agreement, and confirmed that the controlling Shareholders have fully abided by the agreement without any breach of the agreement.

7. Compliance with Corporate Governance Code

Save as disclosed herein, during the year ended 31 December 2025, the Company has fully complied with the principles and all the applicable code provisions of Part 2 of the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Hong Kong Stock Exchange. Meanwhile, the Company has complied with most of the best practices as recommended therein.

From 20 March 2018 to 13 January 2026, Mr. Yang Jiye was the chairman of the Board, executive Director, and also the chief executive officer ("**CEO**") and president of the Company. Such arrangement did not comply with the requirement under Code Provision C.2.1 of Part 2 of the Corporate Governance Code in Appendix C1 to the Listing Rules that the roles of chairman and chief executive officer should be segregated. However, during the reporting period, the Company considered that the appointment of Mr. Yang Jiye as both chairman of the Board and CEO provided strong and consistent leadership and allowed more effective formulation and implementation of long-term business strategies, which was beneficial to the overall development of the Company. The Company's decision-making structure required all material decisions to be made by all Directors collectively to ensure a balanced distribution of powers and authority.

On 14 January 2026, Mr. Yang Jiye resigned from his positions as chairman of the Board, executive Director, CEO and president of the Company. On the same date, the Company appointed Mr. Xia Zhuo as chairman of the Board and Dr. Qiu Yumin as CEO respectively. Since then, the roles of chairman of the Board and CEO of the Company have been formally segregated and the Company is now fully in compliance with Code Provision C.2.1 of the Corporate Governance Code. Further details are set out in the Company's announcement dated 14 January 2026.

8. Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. Specific enquiry has been made to all the Directors and all Directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2025.

9. Significant Legal Proceedings

For the year ended 31 December 2025, the Group has not been involved in any significant legal proceedings or arbitration. To the knowledge of the Directors, there are no significant legal proceedings or claims pending or threatened.

10. Audit Committee

The Audit Committee has reviewed the announcement for 2025 annual results and the consolidated financial statements of the Company for the year ended 31 December 2025.

11. Auditor

The consolidated financial statements of the Company for the year ended 31 December 2025 have been audited and agreed by Deloitte Touche Tohmatsu with unqualified opinion.

12. Publication of Annual Report

The 2025 annual report of the Company containing all applicable information required by the Listing Rules will be sent to the Shareholders and published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.hankinggold.com in due course.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

		Year ended 31 December	
		2025	2024
	NOTES	***RMB'000***	*RMB'000*
Revenue	*3*	**2,559,504**	2,484,150
Cost of sales		**(1,869,118)**	(1,810,591)
Gross profit		**690,386**	673,559
Other income	*4*	**13,967**	12,855
Other gains and losses	*5*	**2,178**	(12,973)
Impairment losses under expected credit loss ("ECL") model, net of reversal	*6*	**(3,380)**	1,067
Distribution and selling expenses		**(117,373)**	(88,106)
Administrative expenses		**(233,246)**	(208,344)
Research and development expenses		**(351)**	(2,261)
Other expense		**(975)**	(4,686)
Share of results of associates		**510**	(4,473)
Finance costs	*7*	**(69,432)**	(67,518)
Profit before tax	*8*	**282,284**	299,120
Income tax expense	*9*	**(113,512)**	(123,571)
Profit for the year		**168,772**	175,549

		Year ended 31 December	
		2025	2024
	NOTES	***RMB'000***	*RMB'000*
Other comprehensive income (expense):			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation from functional currency to presentation currency		**14,360**	(30,250)
Impairment loss for receivables at fair value through other comprehensive income ("**FVTOCI**") included in profit or loss		**(2,051)**	3,697
Other comprehensive income (expense) for the year		**12,309**	(26,553)
Total comprehensive income for the year		**181,081**	148,996
Profit (loss) for the year attributable to:			
Owners of the Company		**172,149**	180,941
Non-controlling interests		**(3,377)**	(5,392)
		168,772	175,549
Total comprehensive income (expense) for the year attributable to:			
Owners of the Company		**183,681**	154,904
Non-controlling interests		**(2,600)**	(5,908)
		181,081	148,996
Basic and diluted earnings per share (RMB cent per share)	*13*	**8.9**	9.4

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2025

	NOTES	**31 December 2025 RMB'000**	31 December 2024 RMB'000
Non-current assets			
Property, plant and equipment		**659,263**	654,085
Goodwill		**209,132**	209,132
Intangible assets		**684,389**	279,655
Right-of-use assets		**192,495**	194,559
Interests in associates		**9,598**	8,088
Financial assets at fair value through profit or loss ("**FVTPL**")		**252**	147
Deferred tax assets		**82,662**	212,949
Deposits on acquisition of long-lived assets		**21,619**	7,385
Restricted deposits		**39,500**	24,061
Pledged bank deposits		**—**	71,994
		1,898,910	1,662,055
Current assets			
Inventories		**237,167**	261,314
Trade and other receivables	*14*	**331,433**	222,469
Receivables at FVTOCI	*15*	**279,127**	286,076
Pledged bank deposits		**449,838**	454,162
Cash and cash equivalents		**405,568**	358,128
Amount due from a related party		**—**	6,047
Time Deposits		**437,620**	—
		2,140,753	1,588,196
Assets classified as held for sale	*11*	**—**	341,697
		2,140,753	1,929,893
Current liabilities			
Trade, bills and other payables	*16*	**728,587**	914,987
Amount due to a related party		**8,614**	6,950
Borrowings	*17*	**989,306**	895,857
Lease liabilities		**3,721**	2,196
Contract liabilities		**41,177**	65,712
Tax liabilities		**105,288**	107,046
		1,876,693	1,992,748
Liabilities associated with assets classified as held for sale	*11*	**—**	75,942
		1,876,693	2,068,690
Net current assets (liabilities)		**264,060**	(138,797)
Total assets less current liabilities		**2,162,970**	1,523,258

	NOTES	31 December 2025 RMB'000	31 December 2024 RMB'000
Non-current liabilities			
Borrowings	*17*	**122,500**	—
Lease liabilities		**6,986**	—
Provision		**91,537**	29,096
Deferred tax liabilities		**—**	52,560
Other payable	*16*	**2,000**	—
		223,023	81,656
Net Assets		**1,939,947**	1,441,602
Capital and reserves			
Share capital	*18*	**167,055**	160,203
Reserves		**1,673,022**	1,274,588
Equity attributable to owners of the Company		**1,840,077**	1,434,791
Non-controlling interests		**99,870**	6,811
Total equity		**1,939,947**	1,441,602

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

Hanking Gold International Limited (formerly known as China Hanking Holdings Limited) (the "**Company**") is a public limited company incorporated in the Cayman Islands on 2 August 2010 and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 30 September 2011. In the opinion of the directors of the Company (the "**Directors**"), Bisney Success Limited (incorporated in the British Virgin Islands ("**BVI**")), Tuochuan Capital Limited (incorporated in the BVI) and China Hanking (BVI) Limited (incorporated in the BVI), shareholders of the Company, are the ultimate parents of the Company as they are collectively controlled by the Company's ultimate controlling shareholders, Mr. Yang Jiye and Ms. Yang Min (collectively, the "**Controlling Shareholders**"). The address of the registered office of the Company in Cayman Islands is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of principal place of business of the Company in Hong Kong is 31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong.

Following a special resolution passed on 12 February 2026, the name of the Company has been changed from China Hanking Holdings Limited to Hanking Gold International Limited, together with the chinese name changed from 中國罕王控股有限公司 to 罕王黃金國際有限公司.

The Company is an investing holding company. During the year ended 31 December 2025, the Company and its subsidiaries (the "**Group**") are engaged in the following three principal activities:

(i) iron ore exploration, mining, processing and sale ("**Iron Ore Business**");

(ii) high-purity iron smelting, processing and sale ("**High-purity Iron Business**"); and

(iii) gold exploration, mining, processing and sale ("**Gold Business**").

The consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

Amendments to IFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRS Accounting Standards for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability

The application of the amendments to IFRS Accounting Standards in the current year has had no material impact on the Group's 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 IFRS Accounting Standards in issue but not yet effective

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

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards - Volume 11[2]
IFRS 18	Presentation and Disclosure in Financial Statements[3]
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[3]

1 Effective for annual periods beginning on or after a date to be determined.
2 Effective for annual periods beginning on or after 1 January 2026.
3 Effective for annual periods beginning on or after 1 January 2027.

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

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 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 IAS 1 paragraphs have been moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of IFRS 18) and IFRS 7. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

3. REVENUE

(i) Disaggregation of revenue from contracts with customers

A. For the year ended 31 December 2025

	For the year ended 31 December 2025			
	Iron Ore Business	High-purity Iron Business	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Sales of goods (recognised at a point in time)				
Iron ore concentrates	215,237	—	—	215,237
High-purity iron	—	2,328,803	—	2,328,803
Building materials	—	—	25	25
Raw and leftover materials	2,653	9,553	898	13,104
	217,890	2,338,356	923	2,557,169
Rendering of service (recognised over time)				
Processing of iron ore	2,335	—	—	2,335
Total	220,225	2,338,356	923	2,559,504
Geographical market				
Mainland China	220,225	2,338,356	923	2,559,504

B. For the year ended 31 December 2024

	For the year ended 31 December 2024			
	Iron Ore Business	High-purity Iron Business	Others	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Sales of goods (recognised at a point in time)				
Iron ore concentrates	200,318	—	—	200,318
High-purity iron	—	2,252,706	—	2,252,706
Building materials	—	—	2,287	2,287
Raw and leftover materials	1,473	23,409	1,590	26,472
	201,791	2,276,115	3,877	2,481,783
Rendering of service (recognised over time)				
Processing of iron ore	2,367	—	—	2,367
Total	204,158	2,276,115	3,877	2,484,150
Geographical market				
Mainland China	204,158	2,276,115	3,877	2,484,150

(ii) Performance obligations for contracts with customers and revenue recognition policies

Sales of goods

The Group produces and sales iron ore concentrates, high-purity iron, building materials and raw and leftover materials directly to customers.

Revenue is recognised when control of the goods has been transferred, being the time when the goods are delivered and accepted. Following acceptance, the customers have the ability to direct the use of, and obtain substantially all the benefits from the goods. Therefore, the Directors have justified that the performance obligation in respect of the sales of goods is satisfied when the goods are accepted by the customers and recognised revenue at a point in time. The normal credit term is 7 days for iron ore concentrates, 60 days for high-purity iron and 30 days for building materials upon acceptance. The Group may request certain of its customers to place up to 100% of the contract sum as deposits in respect of sales of iron ore concentrates and high-purity iron, depending on their background, historical experience and business relationship. The deposit received is accounted for as "contract liabilities". The related performance obligation is expected to be satisfied within one year.

Rendering of service

The Group provides iron ore processing services in respect of the iron ore of Fushun Majuncheng Iron Mine Co., Ltd.* (撫順市馬郡城鐵礦有限責任公司), a related party of the Group. The Group allows a credit period of 30 days to its customer of processing of iron ore.

Revenue from the provision of such services is charged on a per-ton basis and is recognised over time by reference to the progress towards satisfaction of the relevant performance obligation as the customer simultaneously receives and consumes the benefits provided by the Group when the Group renders the services.

4. OTHER INCOME

	Year ended 31/12/2025 *RMB'000*	Year ended 31/12/2024 *RMB'000*
Bank interest income	**12,640**	10,221
Government grants	**127**	1,052
Rental income	**1,200**	1,200
Others	**—**	382
	13,967	12,855

5. OTHER GAINS AND LOSSES

	Year ended 31/12/2025 *RMB'000*	Year ended 31/12/2024 *RMB'000*
Impairment loss on property, plant and equipment	**(311)**	—
Impairment loss on interest in an associate	**—**	(5,975)
Fair value gain (loss) on financial assets at FVTPL	**97**	(907)
Net foreign exchange loss	**(420)**	(54)
Loss on disposal/write off of property, plant and equipment	**(1,585)**	(3,981)
Performance compensation from a shareholder of an associate	**1,500**	—
Others	**2,897**	(2,056)
	2,178	(12,973)

6. IMPAIRMENT LOSSES ON UNDER ECL MODEL, NET OF REVERSAL

	Year ended 31/12/2025	Year ended 31/12/2024
	RMB'000	*RMB'000*
Impairment losses recognised (reversed) in respect of:		
– trade receivables	**5,353**	(1,131)
– other receivables	**78**	(3,633)
– receivables at FVTOCI	**(2,051)**	3,697
	3,380	(1,067)

7. FINANCE COSTS

	Year ended 31/12/2025	Year ended 31/12/2024
	RMB'000	*RMB'000*
Interests on:		
– bank borrowings	**44,571**	41,877
– other borrowings	**3,180**	1,181
– bills discounted	**18,663**	22,841
– lease liabilities	**130**	176
– rehabilitation provision	**2,888**	1,443
	69,432	67,518

8. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging (crediting) the following:

	Year ended 31/12/2025 *RMB'000*	Year ended 31/12/2024 *RMB'000*
Auditor's remuneration		
– Audit and review services	**3,200**	3,700
– Other services	**278**	681
	3,478	4,381
Cost of inventories recognised as an expense	**1,798,900**	1,698,170
Depreciation of property, plant and equipment	**118,279**	104,951
Amortisation of intangible assets	**19,730**	19,931
Depreciation of right-of-use assets	**16,830**	14,821
Total depreciation and amortisation	**154,839**	139,703
Capitalised in inventories	**(133,622)**	(116,085)
	21,217	23,618
Analysed as:		
– charged to research and development expenses	**—**	1
– charged to administrative expenses	**21,217**	23,617
	21,217	23,618

	Year ended 31/12/2025 *RMB'000*	Year ended 31/12/2024 *RMB'000*
Salaries, allowances and benefits	**188,511**	180,332
Bonus	**10,122**	9,685
Retirement benefit scheme contributions	**15,622**	13,414
Share-based payments	**17,365**	4,566
Total staff costs (including Directors)	**231,620**	207,997
Capitalised in inventories and exploration and evaluation assets	**(108,956)**	(91,247)
	122,664	116,750
Analysed as:		
– charged to research and development expenses	**—**	49
– charged to distribution and selling expenses	**663**	1,296
– charged to administrative expenses	**122,001**	115,405
	122,664	116,750
Research and development cost charged to profit or loss analysed as:		
– depreciation and amortisation	**—**	1
– raw materials consumed	**—**	6
– staff costs	**—**	49
– technical service fee	**351**	2,201
– others	**—**	4
	351	2,261

9. INCOME TAX EXPENSE

	Year ended 31/12/2025 *RMB'000*	Year ended 31/12/2024 *RMB'000*
Current tax:		
PRC Enterprise Income Tax ("**EIT**")	**90,975**	114,567
Withholding tax	**3,541**	7,260
Under provision in prior years	**761**	4,737
	95,277	126,564
Deferred tax	**18,235**	(2,993)
Total income tax expense recognised in the current year	**113,512**	123,571

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% for both years.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The Company and certain subsidiaries located in Hong Kong and Australia did not have provision for income tax as there were no assessable profits arising from these jurisdictions for both years.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards.

The income tax expense for the years can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	Year ended 31/12/2025 *RMB'000*	Year ended 31/12/2024 *RMB'000*
Profit before tax	**282,284**	299,120
Tax at the PRC income tax rate of 25%	**70,571**	74,780
Tax effect of expenses not deductible for tax purpose	**16,207**	9,490
Tax effect of research and development expenses that are additionally deducted	**(70)**	(455)
Tax effect of deductible temporary differences not recognised	**5,722**	(1,655)
Tax effect of tax losses not recognised	**32,351**	18,826
Tax effect of income not taxable for tax purposes	**(2,904)**	—
Under provision in respect of prior years	**761**	4,737
Effect of different tax rates of subsidiaries operating in other jurisdictions	**(1,568)**	(565)
Deferred tax adjustment on investment in Disposal Group (as defined in note 11)	**—**	11,153
Reclassification upon cessation of assets held for sale classification *(note 11)*	**(11,099)**	—
Withholding tax	**3,541**	7,260
Income tax expense for the year	**113,512**	123,571

10. ACQUISITION OF SUBSIDIARIES

(i) Acquisition of Shuangfu Mining

On 5 February 2024, Aoniu Mining, a wholly owned subsidiary of the Company, acquired 100% equity interest in Shuangfu Mining for RMB21,000,000, of which a deposit of RMB7,000,000 was paid as of 31 December 2023. Following completion of the acquisition, Shuangfu Mining become a wholly owned subsidiary of Aoniu Mining.

As the Group acquires a group of assets and liabilities that do not constitute a business, the Group identified and recognised the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to financial assets/financial liabilities at the respective fair values, with remaining balance of the purchase price allocated to exploration and evaluation assets at the date of acquisition.

Assets and liabilities recognised at the date of acquisition

	RMB'000
Cash and cash equivalents	146
Intangible assets - exploration and evaluation assets	21,118
Other payables	(264)
Net assets	21,000
Consideration paid in cash in 2023	7,000
Consideration paid in cash in 2024	14,000
Net assets acquired	21,000

Net cash outflows arising on acquisition of Shuangfu Mining

	RMB'000
Consideration paid in cash in 2023	7,000
Consideration paid in cash in 2024	14,000
Less: cash and cash equivalents acquired	(146)
	20,854

(ii) Acquisition of non-controlling interest of Cygnet Gold

On 25 October 2024, Watkins Gold Pty Ltd ("**Watkin Gold**"), a wholly-owned subsidiary of Hanking Australia, acquired an additional 36.7% equity interest in Cygnet Gold for a consideration of AUD19,380,000 (equivalent to RMB92,311,000) from non-controlling interest. As a result of this acquisition, Watkins Gold's direct equity interest in Cygnet Gold increased from 56.7% to 93.4%. The excess of consideration paid over the value of the non-controlling interest of RMB58,391,000, was taken to other reserve in the consolidated statement of changes in equity.

On 27 October 2025, Watkins Gold acquired an additional 6.6% equity interest in Cygnet Gold for a consideration of AUD16,600,000 (equivalent to RMB76,992,000) from non-controlling interest. Following this acquisition, Watkins Gold's direct equity interest in Cygnet Gold increased from 93.4% to 100%. The excess of consideration paid over the value of the non-controlling interest of RMB66,659,000, was taken to other reserve in the consolidated statement of changes in equity.

11. ASSETS CLASSIFIED AS HELD FOR SALE

On 1 July 2024, HGM Resources Pty Ltd, one of the subsidiaries of the Company, signed a share sale agreement ("**Share Sale Agreement**") for disposing 100% of the equity interest in Primary Gold Pty Ltd and its wholly-owned subsidiary, Primary Minerals Pty Ltd, (the "**Disposal Group**") (the "**Disposal**"). Pursuant to the share sale agreement, the Company conditionally agreed to dispose, and the purchaser, Huineng Gold, conditionally agreed to purchase, 100% of the equity interest in Primary Gold Pty Ltd at a purchase price of AUD300 million plus the environmental bond amount of AUD3,116,653 (equivalent to RMB1,444,351,000 in aggregate). This disposal was offered by the purchaser following a competitive global sales process and based on an arm's length negotiation. Completion is expected to occur within 12 months and is conditional upon the satisfaction of the key conditions, which are, approval from the Australia Foreign Investment Review Board and the Chinese National Development and Reform Commission.

The assets and liabilities attributable to the Disposal Group, which are expected to be sold within twelve months, have been classified as assets held for sale and are presented separately in the consolidated statement of financial position. The Disposal Group is included in the Group's Gold Business for segment reporting purposes.

Since the net proceeds from the disposal are expected to exceed the net carrying amount of the Disposal Group, no impairment loss is required to be recognised.

The major classes of assets and liabilities of the Disposal Group classified as held for sale are as follows:

	RMB'000
Property, plant and equipment	13,791
Intangible assets	313,643
Restricted deposits	12,284
Other receivables	162
Cash and cash equivalents	1,817
Total assets classified as held for sale	341,697
Provisions	12,496
Deferred tax liabilities	59,304
Trade and other payables	4,142
Total liabilities classified as held for sale	75,942

On 1 July 2025, being the sunset date as defined in the Share Sale Agreement, the Purchaser failed to obtain the approval from the Australia Foreign Investment Review Board, which is one of the key conditions to be fulfilled before the sunset date. Accordingly, on 2 July 2025, the Vendor elected to exercise its right to terminate the Share Sale Agreement (the "**Termination**"). In view of the Termination, the Company ceased to classify the relevant assets and liabilities of the then Disposal Group as "assets held for sale" in the financial statements.

12. DIVIDENDS

	Year ended 31/12/2025 RMB'000	31/12/2024 RMB'000
Dividends for ordinary shareholders of the Company recognised as distribution during the year:		
2024 Final - HKD0.02 (2023: HKD0.02) per share *(note)*	**35,131**	34,986
2025 Interim - nil (2024: HKD0.02) per share *(note)*	**—**	35,220
	35,131	70,206

Note:

During the current year, a dividend of HKD0.02 per share amounting to HKD39,200,000 (equivalent to RMB35,851,000) in aggregate in respect of the year ended 31 December 2024 was declared, among which HKD38,409,000 (equivalent to RMB35,131,000) (net of the dividend of HKD791,000 (equivalent to RMB720,000) attributable to the restricted shares held for the restricted share award scheme) was paid to the owners of the Company whose names appear in the register of members on 6 June 2025. In 2024, a dividend of HKD0.02 per share amounting to HKD39,200,000 (equivalent to RMB35,706,000) in aggregate in respect of the year ended 31 December 2023 was declared, among which HKD38,409,000 (equivalent to RMB34,986,000) (net of the dividend of HKD791,000 (equivalent to RMB720,000) attributable to the restricted shares held for the restricted share award scheme) was paid.

No dividend were proposed during the interim period in 2025. In 2024, an interim dividend of HKD0.02 per share amounting to HKD39,200,000 (equivalent to RMB35,945,000) in aggregate was declared, among which HKD38,409,000 (equivalent to RMB35,220,000) (net of the dividend of HKD791,000 (equivalent to RMB725,000) attributable to the restricted shares held for the restricted share award scheme) was paid to the owners of the Company whose names appear in the register of members on 9 October 2024.

No dividend has been proposed since the end of the year ended 31 December 2025(2024: HKD39,200,000 (equivalent to RMB36,301,000)).

13. 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:

	Year ended	
	31/12/2025	31/12/2024
	RMB'000	*RMB'000*
Profit for the year attributable to owners of the Company, for the purposes of basic and diluted earnings per share	**172,149**	180,941

	Number of shares	
	31/12/2025	31/12/2024
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	**1,939,571,000**	1,920,461,000

There was no ordinary shares repurchased during the current year.

The weighted average number of ordinary shares for the year ended 31 December 2025 for the purpose of basic and diluted earnings per share has been adjusted for the weighted average effect of 75,000,000 ordinary shares issued on 29 September 2025.

14. TRADE AND OTHER RECEIVABLES

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Trade receivables		
– Related parties	**3,814**	2,675
– Third parties	**259,664**	171,942
Less: Allowance for credit loss	**(23,671)**	(18,318)
	239,807	156,299
Other receivables		
– Advances to suppliers	**40,483**	21,040
– Interest receivable	**4,307**	1,800
– Deposits	**3,115**	2,811
– Deposit for resource tax	**11,635**	11,756
– Other tax recoverable	**3,940**	3,313
– Value-added tax recoverable	**18,537**	19,093
– Staff advance	**1,617**	1,497
– Prepaid expense	**6,794**	4,633
– Others	**15,238**	14,351
	105,666	80,294
Less: Allowance for credit loss	**(14,040)**	(13,962)
Total other receivables	**91,626**	66,332
Total trade and other receivables	**331,433**	222,631
Less:		
transfer to assets classified as held for sale *(note 11)*	**—**	(162)
	331,433	222,469

Note:

The Group allows an average credit period of 7 days (2024: 7 days) to its customers of iron ore concentrates, 60 days (2024: 60 days) to its customers of high-purity iron, 30 days (2024: 30 days) to its customers of building materials and 30 days to its customer of processing of iron ore. However, upon maturity of the credit period and under certain circumstances, the Group would further negotiate with its customers and may consider to extend the repayment date, based on its customer's history of payments and credit quality, on a case-by-case basis.

As at 31 December 2025, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB112,437,000 (2024: RMB36,726,000) which are past due as at the reporting date. Based on the historical settlement pattern, industry practice and the Group's historical actual loss experience, the management of the Group considered that the risk of default would become high when those debtors had been past due over 1 year.

The following is an aged analysis of trade receivables, net of allowance for credit loss, presented based on the invoice date.

	31 December 2025	31 December 2024
	RMB'000	*RMB'000*
– Within 7 days	**63,165**	72,975
– 8 days to 30 days	**29,479**	2,266
– 31days to 60 days	**33,383**	45,308
– 61days to 90 days	**23,049**	14,545
– 91 days to 1 year	**90,198**	21,205
– 1 year to 2 years	**533**	—
	239,807	156,299

Movement of impairment on trade receivables for both years under IFRS 9:

	Lifetime ECL not credit-impaired *RMB'000*	**Lifetime ECL credit-impaired** *RMB'000*	**Total** *RMB'000*
As at 1 January 2024	2,394	17,318	19,712
– Impairment losses recognised	2,723	1,086	3,809
– Impairment losses reversed	(1,564)	(3,376)	(4,940)
– Write-off	—	(263)	(263)
– Transfer to credit-impaired	(1)	1	—
As at 31 December 2024	3,552	14,766	18,318
– Impairment losses recognised	3,614	4,689	8,303
– Impairment losses reversed	(1,256)	(1,694)	(2,950)
As at 31 December 2025	5,910	17,761	23,671

Movement of allowance for other receivables for both years under IFRS 9:

	12m ECL *RMB'000*	**Lifetime ECL not credit-impaired** *RMB'000*	**Lifetime ECL credit-impaired** *RMB'000*	**Total** *RMB'000*
As at 1 January 2024	2,611	4,560	10,728	17,899
– Impairment losses recognised	17	22	322	361
– Impairment losses reversed	(83)	(3,911)	—	(3,994)
– Write-off	—	—	(304)	(304)
As at 31 December 2024	2,545	671	10,746	13,962
– Impairment losses recognised	—	—	78	78
As at 31 December 2025	2,545	671	10,824	14,040

15. RECEIVABLES AT FVTOCI

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Receivables at FVTOCI comprise:		
Bills receivables	**279,127**	286,076

The Group's receivables at FVTOCI were bills receivables with the following maturity.

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
– Within 6 months	**279,127**	286,076

Movement of allowance for Receivables at FVTOCI:

	12m ECL *RMB'000*	**Total** *RMB'000*
As at 1 January 2025	5,646	5,646
– Impairment losses recognised	3,595	3,595
– Impairment losses reversed	(5,646)	(5,646)
As at 31 December 2025	3,595	3,595

15A. TRANSFERS OF FINANCIAL ASSETS

15A.1 Transferred financial assets that are not derecognised in their entirety

The Group had financial assets transferred to banks, suppliers or non-bank financial institutions by discounting/endorsing or factoring on a full recourse basis in both the current and prior reporting periods. As the Group has not transferred the significant risks and rewards, it continues to recognise the full carrying amount of the receivables and has recognised the cash received as (i) other borrowings or bank borrowings from factoring of the trade receivables or discounting of the bills and (ii) as trade payables from endorsement of the bills with full recourse. The trade receivables are carried at amortised cost and the bills receivables are carried at fair value in the consolidated statement of financial position.

As at 31 December 2025

	Factoring of trade receivables to non-bank financial institutions with full recourse	**Bills discounted to banks that are not derecognised in their entirety**	**Bills endorsed to suppliers that are not derecognised in their entirety**	**Total**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***
Carrying amount of transferred assets	**122,990**	**110,468**	**68,191**	**301,649**
Carrying amount of associated liabilities	**(122,990)**	**(110,468)**	**(68,191)**	**(301,649)**
Net position	**—**	**—**	**—**	**—**

As at 31 December 2024

	Factoring of trade receivables to non-bank financial institutions with full recourse	Bills discounted to banks that are not derecognised in their entirety	Bills endorsed to suppliers that are not derecognised in their entirety	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
Carrying amount of transferred assets	49,600	87,580	161,762	298,942
Carrying amount of associated liabilities	(49,600)	(87,580)	(161,762)	(298,942)
Net position	—	—	—	—

15A.2 Transferred financial assets that are derecognised in their entirety but have continuing involvement

As of 31 December 2025, the Group had derecognised bills discounted to banks or endorsed to certain suppliers, but not expired on a full recourse basis amounting to RMB178,659,000 (2024: RMB249,342,000). These bills were issued or guaranteed by reputable PRC banks with high credit ratings, therefore the directors of the Company considered that the substantial risks in relation to these bills were limited to the interest risk, as the credit risk arising from these bills were minimal. In this connection, the Group had transferred substantially all the risks of these bills to relevant banks or suppliers. However, if the bills were accepted at maturity, the banks or suppliers have the right to require the Group pay off the outstanding balance. Therefore, the Group continued to have involvement in these financial assets.

16. TRADE, BILLS AND OTHER PAYABLES

Payment terms with suppliers are mainly on credit within 90 days and 15 days from the time when the goods are received from suppliers of Iron Ore Business and High-purity Iron Business respectively.

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Trade payables *(note a)*		
– Within 15 days	**53,762**	110,825
– 15 days to 90 days	**29,377**	67,370
– 91 days to 1 year	**21,352**	10,347
– 1 year to 2 years	**4,595**	1,356
– 2 years to 3 years	**502**	191
– Over 3 years	**5,312**	5,302
	114,900	195,391
Bills payables under note financing arrangements *(note b)*	**458,300**	594,578

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Other payables - current		
Advance receipt of value-added tax from customers	**5,369**	8,575
Other tax payable	**24,399**	14,791
Payable for acquisition of property, plant and equipment	**32,191**	20,808
Outsourced service payable	**19,423**	14,781
Transportation fee payable	**30,150**	17,155
Accrued expenses	**3,362**	2,115
Salary and bonus payables	**18,067**	15,273
Interest payable	**381**	756
Dividend payable	**—**	2,684
Refundable deposits	**8,681**	5,662
Payable for mining rights	**—**	10,000
Advance receipt from Huineng Gold relating to the Disposal	**—**	8,464
Payable for cost arising from the spin-off transaction *(note c)*	**6,246**	—
Others	**7,118**	8,096
	155,387	129,160
Other payables - non-current		
Refundable deposits	**2,000**	—
Total trade, bills and other payables	**730,587**	919,129
Less:		
transfer to liabilities associated with assets classified as held for sale *(note 11)*	**—**	(4,142)
	730,587	914,987

Notes:

(a) The aged analysis of trade payables was presented based on the date of acceptance of the goods at the end of the reporting period.

(b) Certain of the Company's subsidiaries received bills issued by other Group entities in respect of certain intra-group transactions The receiving entities of the Group had discounted such bills in full to bank or non-bank institutions to obtain financing. During the years ended 31 December 2025, such internally issued bills which had been discounted to banks or non-bank institutions amounted to RMB1,091,000,000 (2024: RMB1,130,111,000), which also represented the aggregate amount of the Group's underlying intragroup transactions settled by bills. The cash flows of such transactions have been presented in cash flow statement as financing activities.

(c) On 4 July 2025, in order to build an independent capital platform for the gold business and promote the faster development of the Company's Gold Business, and at the same time enhance the value of the shares held by the shareholders, the management announced the proposal to spin-off and separately list the shares of Hanking Gold Limited on the main board of the Hong Kong Stock Exchange by way of introduction. In support of the proposed listing, listing expenses of RMB14,075,000 were incurred, of which RMB6,246,000 remained unpaid as at 31 December 2025. On 14 January 2026, the Company announced to terminate the spin-off due to strategy change. The amount of listing expenses is included in administrative expenses.

At the end of both reporting periods, the Group's outstanding bills payable were issued by banks with the following maturity.

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Within 6 months	**458,300**	594,578

17. BORROWINGS

	31 December 2025 *RMB'000*	31 December 2024 *RMB'000*
Bank loans	**988,816**	846,257
Other loans *(note i)*	**122,990**	49,600
	1,111,806	895,857
Fixed-rate borrowings	**1,111,806**	895,857
Secured and guaranteed	**662,448**	508,228
Secured and unguaranteed	**337,358**	225,629
Unsecured and guaranteed	**110,000**	160,000
Unsecured and unguaranteed	**2,000**	2,000
	1,111,806	895,857
The carrying amounts of the above borrowings are repayable *(note ii)*:		
Within one year	**989,306**	895,857
More than one year, but not more than two years	**64,500**	—
More than two years, but not exceeding five years	**58,000**	—
	1,111,806	895,857

Notes:

i. Other loans were arising from factoring of trade receivables to non-bank financial institutions with full recourse. Details of the disclosures are set out in note 15A.

ii. The amounts are based on scheduled repayment dates set out in the respective loan agreements.

The ranges of effective interest rate of the Group's interest-bearing borrowings are as follows:

	31 December 2025	31 December 2024
	%	%
Fixed-rate borrowings	**3.15 - 8.60**	3.45 - 8.60

The secured and guaranteed bank borrowings were guaranteed by the Controlling Shareholders and the companies controlled by them. Among the secured and guaranteed bank borrowings, RMB 596,948,000 (31 December 2024: RMB388,000,000) were secured by certain property, plant and equipment, mining rights, right-of-use assets and shares of subsidiaries of the Group, and RMB 65,500,000 (31 December 2024: RMB120,228,000) were secured by certain assets of the companies controlled by the Controlling Shareholders and shares of subsidiaries of the Group.

The secured and unguaranteed bank borrowing of RMB103,900,000 (31 December 2024: RMB87,900,000) are secured by pledged bank deposits and RMB110,468,000 (31 December 2024: RMB88,129,000) are secured by receivables at FVTOCI of the Group.

The secured and unguaranteed other borrowing of RMB122,990,000 (31 December 2024: RMB49,600,000) are secured by trade receivables.

The unsecured and guaranteed bank borrowings of approximately RMB110,000,000 (31 December 2024: RMB160,000,000) at 31 December 2025 were guaranteed by subsidiaries of the Group, the Controlling Shareholders and the companies controlled by them.

18. SHARE CAPITAL

Details of movement in share capital of the Company are as follows:

	Number of shares		Share capital	
	2025	2024	**2025**	2024
	'000	*'000*	***HKD'000***	*HKD'000*
Ordinary shares of HKD0.1 each				
Authorised				
At 1 January and 31 December	**10,000,000**	10,000,000	**1,000,000**	1,000,000

	Number of shares		Share capital	
	2025	2024	**2025**	2024
	'000	*'000*	***RMB'000***	*RMB'000*
Issued and fully paid				
At 1 January	**1,960,000**	1,960,000	**160,203**	160,203
Issue of shares	**75,000**	—	**6,852**	—
At 31 December	**2,035,000**	1,960,000	**167,055**	160,203

Note:

In order to finance the Group's proposed injection into Hanking Gold Limited, the Company issued 75 million ordinary shares, for consideration of HKD3.13 per share. The ordinary shares were issued on 29 September 2025 to independent investors under the general mandate. The new shares rank pari passu with the existing shares in all respects.

19. RESTRICTED SHARES HELD FOR STRATEGIC INCENTIVE AWARD SCHEME

On 29 August 2019, the Board resolved to adopt a restricted share award scheme (the "**Scheme**") whereby awards of ordinary shares (the "**Shares**") of the Company may be made to eligible participants (the "**Selected Participants**"), pursuant to which existing ordinary shares of the Company will be purchased by a trustee from the market out of cash contributed by the Group and be held in trust for the relevant Selected Participants until such Shares are vested with the relevant Selected Participants in accordance with the provisions of the Scheme.

The Scheme shall be effective from 29 August 2019 and shall continue in full force and effect for a term of 10 years or until such date of early termination as determined by the Board, whichever is the earlier, after which period no further award shares shall be granted or accepted, but the provisions of the Scheme shall remain in full force and effect in order to give effect to the vesting of award shares granted and accepted prior to the expiration or termination of the Scheme.

There is no ordinary shares repurchased during the current year.

From May to November 2023, the trustee of the Company's Scheme purchased on the Stock Exchange a total of 8,476,000 ordinary shares at a total consideration of approximately RMB5,518,000 pursuant to the terms of the trust deed under the Scheme.

As at 31 December 2025 and 2024, no award shares have been granted to any Selected Participants pursuant to the Scheme.

APPRECIATION

The Board would like to express sincere gratitude to all the employees of the Group for their persistent effort in working, which contributed to the competitive advantage of the Group among the challenging market. We also would like to express our thanks to the government, the Shareholders and other related parties for their consistent support and trust to the Group.

By order of the Board
Hanking Gold International Limited
Xia Zhuo
Chairman and non-executive Director

Shanghai, the PRC, 25 March 2026

As at the date of this announcement, the executive Directors are Dr. Qiu Yumin, Mr. Zhang Jing, Mr. Tang Wenbin and Mr. Zhang Junfeng; the non-executive Directors are Mr. Xia Zhuo and Mr. Zhao Yanchao; and the independent non-executive Directors are Mr. Wang Ping, Dr. Wang Anjian, Mr. Zhao Bingwen and Dr. Tim Sun.