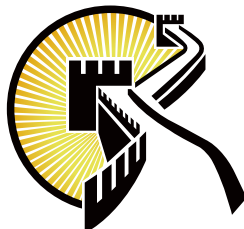


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PERSISTENCE RESOURCES GROUP LTD

集海資源集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2489)

2025 THIRD QUARTERLY REPORT

The board (the “**Board**”) of directors (the “**Directors**”) of Persistence Resources Group Ltd (the “**Company**”) is pleased to announce the unaudited results (the “**Third Quarterly Report**”) of the Company and its subsidiaries (collectively the “**Group**”) for the nine months ended 30 September 2025 (the “**Reporting Period**”). This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The Third Quarterly Report is unaudited. The audit committee of the Company has reviewed the results of the Group for the nine months ended 30 September 2025.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Nine months ended	
	30 September	
	2025	2024
<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
REVENUE	450,346	364,905
Cost of sales	<u>(218,459)</u>	<u>(173,295)</u>
Gross profit	231,887	191,610
Other income and gains	12,070	15,275
Administrative expenses	(46,386)	(30,744)
Finance costs	(4,949)	(2,020)
Other expenses	<u>(10,466)</u>	<u>(1,740)</u>
PROFIT BEFORE TAX	182,156	172,381
Income tax expense	<u>(64,223)</u>	<u>(54,386)</u>
PROFIT FOR THE PERIOD	<u>117,933</u>	<u>117,995</u>
Attributable to:		
Owners of the parent	88,127	85,572
Non-controlling interests	<u>29,806</u>	<u>32,423</u>
	<u>117,933</u>	<u>117,995</u>

	Nine months ended 30 September	
	2025	2024
Notes	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
OTHER COMPREHENSIVE INCOME		
<i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of financial statements of subsidiaries	<u>(1,306)</u>	<u>1,923</u>
	(1,306)	1,923
<i>Other comprehensive income that may not be reclassified to profit or loss in subsequent periods:</i>		
Exchange differences on translation of financial statements of the Company	<u>—</u>	<u>—</u>
	—	—
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	<u>(1,306)</u>	<u>1,923</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>116,627</u>	<u>119,918</u>
Attributable to:		
Owners of the parent	86,821	87,495
Non-controlling interests	<u>29,806</u>	<u>32,423</u>
	<u>116,627</u>	<u>119,918</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT		
Basic and diluted	<u>RMB4.41 cents</u>	<u>RMB4.28 cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 September 2025 <i>RMB'000</i> (Unaudited)	31 December 2024 <i>RMB'000</i> (Audited)
NON-CURRENT ASSETS		
Property, plant and equipment	514,063	343,899
Right-of-use assets	136,730	105,051
Intangible assets	377,957	110,341
Deferred tax assets	8,508	8,015
Other long-term assets	8,135	265
Goodwill	36,160	–
Total non-current assets	1,081,553	567,571
CURRENT ASSETS		
Inventories	29,936	18,040
Prepayments, other receivables and other assets	42,670	8,540
Restricted and pledged deposits	34,751	21,212
Cash and cash equivalents	661,382	639,599
Total current assets	768,739	687,391
CURRENT LIABILITIES		
Trade payables	32,547	11,051
Other payables and accruals	100,428	23,826
Interest-bearing bank borrowings	95,540	–
Lease liabilities	301	638
Tax payable	92,032	93,746
Provision	1,223	2,296
Current portion of other long-term liabilities	18,264	7,369
Total current liabilities	340,335	139,376
NET CURRENT ASSETS	428,404	548,015
TOTAL ASSETS LESS CURRENT LIABILITIES	1,509,957	1,115,586

	30 September 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
NON-CURRENT LIABILITIES		
Provision	48,925	27,299
Interest-bearing bank borrowings	79,210	–
Other long-term liabilities	75,205	17,510
Deferred tax liabilities	97,553	17,210
Lease liabilities	470	108
Total non-current liabilities	301,363	62,127
NET ASSETS	1,208,594	1,053,459
EQUITY		
Equity attributable to owners of the parent		
Share capital	18,172	18,172
Reserves	973,399	865,292
	991,571	883,464
Non-controlling interests	217,023	169,995
TOTAL EQUITY	1,208,594	1,053,459

CONSOLIDATED STATEMENT OF CASHFLOW

	Nine months ended	
	30 September	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	182,156	172,381
Adjustments for:		
Finance costs	4,949	2,020
Depreciation of items of property, plant and equipment	43,778	31,673
Depreciation of right-of-use assets	7,527	7,744
Amortisation of intangible assets	4,884	5,599
Stock based compensation	1,842	–
Loss on disposal of items of property, plant and equipment	1,165	–
	<u>246,301</u>	<u>219,417</u>
(Increase)/decrease in inventories	(2,677)	5,028
Increase in prepayments, other receivables and other assets	(10,158)	(1,140)
Increase in trade payables	9,944	1,707
Increase in restricted and pledged bank deposits	(1,485)	(1,673)
Decrease in other payables and accruals	(67,582)	(1,116)
	<u>174,343</u>	<u>222,223</u>
Cash generated from operations		
Tax paid	(63,741)	(58,599)
	<u>110,602</u>	<u>163,624</u>
Net cash flows from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Advances of loan to third parties	(2,300)	–
Repayment of loans from third parties	1,000	–
Purchases of items of property, plant and equipment	(71,079)	(42,463)
Proceeds from disposal of property, plant and equipment	–	–
Additions to intangible assets	(10,188)	(471)
Additions to right-of-use assets	–	(2,608)
Net acquisition cost for a subsidiary	(6,708)	–
	<u>(89,275)</u>	<u>(45,542)</u>
Net cash flows used in investing activities		

Nine months ended	
30 September	
2025	2024
<i>RMB'000</i>	<i>RMB'000</i>
(Unaudited)	(Unaudited)

CASH FLOWS FROM FINANCING ACTIVITIES

Payment of listing expenses	–	(936)
New bank loans	114,800	–
Repayment of other long-term liabilities	(551)	(331)
Interest paid	(1,472)	(813)
Dividend paid	–	(53,627)
Dividends paid to non-controlling interests	(25,000)	(30,000)
Contribution from non-controlling shareholders	19,294	10,000
Repayment of bank loan	(104,861)	(30,000)
Principal portion of lease payments	(448)	–

Net cash flows used in financing activities	1,762	(105,707)
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NET INCREASE IN CASH AND CASH EQUIVALENTS

23,089	12,375
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Cash and cash equivalents at beginning of reporting period

639,599	586,840
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Effects of exchange rate changes on cash and cash equivalents

(1,306)	1,923
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CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD

661,382	601,138
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ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents

661,382	601,138
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CASH AND CASH EQUIVALENTS AS STATED IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND STATEMENTS OF CASH FLOWS

661,382	601,138
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NOTES TO FINANCIAL STATEMENTS

For the nine months ended 30 September 2025

1. CORPORATE AND GROUP INFORMATION

Persistence Resources Group Ltd (the “**Company**”) is a limited liability company incorporated in the Cayman Islands. The address of the registered office of the Company is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. During the year, the subsidiaries now comprising the Group were involved in the mining, processing and sale of gold bullion in the People’s Republic of China (the “**PRC**”).

In the opinion of the directors, the holding company of the Company is Majestic Gold Corp., which was incorporated in the province of British Columbia, Canada.

Information about subsidiaries

Particulars of the Company’s subsidiaries are as follows:

Name	Place of incorporation/registration and business	Issued ordinary/ registered share capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Majestic Yantai Gold Ltd.*	British Virgin Islands	USD50,000	100%	–	Investment holding
PRG Res Holding 1 Ltd.*	British Virgin Islands	USD50,000	100%	–	Investment holding
PRG Res Holding 2 Ltd.*	British Virgin Islands	USD50,000	100%	–	Investment holding
煙台中嘉礦業有限公司 Yantai Zhongjia Mining Co., Ltd. (“Yantai Zhongjia”) **	PRC/Mainland China	RMB228,705,500	–	75%	Mining, processing and sale of gold
PRG Res HK 1 Limited**	Hong Kong	HKD1	–	100%	Investment holding
PRG Res HK 2 Limited**	Hong Kong	HKD1	–	100%	Investment holding
集海資源企業管理(深圳)有限 公司 Jihai Resources Enterprise Management (Shenzhen) Co., Ltd. **	PRC/Mainland China	RMB5,000,000	–	100%	Investment holding
煙台市牟金礦業有限公司 Yantai City Mujin Mining Company Limited (“Yantai Mujin”) **	PRC/Mainland China	RMB145,693,905	–	52%	Mining, processing and sale of gold

* This company is a wholly-owned subsidiary of the Company.

** This company is a indirectly owned subsidiary of the Company.

The English name of the subsidiary registered in the PRC represents the best efforts made by management of the Company to translate the Chinese name of this company as it does not have an official English name.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements of this Third Quarterly Report have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“**IASB**”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the consolidated financial information of this report are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period’s financial information.

Amendments to IAS 21

Lack of Exchangeability

The nature and impact of the amended IFRS Accounting Standard are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the consolidated financial information of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

I. Results for the Reporting Period

Gold Production

For the Reporting Period, the Group's total gold production volume was approximately 641.8 kg (or approximately 20,633.8 ounces), representing a decrease of approximately 5.9% as compared to that of the nine months ended 30 September 2024 (the “**Comparable Period**”). The decrease in gold production was mainly due to the slope management work reinforced by Shandong Provincial Emergency Management Department and Shandong Bureau of the State Mine Safety Supervision Administration after carrying out the Yantai Audit-Style Support and Supervision Programme for safety inspection in mid-February 2025, the suspension of production of Denggezhuang Underground Mine (the “**DGZ Mine**”) of Yantai Mujin, a subsidiary of the Group from July to September 2025 and the suspension of production of Songjiagou Northern Mining Area underground mine of Yantai Zhongjia, a subsidiary of the Group in September 2025.

Revenue

For the Reporting Period, the Group's revenue was approximately RMB450,346,000 (Comparable Period: RMB364,905,000), representing an increase of approximately 23.4% as compared to the Comparable Period. The increase was mainly attributable to the increase in the average selling price by approximately 34.6% offset by the decrease in sales volume by 8.3% as compared to the Comparable Period.

Net Profit

For the Reporting Period, the Group's net profit was approximately RMB117,933,000 (Comparable Period: RMB117,995,000), representing a decrease of approximately 0.2% as compared to the Comparable Period. The decrease in net profit was primarily due to the increase in gross profit as a result of the higher average selling price, offset by the increase in cost of sales, a decrease in interest income on the Group's cash and cash equivalent balances, the back payment for soil and water conservation compensation fee to the State Taxation Administration, the increase in legal and professional fee for the acquisition of Yantai Mujin as well as the increase in research and development expenses.

Earnings Per Share

For the Reporting Period, the basic and diluted earnings per share attributable to ordinary equity holders of the parent amounted to approximately RMB4.41 cents (Comparable Period: RMB4.28 cents), representing an increase of approximately 3.0% as compared to the previous year.

Exploration, development and mining production

For the nine month ended 30 September 2025, Yantai Mujin had completed a concealed hazard exploration program for a total of 22 drill holes at the Chahe Underground Mine for preliminary preparation work to accommodate the planned production in the year 2028. The total contract sum for this exploration program was approximately RMB3,550,000 and was recorded as other long-term assets on page 4 of the consolidated statements of financial position of this report. Save as aforesaid, the cost of sales directly attributable to the expenditure incurred on mining production activity was presented in the consolidated statement of profit or loss and other comprehensive income on page 2 of this report.

II. Financial Analysis

Revenue

For the Reporting Period, the Group's revenue was approximately RMB450,346,000 (Comparable Period: RMB364,905,000), representing an increase of approximately 23.4% as compared to the Comparable Period. The increase was mainly attributable the increase in average selling price by approximately 34.6% offset by the decrease in sales volume by 8.3% as compared to the Comparable Period.

Cost of Sales

For the Reporting Period, the Group's cost of sales was approximately RMB218,459,000 (Comparable Period: RMB173,295,000), representing an increase of approximately 26.1% as compared to the Comparable Period. The increase was attributed to several factors including the cost of sales for inclusion of Yantai Mujin, an increase in tailing processing fees, the increase in drilling expenses, excavator expenses and explosive materials for open pit mine, the increase in depreciation expenses and resources tax.

Gross Profit and Gross Profit Margin

During the Reporting Period, the Group's gross profit was approximately RMB231,887,000 (Comparable Period: RMB191,610,000), representing an increase in gross profit of approximately 21.0%. The increase in gross profit was primarily attributable to the increase in average selling price partially offset by the increase in the cost of sales.

During the Reporting Period, the Group's gross profit margin was approximately 51.5% (Comparable Period: 52.5%), representing a decrease in gross profit margin of approximately 1.0% as compared to the Comparable Period. The decrease was mainly attributable to the increase in average selling price partially offset by the increase in the cost of sales.

Other Income and Gains

During the Reporting Period, the Group's other income and gains were approximately RMB12,075,000 (Comparable Period: RMB15,275,000), representing a decrease of approximately 21.0% as compared to the Comparable Period. The decrease in other income and gains was mainly due to the decrease in interest income earned on the Group's cash and cash equivalent balances as most of the Net Proceeds from the Global Offering have been nearly utilized.

Administrative Expenses

The Group's administrative expenses were approximately RMB46,386,000 during the Reporting Period (Comparable Period: RMB30,744,000), representing an increase of approximately 50.9% as compared to the Comparable Period. The increase of administrative expenses was mainly due to the back payment for soil and water conservation compensation fee to the State Taxation Administration, the increase in legal and professional fee for the acquisition of Yantai Mujin as well as the increase in research and development expenses which were included in the administrative expenses.

Other Expenses

For the Reporting Period, the Group's other expenses were approximately RMB10,466,000 (Comparable Period: RMB1,740,000), representing an increase of approximately RMB8,726,000. The increase was mainly attributable to increase in the suspension cost attributed by the suspension of DGZ mine for the period from July 2025 to September 2025 and the share-based payment associated with the share option granted to Directors and Senior Management on 11 July 2025.

Finance Costs

For the Reporting Period, the Group's finance costs were approximately RMB4,949,000 (Comparable Period: RMB2,020,000), representing an increase of approximately RMB2,929,000 as compared to the Comparable Period. The increase was mainly due to the increase in interest expenses for interest-bearing bank borrowings of Yantai Mujin.

Profit Attributable to Owners of the Parent

For the Reporting Period, the Group's profit attributable to the owners of the parent was approximately RMB88,127,000, representing an increase of approximately 3.0% from approximately RMB85,572,000 in Comparable Period.

Liquidity and Capital Resources

The working capital and funds required by the Group were mainly derived from its cash flows generated from operations, bank borrowings and capital injection from shareholders, while the Group's capital for operating activities was mainly utilised to provide funding for purchase of raw materials, various operating expenses and capital expenditure. The cash and cash equivalents of the Group were RMB661,382,000 as at 30 September 2025. The liquidity of the Group and its working capital and finance requirements was closely monitored by the Board on a regular basis.

Cash Flows and Working Capital

The Group's cash and cash equivalents have increased from approximately RMB639,599,000 as at 31 December 2024 to approximately RMB661,382,000 as at 30 September 2025. The increase was mainly attributable to the net cash generated from the Group's operating activities. The Group's working capital as at 30 September 2025 was approximately RMB428,404,000, compared to approximately RMB548,015,000 as at 31 December 2024. The decrease was mainly attributable to the increase in interest-bearing bank borrowings.

As at 30 September 2025, the cash and cash equivalents of the Group denominated in Hong Kong dollars amounted to approximately RMB34,145,000 (31 December 2024: RMB171,204,000), those denominated in Canadian dollars amounted to approximately RMB625,000 (31 December 2024: RMB605,000), those denominated in United States dollars amounted to approximately RMB106,009,000 (31 December 2024: RMB65,983,000). All other cash and cash equivalents held by the Group are denominated in RMB.

Borrowings

As at 30 September 2025, the Group had outstanding bank borrowings approximately RMB174,750,000 (31 December 2024: Nil), all of which were denominated in RMB. As at 30 September 2025, 100% of the interest-bearing bank loans held by the Group were at fixed interest rates.

Gearing Ratio

The Group monitors capital using gross gearing ratio which is total debt divided by total equity and net gearing ratio which is net debt divided by total capital plus net debt. Total debt includes interest bearing bank borrowings. Net debt includes interest-bearing bank borrowings, trade payables, financial liabilities included in other payables and accruals, and other long-term liabilities, less cash and cash equivalents. Capital represents equity attributable to owners of the parent.

As at 30 September 2025, the gross gearing ratio was approximately 14.5% (31 December 2024: Nil). As at 30 September 2025 and 31 December 2024, the Group's cash and cash equivalents exceeded the financial liabilities. As such, no net gearing ratio as at 30 September 2025 and 31 December 2024 was presented.

Market Risks

The Group is exposed to a variety of financial risks such as interest rates risk, credit risk, foreign currency risk and liquidity risk. Generally, the Group introduces conservative strategies on its risk management. The Group has not used any derivatives and other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes.

Gold Prices and Other Commodities Prices Risks

The Group's revenue and profit were affected by fluctuations in the gold prices and other commodity prices as all of our products were sold at market prices and such fluctuations in prices were beyond our control. Our revenue is generated from the sale of gold bullion refined by third party smelters derived from gold concentrate processed by us, with reference to the prevailing Au (T+D) spot price as quoted on the Shanghai Gold Exchange. Historically, while the gold price has increased in value over time, it has fluctuated widely and there can be no assurance that the gold price will not continue to fluctuate in the future or that such prices will otherwise remain at sufficiently high levels to support our profitability and cash flow.

Interest Rate Risk

The Group's exposure to risk for changes in market interest rates relates primarily to the Group's interest-bearing bank borrowings. The Group had not used any derivative financial instruments to hedge interest rate risk during the Reporting Period, and obtains all bank borrowings with a fixed rate.

Credit Risk

The Group trades only with recognised and creditworthy customers with no requirement for collateral. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In order to minimise the credit risk, the Group reviews the recoverable amount of each individual trade receivable periodically and management also has monitoring procedures to ensure the follow-up action is taken to recover overdue receivables. The balances of trade receivables were nil as at 30 September 2025. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Foreign Exchange Risk

The Group's transactions are mainly denominated in Renminbi. As such, the fluctuations in exchange rates may affect international and domestic gold prices, which may therefore affect the Group's operating results. The Group has currency exposures mainly arising from cash at banks denominated in USD and CAD. At present, the Group does not intend to seek to hedge its exposure to foreign exchange fluctuations. The Group constantly monitors the economic situation and the Group's foreign exchange risk profile and will consider appropriate hedging measures in the future should the need arise.

Risk of Change in Industry Policies

An array of laws, regulations and rules on the gold mining and refining industry in China constitutes the external regulatory and legal environment for the Company's ordinary and continuous operation and have great influence on the Company's business development, production and operation (including licences and permits), etc. Changes in relevant industry policies may have corresponding effects on the Company's production and operation.

Pledge

As at 30 September 2025, except RMB34,751,000 of pledged deposits represented environmental rehabilitation deposits placed in banks for environmental rehabilitation of land the Group developed for the mine as required under the relevant PRC laws and regulations, the Group has not pledged any assets.

Commitment

As at 30 September 2025, the Group's total capital commitments in respect of the contracted costs which were not provided for in the financial statements were approximately RMB81,978,000 (31 December 2024: Nil).

Contingent Liabilities

As at 30 September 2025, the Group had no material contingent liabilities.

The Board wishes to remind investors that the above financial and business data are based on the Group's unaudited management accounts. Investors are cautioned not to unduly rely on such data.

The Company's shareholders and potential investors are advised to exercise caution when dealing in securities of the Company.

By order of the Board
Persistence Resources Group Ltd
SHAO Xuxin

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 28 November 2025

As at the date of this announcement, the Board comprises Dr. Shao Xuxin and Mr. Mackie James Thomas as executive Directors; Mr. Chen Li Bei as non-executive Director; and Dr. Malaihollo Jeffrey Francis A, Mr. Chan Ngai Fan, Dr. Zeng Ming and Ms. Liu Li as independent non-executive Directors.