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PERSISTENCE GOLD GROUP LTD
集海黃金集團有限公司

(formerly known as 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)

DISCLOSEABLE AND CONNECTED TRANSACTION
DISPOSAL OF A SUBSIDIARY

THE DISPOSAL

The Board is pleased to announce that on 26 August 2026, the parties have entered into the Equity Transfer Agreements in respect of the Disposal:

(A) the Company and Mr. Kong (a connected person of the Company at the subsidiary level) have entered into the Equity Transfer Agreement A, pursuant to which the Company has agreed to sell, and Mr. Kong has agreed to purchase, the Sale Equity A and the Shareholder's Loan A; and

(B) MYG (a direct wholly-owned subsidiary of the Company), Yihui Investment (a connected person of the Company at the subsidiary level) and the Target Company have entered into the Equity Transfer Agreement B, pursuant to which MYG has agreed to sell, and Yihui Investment has agreed to purchase, the Sale Equity B and the Shareholder's Loan B.

The total consideration of the Disposal is RMB173,965,369.32. As at the date of this announcement, the Group indirectly holds 52% of equity interest in the Target Company. Upon completion of the Disposal, the Group will completely cease to hold any equity interest in the Target Company. Accordingly, the Target Company will cease to be a subsidiary of the Company, and its financial results will no longer be consolidated into the Group's consolidated financial statements.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Chapter 14 of the Listing Rules in respect of the Disposal exceeds 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement.

As at the date of this announcement, (i) Yihui Investment is a substantial shareholder of the Target Company (which is a non-wholly-owned subsidiary of the Company), and therefore a connected person of the Company at the subsidiary level; and (ii) Mr. Kong is an associate of a director of a subsidiary of the Company, and therefore also a connected person of the Company at the subsidiary level. As such, the Disposal also constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As (i) Yihui Investment and Mr. Kong are connected persons of the Company at the subsidiary level only; (ii) the Board has approved the Disposal; and (iii) the independent non-executive Directors have confirmed that the terms of the Disposal are fair and reasonable, and that the Disposal is on normal commercial terms and in the interests of the Company and its Shareholders as a whole, the Disposal is subject to the announcement requirement but is exempt from the circular and independent shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

As the income approach has been adopted in the Valuation Report, the calculation of the value of the equity interests as set out in the Valuation Report is regarded as a profit forecast under Rule 14.61 of the Listing Rules. Pursuant to Rule 14.60A of the Listing Rules, a further announcement will be published by the Company within 15 Business Days after the publication of this announcement.

THE DISPOSAL

The Board is pleased to announce that on 26 August 2026, the parties have entered into the Equity Transfer Agreements in respect of the Disposal:

(A) the Company and Mr. Kong (a connected person of the Company at the subsidiary level) have entered into the Equity Transfer Agreement A, pursuant to which the Company has agreed to sell, and Mr. Kong has agreed to purchase, the Sale Equity A and the Shareholder's Loan A; and

(B) MYG (a direct wholly-owned subsidiary of the Company), Yihui Investment (a connected person of the Company at the subsidiary level) and the Target Company have entered into the Equity Transfer Agreement B, pursuant to which MYG has agreed to sell, and Yihui Investment has agreed to purchase, the Sale Equity B and the Shareholder's Loan B.

The total consideration of the Disposal is RMB173,965,369.32. As at the date of this announcement, the Company indirectly holds 52% of equity interest in the Target Company. Following the completion of the Disposal, the Group shall cease to hold any equity interest in the Target Company, and it shall cease to be a subsidiary of the Company.

THE EQUITY TRANSFER AGREEMENTS

The principal terms of the Equity Transfer Agreements are set out as follows:

Date of the Equity Transfer Agreements:	26 August 2026
Parties to the Equity Transfer Agreements:	Equity Transfer Agreement A: (i) the Company (as vendor); and (ii) Mr. Kong (as purchaser) Equity Transfer Agreement B: (i) MYG (as vendor); (ii) Yihui Investment (as purchaser); and (iii) the Target Company
Interest to be Disposed:	52% of equity interest in the Target Company and the Shareholders' Loans, where: Pursuant to the Equity Transfer Agreement A, the Company has agreed to sell, and Mr. Kong has agreed to purchase, (i) the Sale Equity A, representing the entire equity interest in PRG (PRG is the holding company which indirectly holds 41.051% of the equity interest in the Target Company through its wholly-owned subsidiary PRGHK); and (ii) the Shareholder's Loan A, which represents the amount due by the Target Company to PRGHK (originally contributed from the Company to PRGHK) as at the date of this announcement in the amount of RMB53,181,195.68.

Pursuant to the Equity Transfer Agreement B, MYG has agreed to sell, and Yihui Investment has agreed to purchase, (i) the Sale Equity B, representing 10.949% of the equity interest in the Target Company; and (ii) the Shareholder's Loan B, which represents the amount due by the Target Company to MYG as at the date of this announcement in the amount of RMB14,184,173.63.

Consideration of the Disposal: The total consideration for the Disposal is RMB173,965,369.32, being: (i) RMB137,335,901.99 under the Equity Transfer Agreement A (as to RMB84,154,706.31 for the Sale Equity A and as to RMB53,181,195.68 for the Shareholder's Loan A); and (ii) RMB36,629,467.33 under the Equity Transfer Agreement B (as to RMB22,445,293.70 for the Sale Equity B and as to RMB14,184,173.63 for the Shareholder's Loan B), respectively.

Payment: The consideration in respect of the Equity Transfer Agreement A shall be paid in cash to a bank account of the Company in two installments:

(A) First installment: RMB84,154,706.31 (or equivalent amount in HKD or USD) payable within 5 business days after the fulfilment or waiver of the condition precedents of the Equity Transfer Agreement A; and

(B) Second installment: RMB53,181,195.68 (or equivalent amount in HKD or USD) payable on or before 31 December 2026.

The consideration in respect of the Equity Transfer Agreement B shall be paid in cash in one lump sum to the designated bank account of MYG within 30 business days from the receipt of payment notice issued to Yihui Investment by MYG, subject to all conditions precedent of the Equity Transfer Agreement B having been satisfied or waived in writing.

Completion: The completion of the Equity Transfer Agreement A shall take place on the date Mr. Kong completes payment of the first installment or on the next business day (or such other date as may be agreed by both parties).

The completion of the Equity Transfer Agreement B shall take place upon completion of the conditions precedent to the industrial and commercial change registration as further set out below.

Conditions Precedent: Completion of the Equity Transfer Agreement A is conditional upon satisfaction and/or waiver (if applicable) of the following conditions:

1. the Company has obtained all necessary internal approvals;

2. Mr. Kong has obtained all necessary third-party consents and approvals;

3. the Company has fulfilled all requirements under the Listing Rules regarding such as the issuance of announcements and circulars and obtained all necessary approvals, confirmations and waivers (if applicable);

4. the settlement of the existing guarantee provided to the Target Company by the Group, terms of which are to be agreed by the parties;

5. the representations and warranties contained in the Equity Transfer Agreement A are true and accurate in all material respects as of the completion date;

6. no material adverse change has occurred in respect of PRG and PRGHK from the date of the Equity Transfer Agreement A until the completion date; and

7. no law, court or government order prohibits the completion of the Equity Transfer Agreement A.

If any of the above conditions precedent has not been satisfied or waived on or before 30 September 2026 and such non-satisfaction of condition is not attributable to a default by a party, either party may terminate the Equity Transfer Agreement A, and neither party shall bear liability to the other party.

Completion of the Equity Transfer Agreement B is conditional upon satisfaction and/or waiver (if applicable) of the following conditions:

(a) Conditions precedent to the industrial and commercial change registration

MYG's obligation to assist with the industrial and commercial change registration of the Target Company shall be conditional upon all of the following conditions precedent having been satisfied or waived in writing by MYG:

(1) Yihui Investment has issued a confirmation letter signed by its authorised representative and affixed with its company seal, confirming that from the date of signing of the Equity Transfer Agreement B until the date of submission of the application for the industrial and commercial change registration, the representations and warranties given by Yihui Investment under the Equity Transfer Agreement B remain true, accurate and complete, without any material omission or misleading statement.

(2) The internal decision-making bodies of Yihui Investment, MYG, and the Target Company have approved the signing of the Equity Transfer Agreement B, and Zhaoyuan Gold has provided a written waiver of its right of first refusal regarding the Sale Equity B.

(3) The shareholder of MYG has completed all approval, filing and announcement procedures relating to the Equity Transfer Agreement B with the Stock Exchange; and all necessary governmental approvals, consents, waivers, permits, authorisations and relinquishments required for completion of the Equity Transfer Agreement B, if any, have been obtained and remain valid.

(4) The Valuation Report has been issued.

(5) The Equity Transfer Agreement B has been duly executed by all parties thereto.

(b) Conditions Precedent to Payment

Yihui Investment's obligation to make payment under the Equity Transfer Agreement B shall be conditional upon all of the following conditions precedent having been satisfied or waived in writing by Yihui Investment:

(1) MYG has issued a confirmation letter signed by its authorised representative and affixed with its company seal, confirming that from the date of signing of the Equity Transfer Agreement B until the date of completion of the industrial and commercial change registration of the Target Company, the representations and warranties given by MYG under the Equity Transfer Agreement B remain true, accurate and complete in all material respects, without any material omission or misleading statement.

(2) The Target Company has completed with the market regulation administration authority the industrial and commercial change registration procedures under the Equity Transfer Agreement B, the change and amendment of foreign investment information, the filing of the amended articles of association and the filing of the newly appointed directors, and has obtained the amended business licence of the Target Company.

(3) The Target Company has completed the foreign exchange registration change procedures relating to the Equity Transfer Agreement B.

(4) Yihui Investment has completed the tax filing procedures for external payment and the tax payment procedures.

(5) MYG has issued a confirmation letter affixed with its company seal, where applicable, confirming that from the date of signing of the Equity Transfer Agreement B until the date of completion of the industrial and commercial change registration of the Target Company, there has been no material adverse change in the business, operations, assets, financial condition or other circumstances of the Target Company.

The Equity Transfer Agreement A and the Equity Transfer Agreement B are not inter-conditional, and therefore, the completion of each of the transactions can be carried out separately and independently.

FINANCIAL INFORMATION OF THE TARGET COMPANY

Based on the audited financial statements of the Target Company for the two financial years ended 31 December 2024 and 2025 and the unaudited management accounts of the Target Company for the three months ended 31 March 2026 prepared in accordance with the PRC Accounting Standards for Business Enterprises, the (loss)/profit before and after taxation of the Target Company for the two financial years ended 31 December 2024 and 2025 and the three months ended 31 March 2026 are set out below:

	For the three months ended 31 March 2026 *(RMB'000)*	**For the year ended 31 December 2025** *(RMB'000)*	**For the year ended 31 December 2024** *(RMB'000)*
(Loss)/Profit before taxation	(16,215)	(34,254)	(21,018)
(Loss)/Profit after taxation	(16,979)	(37,416)	(29,770)

Based on the unaudited management accounts of the Target Company as at 31 March 2026, the total assets and net assets deficiency of the Target Company as at 31 March 2026 were approximately RMB417.8 million and RMB77.1 million, respectively.

BASIS OF THE CONSIDERATION

The amount of the consideration of the Disposal was determined on the basis of normal commercial terms and arm's length negotiations between the Vendors and the Purchasers, with reference to the valuation on the Target Company carried out by the Valuer, as well as other factors as set out in the paragraph headed "Reasons for and Benefits of the Disposal" below. The consideration of the Sale Equity A and the Sale Equity B (which represented 52% interest of the Target Company) is determined based on the result of the valuation and the consideration of the Shareholders' Loans is determined based on the face value of the Shareholders' Loans.

The valuation of 100% equity interest of the Target Company by using income approach to DGZ Mine and market approach to CH mine and HH Mine as at 31 March 2026 as determined by Masterpiece Valuation Advisory Limited, an independent valuer, is approximately RMB205 million. As the Valuer applied the income approach to DGZ Mine and availed themselves of certain assumptions in the valuation to appraise the value of the Target Company, it constitutes a profit forecast under Rule 14.61 of the Listing Rules and the requirements of Rule 14.60A of the Listing Rules are therefore applicable.

INFORMATION OF THE TARGET COMPANY

Reference is made to the announcement of the Company dated 25 November 2024 in relation to the acquisition of interests in the Target Company. The Target Company is a company incorporated in the PRC with limited liability. It is principally engaged in gold mining and processing, emergency rescue for mine accidents, preventive safety inspection, property leasing and investment with its own fund. The Target Company possesses mining licenses for three gold mines located in Yantai city of the Shandong Province in the PRC, namely the DGZ Mine, the HH Mine and the CH Mine.

As of the date of this announcement, the Target Company is owned as to 41.051% by PRGHK, 10.949% by MYG, 40% by Yihui Investment and 8% by Zhaoyuan Gold, respectively. PRGHK is wholly owned by PRG which is in turn wholly owned by the Company. PRG and PRGHK have no material assets other than their respective interest in the Target Company.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Target Company operates the DGZ Mine, the HH Mine and the CH Mine, and was originally acquired by the Group to obtain control in such mines. Having considered the financial performance and after reviewing the business and operation status of the Target Company, the Board considers that it is appropriate for the Group to proceed with the Disposal. The Disposal will strengthen the cash flow of the Group, allowing the Group to improve its liquidity and allow the Group to reallocate its resources to other existing opportunities.

In view of the above factors, the Directors (including the independent non-executive Directors) believe that the terms of the Equity Transfer Agreements and the Disposal are on normal commercial terms and are fair and reasonable, and that the Disposal is in the interests of the Company and its Shareholders as a whole.

FINANCIAL EFFECTS OF THE DISPOSAL

As at the date of this announcement, the Group holds 52% of equity interest in the Target Company and the Target Company is an indirect non-wholly owned subsidiary of the Company. Upon completion of the Disposal, the Group will no longer have any interest in the Target Company and the Target Company will cease to be a subsidiary of the Company. Accordingly, the Target Company's financial results will cease to be consolidated into the Group's consolidated financial statements.

Pursuant to Rule 14.22 of the Listing Rules, the transactions contemplated under the Equity Transfer Agreement A and the Equity Transfer Agreement B have been aggregated for classification purposes. As a result of the Disposal, the Company is expected to record an unaudited gain of approximately RMB3.8 million, which is calculated with reference to the total consideration of the Disposal, the Company's investment in the Target Company, and the net asset value of the Target Company as at 31 March 2026. The actual amount of the gain from the Disposal to be recognised by the Group is subject to audit and may be different from the estimated amount.

INTENDED USE OF PROCEEDS

The Company intends to use the net proceeds from the Disposal as general working capital and for any business acquisition or expansion project after deducting expenses in relation to the Disposal.

INFORMATION OF THE PARTIES

The Company

The Company is incorporated in the Cayman Islands with limited liability and its controlling shareholder is Majestic Gold, a company incorporated under the laws of the province of British Columbia, Canada with limited liability by shares and listed on the TSX Venture Exchange (stock code: MJS.V). The Company principally engages in gold exploration, mining and processing. Majestic Gold is a mining company focused on the exploration, development, and operation of mining properties in China, Australia, and Canada.

MYG

MYG is an investment holding company incorporated in the British Virgin Islands with limited liability and it is a direct wholly-owned subsidiary of the Company.

Yihui Investment

Yihui Investment is incorporated in the PRC with limited liability. As at the date of this announcement, it holds 40% equity interest in the Target Company and is therefore a connected person of the Company at the subsidiary level. It is owned as to 66.997% by Mr. Lin Chuanwen (林傳文), 28.713% by Ms. Suen Yanyan (孫燕燕), 2.860% by Jiang Ting (蔣婷) and 1.430% by Zhou Mude (周穆德), respectively, as at the date of this announcement. Yihui Investment principally engages in investing activities using internal resources.

Mr. Kong

Mr. Kong Fanzhong (孔凡忠), is a former director of Yantai Zhongjia, a subsidiary of the Company and brother of Mr. Kong Fanbo (孔凡波) a director of Yantai Zhongjia. He is accordingly a connected person of the Company at the subsidiary level.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios under Chapter 14 of the Listing Rules in respect of the Disposal exceeds 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement.

As at the date of this announcement, (i) Yihui Investment is a substantial shareholder of the Target Company (which is a non-wholly-owned subsidiary of the Company), and therefore a connected person of the Company at the subsidiary level; and (ii) Mr. Kong is an associate of a director of a subsidiary of the Company, and therefore also a connected person of the Company at the subsidiary level. As such, the Disposal also constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As (i) Yihui Investment and Mr. Kong are connected persons of the Company at the subsidiary level only; (ii) the Board has approved the Disposal; and (iii) the independent non-executive Directors have confirmed that the terms of the Disposal are fair and reasonable, and that the Disposal is on normal commercial terms and in the interests of the Company and its Shareholders as a whole, the Disposal is subject to the announcement requirement but is exempt from the circular and independent shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

As none of the Directors have a material interest in the Disposal, no Director is required to abstain from voting on the Board resolution(s) approving the Disposal.

As the income approach to the DGZ Mine has been adopted in the Valuation Report, the calculation of the value of the equity interests of the Target Company as set out in the Valuation Report is regarded as a profit forecast under Rule 14.61 of the Listing Rules. Pursuant to Rule 14.60A of the Listing Rules, a further announcement will be published by the Company within 15 Business Days after the publication of this announcement.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

"Board"	the board of Directors of the Company
"BVI"	the British Virgin Islands
"Business Day"	a day (other than a Saturday, Sunday and public holiday) on which licensed banks in Hong Kong are open for general business during normal business hours
"CH Mine"	Chahe Underground Gold Mine* (煙台市牟金礦業有限公司岔河礦區)
"Company"	Persistence Gold Group Ltd, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
"Connected person(s)"	has the meaning given to it by the Listing Rules
"DGZ Mine"	Denggezhuang Underground Gold Mine* (煙台市牟金礦業有限公司鄧格莊金礦區)
"Directors"	the director(s) of the Company
"Disposal"	the disposal of the Sale Equity A, the Sale Equity B and, the Shareholders' Loans in the Target Company by the Vendors to the Purchasers under the Equity Transfer Agreements
"Equity Transfer Agreements"	collectively, the Equity Transfer Agreement A and the Equity Transfer Agreement B
"Equity Transfer Agreement A"	the equity transfer agreement dated 26 August 2026 entered into between the Company and Mr. Kong in connection with the Sale Equity A and Shareholder's Loan A
"Equity Transfer Agreement B"	the equity transfer agreement dated 26 August 2026 entered into between MYG, Yihui Investment and the Target Company in connection with the Sale Equity B and Shareholder's Loan B
"Group"	the Company and its subsidiaries

"HH Mine"	Houzhuang-Heiniutai Underground Gold Mine* (煙台市牟金礦業有限公司後莊－黑牛台金礦區)
"HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"Majestic Gold"	Majestic Gold Corp., a company incorporated under the laws of the province of British Columbia, Canada with limited liability by shares and listed on the TSX Venture Exchange (stock code: MJS.V), the controlling shareholder of the Company
"Mr. Kong"	Kong Fanzhong (孔凡忠)
"MYG"	Majestic Yantai Gold Ltd., a direct wholly-owned subsidiary of the Company
"PRC"	the People's Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
"PRG"	PRG RES Holding 2 Ltd, a company incorporated in the BVI and a wholly-owned subsidiary of the Company
"PRGHK"	PRG Res HK 2 Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of PRG and an indirect wholly-owned subsidiary of the Company
"Purchasers"	Mr. Kong and Yihui Investment
"RMB"	Renminbi, the lawful currency of the PRC
"Sale Equity A"	100% of the equity interest in PRG to be sold by the Company to Mr. Kong pursuant to the Equity Transfer Agreement A. PRG wholly owns PRGHK which in turn wholly owns 41.051% of the equity interest in the Target Company

"Sale Equity B"	10.949% of the equity interest in the Target Company to be sold by MYG to Yihui Investment pursuant to the Equity Transfer Agreement B
"Shareholder(s)"	shareholder(s) of the Company
"Shareholders' Loans"	collectively, Shareholder's Loan A and Shareholder's Loan B
"Shareholder's Loan A"	the sum advanced by way of loan by PRGHK to the Target Company (originally contributed from the Company to PRGHK) in the amount of RMB53,181,195.68 as at the date of the Equity Transfer Agreement A
"Shareholder's Loan B"	the sum advanced by way of loan by MYG to the Target Company in the amount of RMB14,184,173.63 as at the date of the Equity Transfer Agreement B
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Yantai City Mujin Mining Company Limited* (煙台市牟金礦業有限公司), a company incorporated in the PRC with limited liability, which is indirectly held as to 52% by the Company (i.e. 41.051% by PRGHK and 10.949% by MYG, respectively) as of the date of the Equity Transfer Agreements and prior to the Disposal
"USD"	United States Dollars, the lawful currency of the United States of America
"Valuer"	Masterpiece Valuation Advisory Limited, an independent qualified valuer in Hong Kong
"Valuation Report"	the valuation report in respect of the fair value of the 100% equity interest in the Target Company as at 31 March 2026, which was issued by the Valuer
"Vendors"	collectively, (i) the Company; and (ii) MYG
"Yantai Zhongjia"	Yantai Zhongjia Mining Co. Ltd.* (煙台中嘉礦業有限公司), a company established in the PRC and a non-wholly owned subsidiary of the Company

"Yihui Investment"	Yantai Yihui Investment Company Limited* (煙台熠暉投資有限公司), a company incorporated in the PRC with limited liability, holding 40% equity interest in the Target Company as at the date of this announcement
"Zhaoyuan Gold"	Shandong Zhaojin Group Zhaoyuan Gold Smelting Co., Ltd.* (山東招金集團招遠黃金冶煉有限公司), a company incorporated in the PRC with limited liability
"%"	per cent

By Order of the Board
Persistence Gold Group Ltd
Malaihollo Jeffrey Francis A
Chairman and Executive Director

Hong Kong, 26 August 2026

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

* *For identification purpose only*