CMOC洛阳钼业

(A joint stock limited company incorporated in the People's Republic of China)

Stock Code: 603993.SH 03993.HK

2025 ANNUAL REPORT

洛陽欒川鉬業集團股份有限公司
CMOC Group Limited *

Cherishing Natural Resources
A Responsible Mining Enterprise for A Better World

* For identification purposes only

Contents

DEFINITION OF COMMON TERMS

「CMOC」,「Company」,「Group」	洛陽欒川鉬業集團股份有限公司(CMOC Group Limited*)
「CFC」	Cathay Fortune Corporation, the controlling shareholder of the Company
「LMG」	Luoyang Mining Group Co., Ltd., the second largest shareholder of the Company
「Sichuan CATL」	Sichuan Contemporary Amperex Technology Limited
「CATL」	Contemporary Amperex Technology Co., Limited
「CMOC Limited」	CMOC Limited, a wholly-owned subsidiary of the Company
「Odin Mining」	Odin Mining Corp., a wholly-owned subsidiary of the Company
「Fuchuan Mining」	Luoyang Fuchuan Mining Co., Ltd., a joint venture of the Company
「Yulu Mining」	Luoyang Yulu Mining Co., Ltd., an associate company of the Company
「Huayue Nickel Cobalt」	PT. Huayue Nickel Cobalt (Indonesia) Co., Limited, an associate company of the Company
「Sandaozhuang Molybdenum and Tungsten Mine」	located in Luanchuan County, Henan Province, China, the major operating molybdenum and tungsten mine of the Company at present
「Shangfanggou Molybdenum Mine」	located in Luanchuan County, Henan Province, China, which is owned by a joint venture of the Company
「TFM」	Tenke Fungurume Mining S.A.(DRC)
「KFM」	CMOC KISANFU MINING SARL.(DRC)
「TFM Copper and Cobalt Mine」	Tenke Fungurume Copper and Cobalt Mine Area located in Democratic Republic of the Congo (DRC)
「KFM Copper and Cobalt Mine」	Kisanfu Copper and Cobalt Mine Area located in Democratic Republic of the Congo (DRC)

DEFINITION OF COMMON TERMS

「Gécamines」	La Généraledes Carrières et des Mines S.A., the state-owned mining company in the DRC
「DRC State-owned Assets Department」	le Ministère du Portefeuille
「CMOC Brasil」	CMOC Brasil Mineração Indústriae Participações Ltda
「Niobium Mine in Brazil」	the Boa Vista niobium mine located in the Catalão mining area in Brazil, which is owned by CMOC Brasil
「Phosphate Mine in Brazil」	the Chapadão phosphate mine located in the Catalão mining area in Brazil, which is owned by CMOC Brasil
「Aurizona Gold Mine」	the Aurizona gold mine located in Maranhão State, northeastern Brazil
「RDM Gold Mine」	RDM gold mine located in Minas Gerais State, Brazil
「Bahia Complex Mine Area」	Fazenda gold mine and Santa Luz gold mine located in the Maria Pretamining district, Bahia State, Brazil
「IXM」	generally refers to IXM Holding S.A., its subsidiaries and affiliates
「N'zilo 2 Hydropower Station」	N'zilo 2 hydropower station development project in the Democratic Republic of the Congo for which the Company and Lualaba Power SA signed a contract, the original project was named the Heshima Hydropower Station
「Photovoltaic Project」	the Company's solar-storage project in Haut-Katanga Province, Democratic Republic of the Congo

* *for identification purposes only*

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Liu Jianfeng *(Chairman)* (appointed in May 2025)
Peng Xuhui (appointed in December 2025)
Que Chaoyang *(employee Director)*
(appointed as Executive Director in May 2025 and employee Director in December 2025)

Non-Executive Directors

Lin Jiuxin *(Vice Chairman)*
Jiang Li
Ma Fei (appointed in December 2025)

Independent Non-Executive Directors

Wang Kaiguo
Gu Hongyu
Cheng Gordon

Senior Management

Chen Xingyao (appointed in May 2025)
Branko Buhavac (appointed in October 2025)
Zhang Liqun
Liang Wei
Tan Xiao (appointed in April 2025)
Xu Hui

BOARD COMMITTEES

Strategic and Sustainability Committee

Liu Jianfeng *(Chairman)*
Peng Xuhui
Que Chaoyang
Lin Jiuxin
Jiang Li
Wang Kaiguo

Audit and Risk Committee

Gu Hongyu *(Chairman)*
Wang Kaiguo
Cheng Gordon

Nomination and Governance Committee

Wang Kaiguo *(Chairman)*
Liu Jianfeng *(Vice Chairman)*
Gu Hongyu
Cheng Gordon
Ma Fei

Remuneration Committee

Wang Kaiguo *(Chairman)*
Gu Hongyu
Liu Jianfeng
Cheng Gordon
Ma Fei

BOARD SECRETARY, COMPANY SECRETARY

Xu Hui

REGISTERED OFFICE IN THE PRC

North of Yihe, Huamei Shan Road
Chengdong New District, Luanchuan County
Luoyang City, Henan Province, the PRC

PRINCIPAL PLACE OF BUSINESS IN THE PRC

North of Yihe, Huamei Shan Road
Chengdong New District, Luanchuan County
Luoyang City, Henan Province, the PRC

PRINCIPLE PLACE OF BUSINESS IN HONG KONG

31/F, Tower Two, Times Square
1 Matheson Street
Causeway Bay, Hong Kong

LEGAL REPRESENTATIVE

Liu Jianfeng

AUTHORIZED REPRESENTATIVES

Liu Jianfeng
Xu Hui

CORPORATE INFORMATION

ENQUIRY DEPARTMENT OF THE COMPANY

The Board Office

INFORMATION ENQUIRY TELEPHONE NO. OF THE COMPANY

(+86) 21 8033 0506

SHANGHAI A SHARE REGISTRAR

China Securities Depository and
Clearing Corporation Limited, Shanghai Branch
36/F, China Insurance Building
No. 166 East Lujiazui Road
Pudong New Area
Shanghai, the PRC

HONG KONG H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East, Wanchai, Hong Kong

PLACE OF LISTING

Place of listing of A share – The Shanghai Stock Exchange
Place of listing of H share – The Stock Exchange of Hong Kong Limited

NAME OF THE STOCK

CMOC Group Limited (CMOC)

STOCK CODE

Stock code of A share: 603993 *(Listed on 9 October 2012)*
Stock code of H share: 03993 *(Listed on 26 April 2007)*

AUDITOR

Deloitte Touche Tohmatsu Certified Public Accountants LLP

LEGAL ADVISORS

As to Hong Kong law:

Freshfields Bruckhaus Deringer
55/F, One Island East, Taikoo Place
Quarry Bay, Hong Kong

As to PRC law:

Llinks Law Offices
19/F, One Lujiazui
68 Middle Yincheng Road
Shanghai, the PRC

WEBSITE

www.cmoc.com

COMPANY PROFILE

CMOC Group Limited (hereinafter referred to as "**CMOC**" or the "**Company**", and together with its subsidiaries, the "**Group**") is a joint stock company established in the People's Republic of China (the "**PRC**" or "**China**") on 25 August 2006. The Company was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**SEHK**") on 26 April 2007 and the Shanghai Stock Exchange ("**SSE**") on 9 October 2012.

The Company engages in the non-ferrous metal industry, mainly engaged in mining, beneficiation, smelting and refining of non-ferrous metals, and metal trading business. With its main business located over Asia, Africa, South America and Europe, the Company is the world's leading producer of copper, cobalt, molybdenum, tungsten and niobium. It is a leading producer of phosphate fertilizer in Brazil. In terms of trading business, the Company is one of the leading base metal traders in the world. In 2025, the Company actively expanded into the gold sector, successively completing the acquisitions of Odin Mining del Ecuador and four gold mines in Brazil, diversified our product portfolio. The Company ranks 138th in 2025 Fortune China 500, 630th in 2025 Forbes Global 2000.

FINANCIAL HIGHLIGHTS

I. SUMMARIZED FINANCIAL INFORMATION

Unit: Yuan Currency: RMB

Major accounting information	**2025**	2024	Increase or decrease as compared to last year *(%)*	2023
Operating revenue	**206,683,649,050.43**	213,028,664,834.79	-2.98	186,268,971,920.54
Total profit	**35,161,390,554.31**	25,124,037,230.75	39.95	13,207,963,293.26
Net profit attributable to shareholders of listed company	**20,338,750,797.53**	13,532,035,002.94	50.30	8,249,711,872.51
Net profit after deduction of non-recurring profits or losses attributable to shareholders of listed company	**20,407,254,770.72**	13,118,825,942.69	55.56	6,232,811,345.95
Net cash flow from operating activities	**20,843,060,708.78**	32,386,655,541.72	-35.64	15,542,003,495.74

	At the end of 2025	At the end of 2024	Increase or decrease as compared to end of last year *(%)*	At the end of 2023
Net assets attributable to shareholders of listed company	**82,435,342,286.07**	71,022,993,716.51	16.07	59,540,269,707.03
Total assets	**200,932,364,610.99**	170,236,431,691.82	18.03	172,974,530,702.61

FINANCIAL HIGHLIGHTS

II. MAJOR FINANCIAL INDICATORS

Major financial indicators	**2025**	2024	Increase or decrease as compared to last year *(%)*	2023
Basic earnings per share *(RMB/share)*	**0.95**	0.63	50.79	0.38
Diluted earnings per share *(RMB/share)*	**0.95**	0.63	50.79	0.38
Basic earnings per share after deduction of non-recurring profits or losses *(RMB/share)*	**0.95**	0.61	55.74	0.29
Weighted average return on net assets *(%)*	**26.61**	20.96	Increased by 5.65 percentage points	15.00
Weighted average return on net assets after deduction of non-recurring profits or losses *(%)*	**26.70**	20.32	Increased by 6.38 percentage points	11.31

III. ITEMS AND AMOUNTS OF NON-RECURRING PROFITS OR LOSSES

Unit: Yuan Currency: RMB

Items of non-recurring profits or losses	**2025**	2024	2023
Profits or losses from disposal of non-current assets, including write-off of provision for asset impairment	**-14,140,962.78**	66,475,010.13	2,123,555,131.49
Government grants included in profit and loss for the current period, except for those closely relevant to the Company's normal business and in compliance with national policies and regulations and granted according to the determined criteria or have a continuous impact on the Company's profit or loss	**81,402,522.84**	140,600,398.46	104,751,583.26
Profit and loss of changes in fair value arising from holding of financial assets and financial liabilities by non-financial institutions and the profit and loss arising from disposal financial assets and financial liabilities, except for effective hedging activities associated with normal business operations of the Company	**33,131,453.90**	365,184,697.34	355,074,065.85
Capital utilization fees received from non-financial institutions included in profit or loss for the current period	**56,215,453.69**	24,528,009.79	24,077,394.94
Other non-operating income and expenses other than the above items	**-212,481,406.45**	-141,997,189.58	-80,014,863.12
Other profit or loss items falling within the definition of non-recurring profit or loss	**-1,280,014.75**	-16,889,178.25	22,699,579.14
Less: Income tax effects	**41,242,206.75**	35,638,318.23	535,326,970.56
Effects attributable to minority interests (after tax)	**-29,891,187.11**	-10,945,630.59	–2,084,605.56
Total	**-68,503,973.19**	413,209,060.25	2,016,900,526.56

LETTER FROM THE BOARD

Forging a New Era for CMOC

Dear shareholders,

As we release the 2025 Annual Report, we'd like to extend our gratitude and regards to all shareholders, partners, and friends from all walks of life who have long trusted and supported CMOC's development, as well as to all employees and their families who have fulfilled their duties and worked diligently across our global operations.

Looking back over the past two decades, we seized the commodity supercycle driven by the combined forces of China's industrialization, urbanization and globalization, transforming a small-scale mining enterprise rooted in mountain valleys into an international mining giant with annual profits exceeding RMB20 billion and a market capitalization of hundreds of billions of RMB.

What's past is prologue. CMOC's goal is to become a world-leading, distinctive global mining company. Mission is what defines an organization's values, and our mission is to maximize value creation for our employees, the countries and communities where our resources are located, our shareholders, and all stakeholders.

Mining is inherently global by nature. While privileged to the benefits of globalization, we also face various risks and challenges head-on. Our journey ahead is bound to be fraught with difficulties, yet CMOC's growth is one of striving to accomplish the impossible. As ancient wisdom goes, "Seek the highest goals by tackling the hardest tasks." Though the journey is long, we will reach our destination by walking; though the work is arduous, we will succeed by being persistent. This is not only a true reflection of our past endeavors but also a guiding belief for our future progress.

All our confidence and resolve stem from our strategy and profound insight into the essence of mining. Mining products carry no brand value; competition lies in price, price in costs, and costs in three core dimensions:

First, the natural endowment of resources and industrial development conditions. This can be called the "genetic advantage" or "the quality of the assets we have acquired". It is a fundamental, innate, and unalterable prerequisite.

Second, building an efficient and low-cost management team. As competition hinges on price, cost is the decisive factor.

Third, reducing costs and enhancing efficiency through technological innovation. Globally, mining is a relatively traditional and closed industry, yet ample opportunities exist to leverage technology for cost reduction and productivity improvement.

LETTER FROM THE BOARD

Therefore, competition in the mining industry boils down to the competition of cost and is a contest of systematic capabilities built upon resources endowment. This can be summarized as the “622 model”, where: 60% of cost advantage is determined by resources endowment, which indicates that strategic M&As define a company’s lifeline and genetic makeup; 20% depends on mine planning and engineering to achieve optimal lifecycle costs; and 20% from daily operational capabilities that gives full play to the comparative advantages of Chinese companies and delivers global empowerment of “Chinese efficiency” through lean management.

The comparative advantages of Chinese companies originate from the engineering strength and the collectivism of China. The diligence, pragmatism and ingenuity of the Chinese people form our core strength. The essence of Chinese corporate management is to translate collectivism into tangible productivity through systematization and engineering. This is the inherent mission of every Chinese company in this era. By taking the lead in this transformation, continuously strengthening capacity building and optimizing our organizational structure, we have every confidence to grow into a world-class mining company via a path that is distinctive from our peers.

Strategy is vital to the survival of a company. What a company looks like is closely linked to its phased and long-term strategies. A sound strategy must be formulated by those who are grounded in real operations yet possess a broad vision. Strategy is the purview of a select few, requiring both frontline experience and strategic mindset. Here lies a paradox: those in the trenches lack vision, while those with vision often stay out of the trenches. Strategic differences thus shape a company’s unique character. In the past, we acted decisively at the bottom of industry cycles and acquired multiple world-class assets, successfully building our moat of resources, thus the 60% success. Today, the global energy transition is accelerating, with the AI computing revolution and electrification reshaping copper’s industrial value and market landscape. Amid complex and volatile geopolitics and economic headwinds, gold’s financial and risk-averse attributes have become increasingly prominent, ushering in an era of core assets defined by “copper and gold in tandem”. We will firmly implement our “Copper-Gold Dual Core” strategy, give full play to our “hunter instinct” for precise M&A, iterate and upgrade our “multi-commodity, multi-country, multi-stage” M&A strategy, deepen our presence in Africa, expand in South America, and advance in Asia, locking in new growth drivers to sustain the Company’s long-term development.

To achieve the leap from “resources advantage” to “comprehensive competitive advantage”, we must build capabilities to achieve success in the two 20%s: planning and construction and daily operations. Project planning and construction shall focus on optimal lifecycle costs, taking a holistic and long-term view. Based on universal scientific principles, we will unleash human creativity and initiative, integrating technology, construction, infrastructure, community relations and other factors into top-level design. We will proactively introduce the DNA of advanced manufacturing, reshape the entire process with lean management concepts, and embed standardized, process-driven and intelligent management thinking into every link of project planning, construction and operations, as well as the full value chain of exploration, mining, processing, metallurgy, environmental protection and trading, ushering in CMOC’s Lean Production 2.0 era.

LETTER FROM THE BOARD

Platform-based development is the key to leap from “individual operations” to “systematic success”. We will establish a more efficient and systematic management framework, consolidate our proven professional capabilities accumulated through practice into platform-based strengths, and empower all mining areas with the unified global strength of the Company. We will develop a complete platform capability across nine dimensions: safety assurance, community governance, public relations, power supply, supply chain, informatization, automation and intelligence, technology, finance and human resources.

In platform development, digitalization serves as the foundation and AI as the engine. We will coordinate global digital resources, upgrade automation systems across mining areas, and build a genuine mineral processing expert system. AI is not an optional add-on to traditional mining; it is a compulsory course for future survival and long-term growth. We will embrace AI with an open mind and firm determination, injecting vitality into the time-honored mining industry through technology.

The essence of globalization is value creation to all stakeholders. To move fast, we must also root deep. Only by aligning commercial goals with the long-term development of local communities can a company take firm root and thrive. We will continue to uphold world-class and domestic leading ESG standards, avoid empty talk and vanity, and meet stakeholders’ expectations through tangible community investment and stringent environmental standards. We will stay committed to the long-term and continue to consolidate the foundation for sustainable development, advance our global business in a more steady, transparent and responsible manner, and strive for the coordinated integration of corporate value creation, employee growth, community development and environmental protection.

“Where there is a shared will, mountains and seas are not distant.” Rooted in the value proposition of integrity, purity, pragmatism, curiosity, openness, inclusiveness, introspection and excellence of CFC Group, our controlling shareholder, we will foster a corporate culture of openness, inclusiveness, transparency and candor, one that reflects the characteristics of mining, embodies CMOC’s unique identity and adapts to international development. We will gather strivers from different backgrounds under one shared vision, united as like-minded partners on the same journey.

The year 2026 marks the beginning of a new era for CMOC. What we embark on is not mere linear expansion, but thorough self-reform and comprehensive capability upgrading. What we aim to build is a world-leading, distinctive global mining company. What we will contribute to the world is a proven “global mining methodology”. What we will unfold is a future mining landscape driven by green metals, empowered by AI and supported by operational excellence.

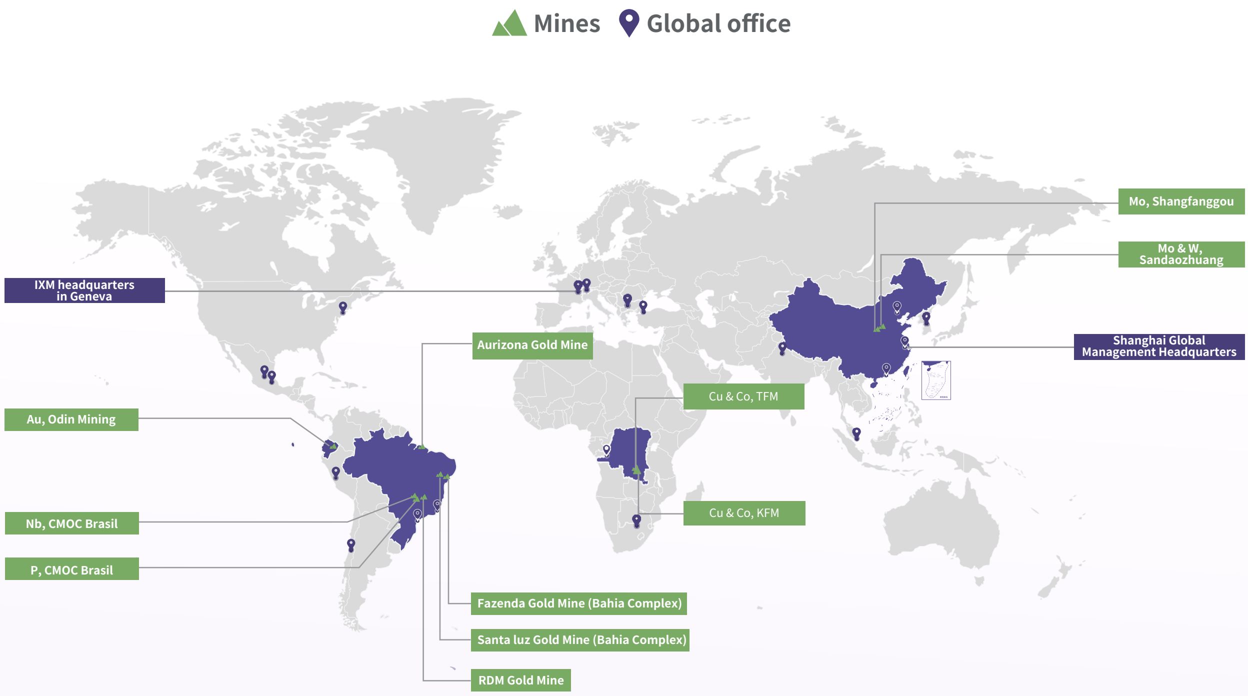
Where our heart leads, we will advance without hesitation. Having chosen a distant horizon, we will forge ahead through wind and rain. Let us march forward with firm steps, stand side by side, cross mountains and seas, and open the door to a new world!

Board of Directors of CMOC Group Limited
Shanghai, China

REPORT SUMMARY

COMPANY INTRODUCTION

The Company engages in the non-ferrous metal industry, mainly engaged in mining, beneficiation, smelting and refining of non-ferrous metals, and metal trading business. With its main business located over Asia, Africa, South America and Europe, the Company is the world' s leading producer of copper, cobalt, molybdenum, tungsten and niobium. It is a leading producer of phosphate fertilizer in Brazil. In terms of trading business, the Company is one of the leading base metal traders in the world. In 2025, the Company actively expanded into the gold sector, successively completing the acquisitions of Odin Mining del Ecuador and four gold mines in Brazil, diversified our product portfolio. The Company ranks 138th in 2025 Fortune China 500, 630th in 2025 Forbes Global 2000.



80+ Countries

The trading network covers **over 80** countries and operating **11** high-quality mines in **4** countries

恒生指數 HANG SENG INDEXES

Included as a constituent of the Hang Seng Index for the **first time**
Included as a constituent of the FTSE China A50 Index the SSE 50 Index the CSI 300 Index for the **first time**

Ranked **138** in Fortune China 500 in 2025

Wind ESG

Wind ESG **AAA** rating

REPORT SUMMARY

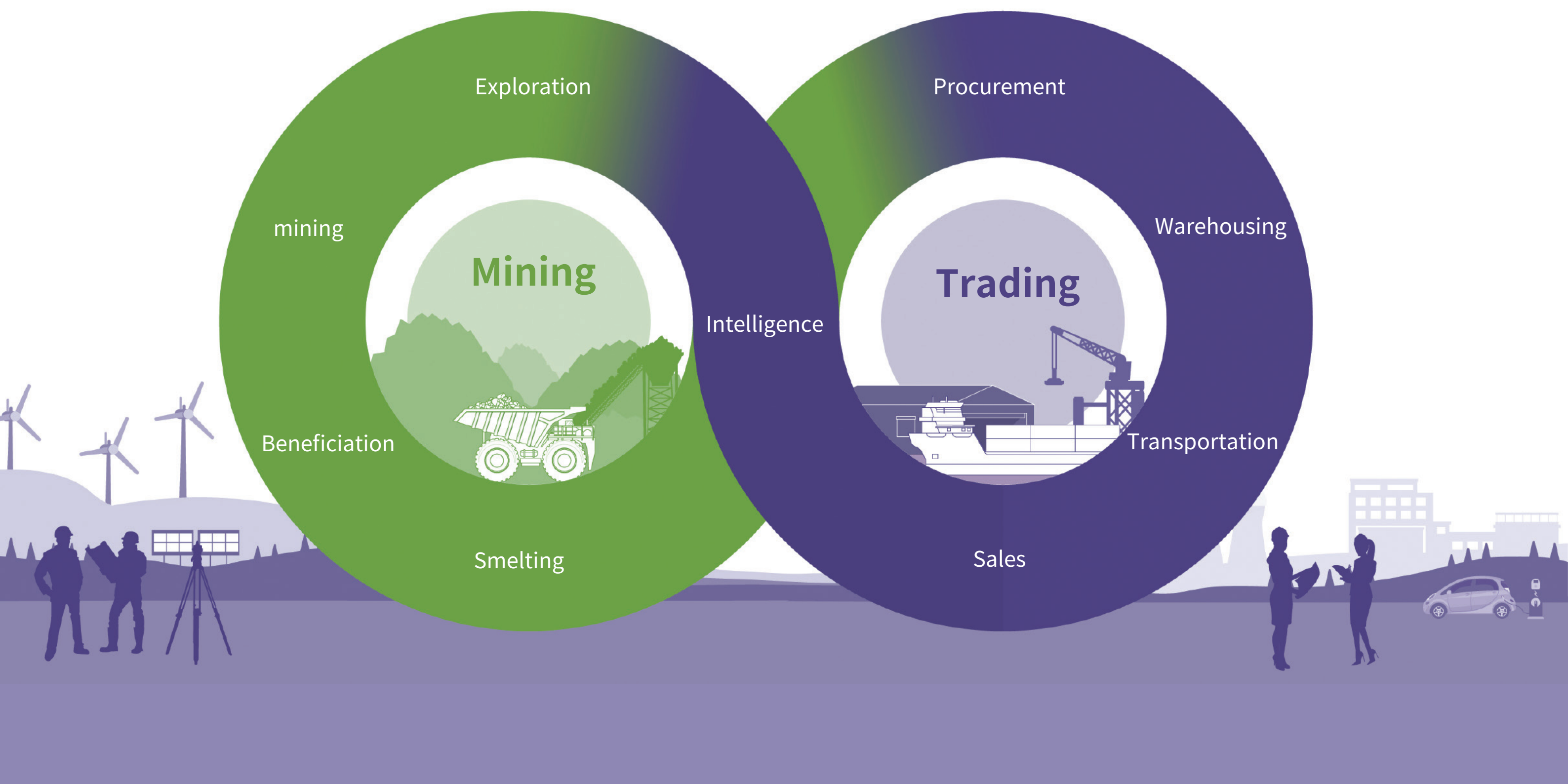
BUSINESS MODEL

Driven by the dual engines of "**mining + trading**" with strategic synergies between the two businesses.

For mining sector, the Company covers "**exploration – mining – beneficiation – smelting**" 4 steps, producing copper, cobalt, molybdenum, tungsten, niobium and phosphate fertilizers. The Company starts to produce gold in 2026. The Company has strong capabilities in **resource merger and acquisitions, scientific pre-development planning and refined operational management**, as well as ancillary organization, management, talent, technological and supply chain service systems to support its operations.

For trading sector, IXM operates in over 80 countries across Asia, Europe, South America and North America, establishing a global metals trading network, and covering 5 steps: **procurement – warehousing – transportation – sales – intelligence**.

- Products from the mining sector are sold through IXM, while the Company leverages IXM's **latest market insights** to **provide information reference** in merger and acquisitions, exploration, project planning and the pacing of production and operations. Going forward, the Company will continue to seek high-quality targets, guided by its strategic priorities of "**multiple commodites, multiple countries and multiple phases**".
- IXM leverages its outstanding **research strengths** and **market intelligence capabilities** to not only drive its own spot and proprietary trading business but also actively assist the Company in formulating effective **product marketing strategies** and **ancillary operational mechanism**. By capitalizing on the **transaction execution capabilities** and **risk control mechanism**, IXM enhances operational efficiency through its global sales network and solid partnerships. It also **optimizes its product sales regions and customer base**, strengthening market positioning and brand influence.
- All of the mines, as well as IXM, **uphold high standard ESG Principles** and are dedicated to advancing responsible production throughout the metals value chain.



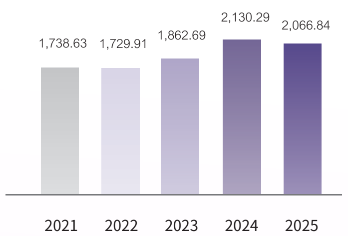
REPORT SUMMARY

2025
**Organizational upgrade as the main priority,
continuous refined operations to build a platform-oriented company**

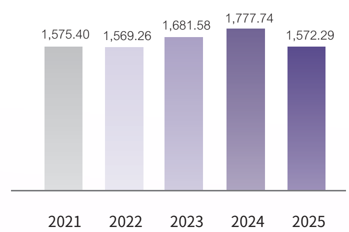
Significant results:

Record performance achieved for five consecutive years:
Net profit attributable to the parent company reached RMB20.3 billion, YoY up 50.30%
Return on equity reached 26.61%, YoY up 5.65 percentage points

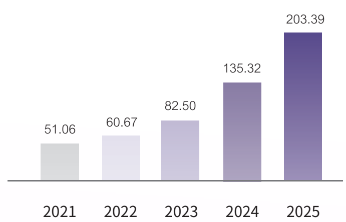
Operating revenue (RMB 100 million) YoY down 2.98%



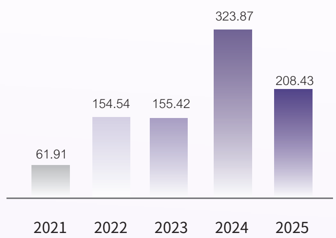
Operating costs (RMB 100 million) YoY down 11.56%



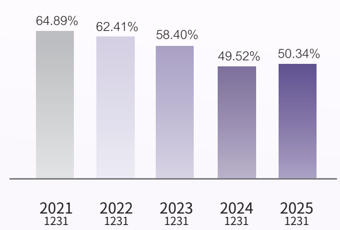
Net profit attributable to the parent company (RMB 100 million) YoY up 50.30%



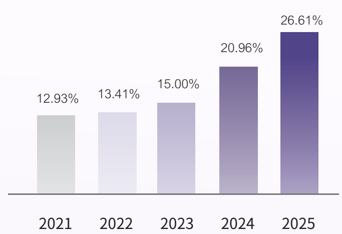
Net operating cash flow (RMB 100 million) YoY down 35.64%



Gearing ratio YoY up 0.82 pp



Return on net assets YoY up 5.65 pp



Continuous Performance Growth Coupled with Commitment to Sustainable Development:

■ Robust ESG governance

Copper Mark
TFM has successfully completed the re-audit for the Copper Mark, fully meeting all 32 criteria
KFM has initiated the Copper Mark audit

System Development
Advancing digitalization development in the ESG domain
Promoting the establishment of del Ecuador ESG management system

■ Outstanding environmental performance

Scope 3
Released the first environmental information disclosure (TCFD) report and took the lead in developing and disclose carbon emission Scope 3 methodology report

70%
Copper product carbon emission intensity is lower than 70% of mining companies

Renewable energy accounts for 38% worldwide
Further up 2 percentage points compared with 2024

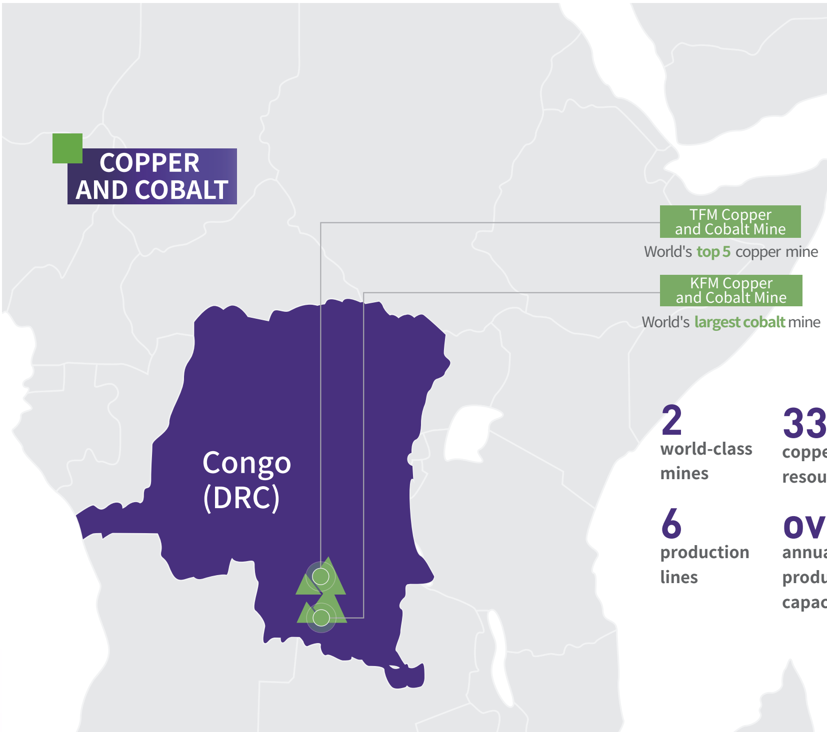
Recycled water usage reaches89%
Further up 8 percentage points

■ Positive social impact

RMB182.42 billion
Total global direct economic contribution

RMB488 million
Global community investments covering education, healthcare and infrastructure development

REPORT SUMMARY



2 world-class mines

33,580kt copper resources

5,238kt cobalt resources

6 production lines

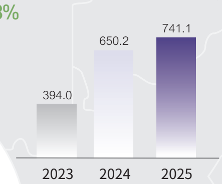
over 700kt annual copper production capacity

KFM Phase II
Expected to commence production in 2027
Increase annual copper production capacity by 100,000 tonnes

RMB 61.3 billion
segment mining sector operating revenue

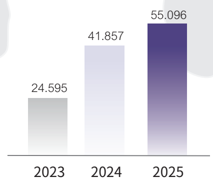
Copper production volume 741.1 kt

Completion rate 118% — YoY up 13.99%



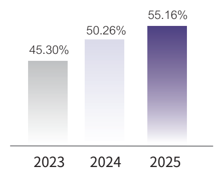
Operating revenue RMB 55.096 billion

YoY up 31.63%



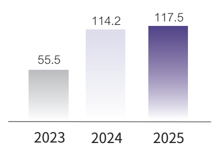
Gross profit margin 55.16%

YoY up 4.9 percentage points



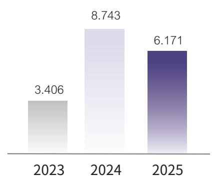
Cobalt production volume 117.5 kt

Completion rate 107% — YoY up 2.96%



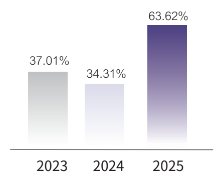
Operating revenue RMB6.17 billion

YoY down 29.42%



Gross profit margin 63.62%

YoY up 29.31 percentage points



(*The completion rate is calculated based on the midpoint of the production guidance, and the same applies hereinafter)

REPORT SUMMARY

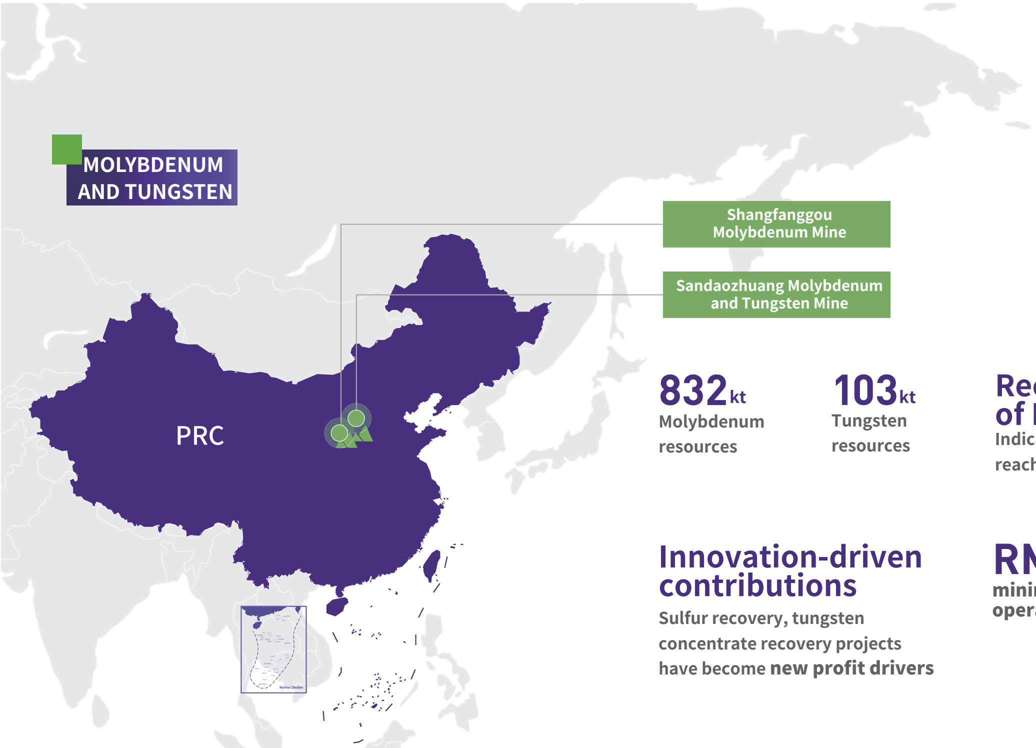
5
High-quality gold mine

20tonnes
Expected gold production capacity by 2029

232MW
Proactively secure power supply for the Odin gold mine

6-8tonnes
Expected gold production of the Brazil Gold Mine in 2026

REPORT SUMMARY



832kt
Molybdenum resources

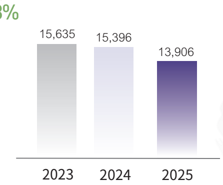
103kt
Tungsten resources

Recovery rate of Modw
Indicators reached record highs

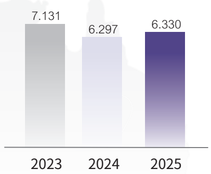
Innovation-driven contributions
Sulfur recovery, tungsten concentrate recovery projects have become **new profit drivers**

RMB8.8billion
mining sector operating revenue

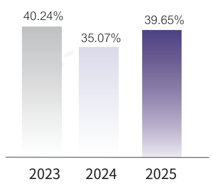
Molybednum production volume 13,906tonnes
Completion rate 103%
YoY down 9.68%



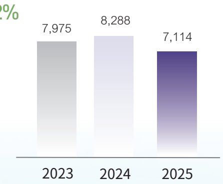
Operating revenue RMB6.33billion
YoY up 0.52%



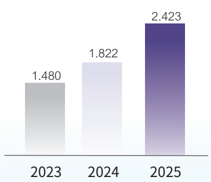
Gross profit margin 39.65%
YoY up 4.58 percentage points



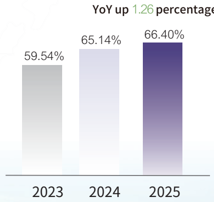
Tungsten production volume 7,114 tonnes
Completion rate 102%
YoY down 14.17%



Operating revenue RMB2.42billion
YoY up 32.96%

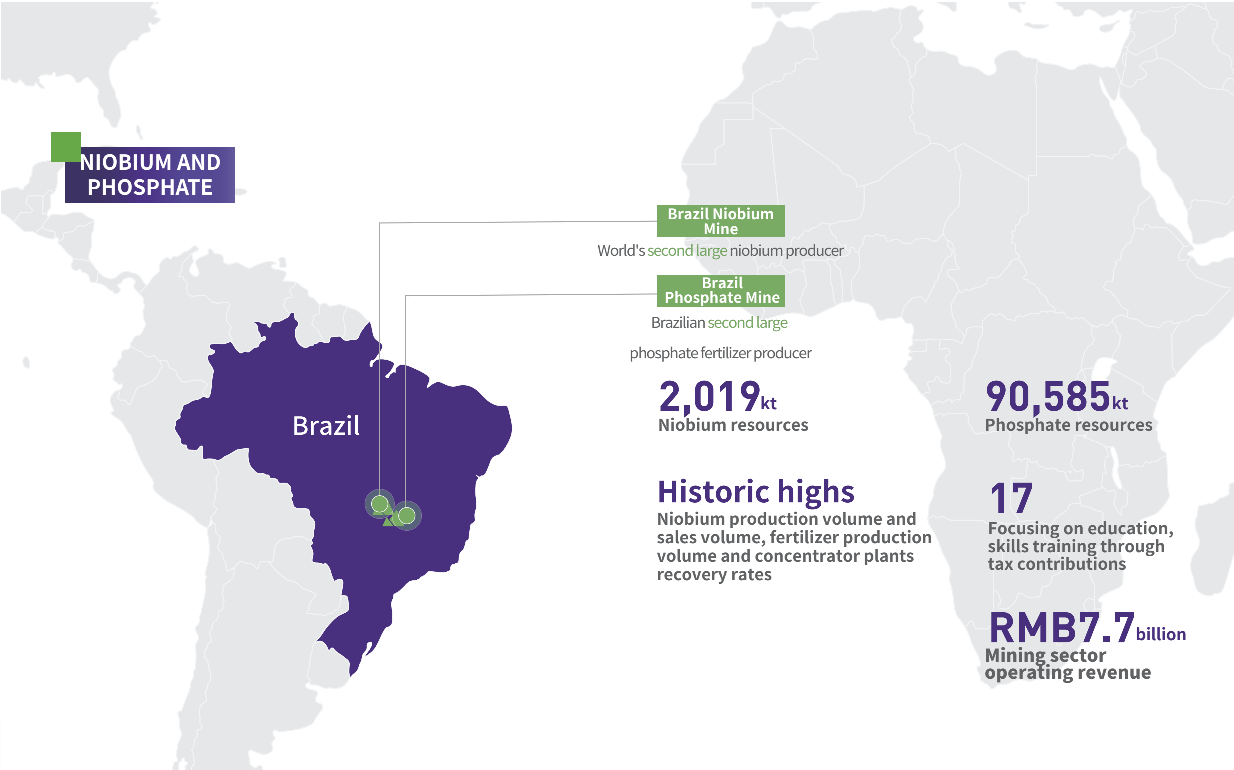


Gross profit margin 66.40%
YoY up 1.26 percentage points



REPORT SUMMARY

NIOBIUM AND PHOSPHATE



2,019kt
Niobium resources

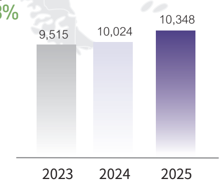
90,585kt
Phosphate resources

Historic highs
Niobium production volume and sales volume, fertilizer production volume and concentrator plants recovery rates

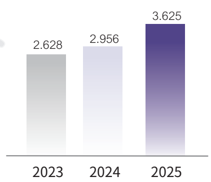
17
Focusing on education, skills training through tax contributions

RMB7.7billion
Mining sector operating revenue

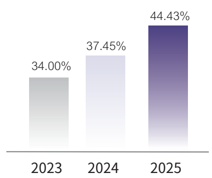
Niobium production volume **10,348** tonnes
Completion rate 103% | YoY up 3.23%



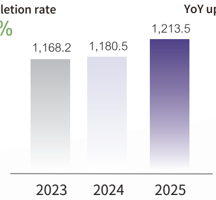
Operating revenue **RMB3.625** billion
YoY up 22.65%



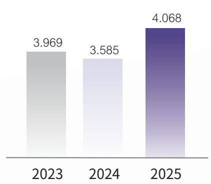
Gross profit margin **44.43%**
YoY up 6.98 percentage points



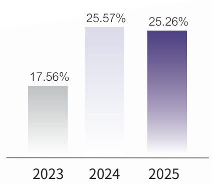
Phosphate fertilizer production volume **1,213.5**kt
Completion rate 106% | YoY up 2.80%



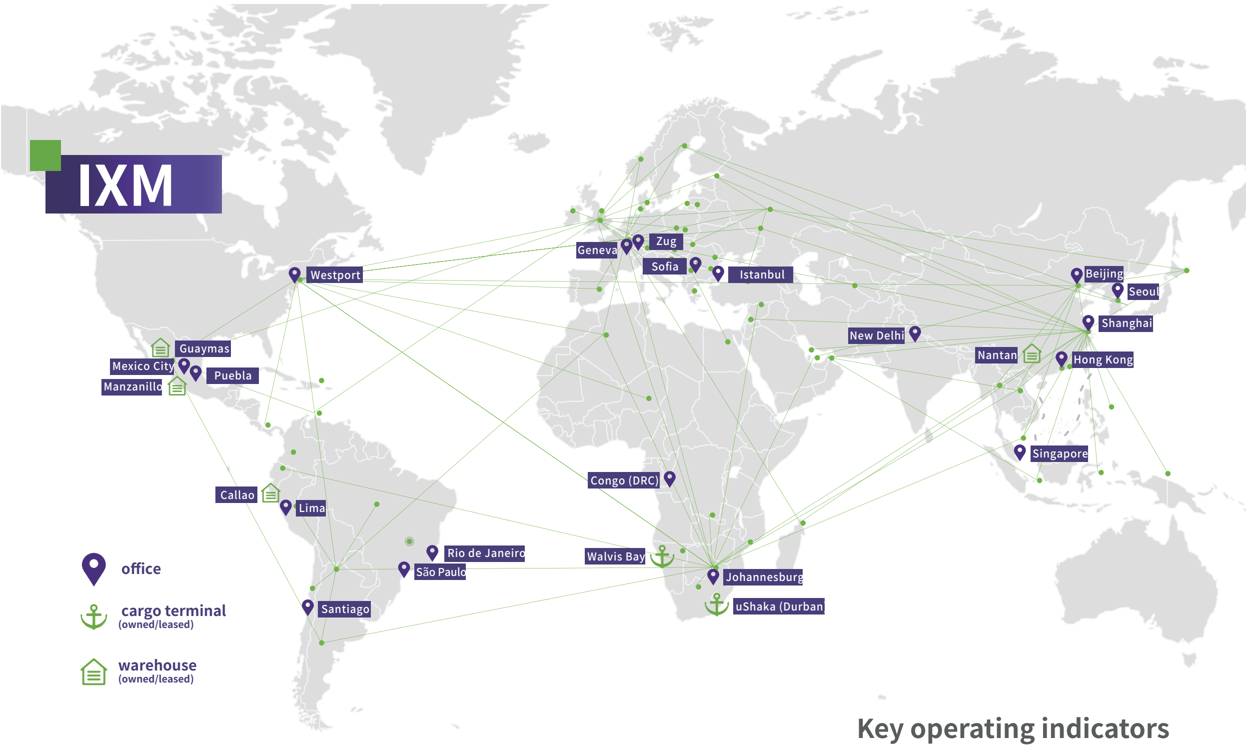
Operating revenue **RMB4.08** billion
YoY up 13.47%



Gross profit margin **25.26%**
YoY down 0.31 percentage points



REPORT SUMMARY



IXM is primarily engaged in the trading of **concentrates** and **refined metals.** In 2025, IXM improved quality and controlled quantity, and effectively managed its business models, liquidity and trading risks, **achieving another outstanding performance.**

Main traded commodities:

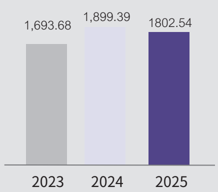
copper, cobalt, niobium, nickel, lead and zinc

Futures and spot trading combination

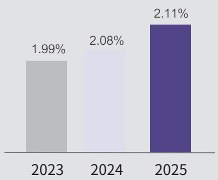
In the upward cycle of the spot market, profits from the spot trading side under the business model that combines futures and spot trading offset losses from the futures business side, while in the downturn of the spot market, profits from the futures business side offset losses from the spot business side. This business model reduces the risk of industry cyclicality and price fluctuations, and creates stable and sustainable profits for the Company.

Key operating indicators

Operating revenue (RMB100 million)



Gross profit margin (according to International Accounting Standards)



MANAGEMENT DISCUSSION AND ANALYSIS

I. BUSINESS REVIEW

2025 Operating Review (Operating Highlights)

1. Record Highs in Both Performance and Output

The Company continued to leverage its production capacity advantages, deepened the construction of its refined system, and efficiently coordinated its mining and trading sectors, achieving breakthroughs in both operating performance and core product output, both reaching record highs.

In 2025, the Company's operating indicators performed exceptionally well, with overall profitability and financial structure remaining robust: operating revenue reached RMB206.684 billion, a year-on-year decrease of 2.98%; net profit attributable to the parent company reached RMB20.339 billion, a year-on-year increase of 50.30%; and the asset-liability ratio (total liabilities divided by total assets) was 50.34%, maintaining a relatively low level in the industry.

In terms of production, the Company's output of all products exceeded the midpoint of the production guidance in 2025, with core products performing particularly well: copper production reached 741.1kt, a year-on-year increase of 13.99%, ranking the world's top ten largest copper producer; niobium production reached 10.3kt, a year-on-year increase of 3.23%.

2. Acquiring Gold Mines to Expand Footprint

Following its global strategic layout of "multiple commodities, multiple countries and multiple phases", the Company focused on expanding gold resources in 2025. Through a series of precise acquisitions, it officially launched its gold business segment, achieving a diversified upgrade in its mineral portfolio.

In June 2025, the Company successfully acquired 100% equity of Odin Mining in Ecuador for CAD581 million. In August of the same year, its subsidiary, Odin Mining, signed an agreement with Ecuador's Elit Corporation, securing exclusive power supply rights for four hydroelectric power stations totaling 232 megawatts, laying a solid foundation for a safe, stable, and reliable power supply system. Currently, the Odin Mining gold project is in the preparatory phase, with progress advancing steadily, and plans to put into operation in 2029.

In December 2025, the Company further strengthened its gold resource layout, announcing the acquisition of 100% equity in four producing gold mines in Brazil (Aurizona Gold Mine, RDM Gold Mine, and the Bahia Complex Mine Area) for US$1.015 billion. Leveraging local operational expertise, the transaction was completed in just 40 days. The Brazilian gold mines are projected to produce 6-8 tons of gold in 2026, and the gold sector will gradually become a new growth driver for the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

3. *Strengthening Governance through Organizational Upgrades and Enhancing Global Operation Efficiency*

In 2025, the Company further advanced its organizational structure, focusing on building a professional, international, and youthful core management team, and continuously improving its global resource integration and governance capabilities. During the year, the Company successfully recruited several outstanding talents with strong industry backgrounds and rich experience in multinational operations, further optimizing the management team structure and strengthening core decision-making and execution capabilities. Under the leadership of the new core management team, the Company will continue to deepen the reform of its management mechanism, promote refined production and operation, and strive to build a global platform organization, injecting strong momentum into the Company's new round of high-quality growth.

4. *Expanding Scale through Increasing Production Capacity and Efficiency Improvement, Upgrading Operation Quality while Emphasizing Efficiency*

In Africa, TFM and KFM, the copper-cobalt projects have increased their existing production capacity through throughput enhancement initiatives and recovery rates improvement campaigns. Meanwhile, KFM's Phase II expansion project is progressing smoothly, with the project scheduled to put into operation in 2027. Once operation, it is expected to add 7.26 million tonnes/year of ore processing capacity, contributing approximately 100,000 tones per year at full capacity of copper, further expanding the Company's copper production capacity.

In Brazil, the Company strengthened its technological cooperation with Chinese research institutions, resulting in a continuous increase in niobium and phosphate recovery rates, and a record high in ferroniobium production.

In China, molybdenum and tungsten recovery rates both improved, with technical indicators reaching new highs. Simultaneously, the Company continued to deepen its involvement in the comprehensive recycling field, achieving industrial-scale production of sulfur recovery, entering trial operation of rhenium recovery, and realizing large-scale comprehensive utilization of tailings.

In 2025, IXM continued to implement structural reforms to its product line, strengthened risk management and control, deepened the integration of futures and spot markets, improved quality and controlled quantity, achieving another record high in operating efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS

5. *Issuing Convertible Bonds to Optimize Capital Structure and Promote Development*

In January 2026, to further optimize its capital structure and ensure the smooth implementation of its global strategy, the Company successfully completed the issuance of US$1.2 billion in one-year zero-coupon convertible bonds. The initial conversion premium reached 28.70%, fully demonstrating the capital market's high recognition of the Company's development prospects.

The funds raised will be primarily used for supporting the expansion and upgrading of the Company's overseas resource projects, operational optimization, and ongoing capital expenditures, while further enhancing the flexibility of the company's working capital.

6. *Leading the Industry in ESG Initiatives and Setting a Benchmark for Sustainable Development*

The Company consistently integrates sustainable development principles into all aspects of its operations and management, deeply cultivating ESG practices. Its outstanding performance across various sectors maintains a leading position in the industry, demonstrating its corporate social responsibility and industry influence.

Regarding ESG ratings and accolades, the Company received the highest Wind ESG AAA rating for the first time, was listed among the "Top 100 Chinese Listed Companies with the Best ESG Practices". During the year, the Company received the "China Outstanding Management Enterprise" award for the first time and was included in S & P Global's "Sustainability Yearbook (China Edition) 2025" for three consecutive years.

In October 2025, the TFM copper-cobalt mine in the DRC successfully passed The Copper Mark's re-audit, with all areas rated as "fully compliant".

MANAGEMENT DISCUSSION AND ANALYSIS

2025 BUSINESS REVIEW OF EACH METAL SEGMENT

In 2025, the Company's mining and trading segments operated well, with production volumes of various commodities meeting expectations. The specific production volume and physical trading volume are as follows:

Major products	**Unit**	**Production volume, physical trading volume of 2025**	Production volume, physical trading volume of 2024	YoY change
Copper metal	tonnes	**741,149**	650,161	13.99%
Cobalt metal	tonnes	**117,549**	114,165	2.96%
Molybdenum metal	tonnes	**13,906**	15,396	-9.68%
Tungsten metal	tonnes	**7,114**	8,288	-14.17%
Niobium metal	tonnes	**10,348**	10,024	3.23%
Phosphate fertilizer	0'000 tonnes	**121**	118	2.80%
Physical trade volume	0'000 tonnes	**471**	554	-14.98%

Note: The discrepancy between the above table and the data in the Company's announcement No. 2026-001 are due to the differences in statistical caliber.

II. INDUSTRY REVIEW

Market price of relevant products of the Company

Products		**2025**	2024	Change YoY (%)
Cu	Copper (USD/tonne)	**9,944.94**	9,146.79	8.73
Co	Cobalt (USD/lb)	**16.08**	11.26	42.81
	Payable Ratio (%)	**80.16**	57.45	39.53
Au	Gold (USD/oz)	**3,431.54**	2,386.20	43.81
Mo	Ferromolybdenum (RMB'0,000/tonne)	**24.38**	23.08	5.63
W	APT (RMB'0,000/tonne)	**31.75**	20.17	57.41
Nb	Ferroniobium (USD/kg of niobium)	**48.68**	46.46	4.78
P	MAP (USD/tonne)	**690.30**	602.74	14.53

Note: The price of copper is the spot average price on LME (London Metal Exchange); Cobalt price is the average price of standard grade cobalt (low-end) on the Fastmarkets MB (Metal Bulletin); Gold price is from the London Bullion Market Association (LBMA); The prices of ferromolybdenum and APT are the average prices quoted on the website of Comelan (60% for ferromolybdenum, APT GB-0); Ferroniobium and phosphate fertilizer prices are from Argus Media.

MANAGEMENT DISCUSSION AND ANALYSIS

1. Copper industry

In 2025, LME spot copper averaged $9,944.94/t, up 8.73% year-on-year. From late September, copper prices surged on supply disruptions at major mines, regional supply mismatches, and fund inflows into industrial metals. Prices broke above 12,500 USD/t in late December.

CRU data shows global refined copper output rose 3.4% year-on-year in 2025, driven by new Chinese smelting capacity and gradual ramp-up of Sx-Ew operations in the DRC. Global demand grew 3.3% year-on-year, also led by China. Growth of traditional sectors slowed down due to construction weakness, while new energy (EVs, renewables, grid upgrades) became the core demand driver.

Notably, the 2025 global copper market supply showed sharp regional divergence. Anticipated US tariffs on refined copper widened the COMEX-LME price gap, doubling US refined imports and creating a US surplus alongside shortages elsewhere, reflected in regional price spreads.

2. Cobalt industry

In 2025, MB cobalt metal averaged $16.08/lb, up 42.81% year-on-year. The DRC export ban shifted global cobalt from surplus to structural imbalance, with inventories falling outside the DRC and prices rallying sharply.

CRU data shows 2025 global cobalt raw material output at around 270kt, down 3.4%. DRC production fell 10.2% to around 189kt, while Indonesia rose 37.7% to around 46kt. The export ban by the DRC, first imposed in February 2025, imposed continued constraint on export of cobalt intermediates. Smelters in global relied on in-transit and historical stocks, cutting refined output by 6.2% year-on-year to 223kt.

Demand grew 9.1% to around 235kt in 2025 as estimated by CRU, supported by China's EV trade-in program and AI upgrades in consumer electronics.

3. Gold industry

In 2025, LBMA spot gold averaged around 3,431.50 USD/oz, up 43.81% year-on-year. From late March, prices accelerated on escalating geopolitical conflict, Fed easing expectations, and persistent central bank buying. Prices rose to over 4,000 USD/oz in late October and kept reaching new highs.

World Gold Council data shows total global gold supply rose around 1% to over 5,000 tonnes in 2025. Mine output edged up to 3,672 tonnes, while high prices lead to around 3% increase in scrap supply to over 1,400 tonnes and making scrap a key source of additional supply in the market. Total demand grew to over 5,000 tonnes, up around 1% year-on-year. Structurally, the market showed clear divergence: central banks kept net buying, with sovereign funds and EM central banks accelerating de-dollarization, driving London premiums higher. Investment sentiment improved with the price rally, with strong inflows into bars, coins, and ETFs. Tech demand was flat. Going forward, geopolitical situations may further support risk-aversion demand.

MANAGEMENT DISCUSSION AND ANALYSIS

4. Molybdenum industry

In 2025, China ferromolybdenum price averaged over RMB243,800 per tonne, up 5.63% year-on-year, still near historical high.

Antaike data shows a small global surplus in 2025 global molybdenum market: output rose 3.2% year-on-year to around 307kt Mo, consumption up 4.5% year-on-year to around 303kt. China produced around 133kt, up 0.8% year-on-year, as no new capacity came online, expansion projects were back-loaded, and safety incidents caused temporary stoppages. In the second half year, weak Western demand diverted international material to China, flipping the market from tight to loose in Q4 and capping prices.

On the demand side, China consumed around 152kt in 2025, up 9.3% year-on-year. Stainless demand was steady, while specialty steel orders for wind power surged, driving most growth.

5. Tungsten industry

In 2025, China APT averaged RMB317,500 per tonne, up 57.41% year-on-year. Prices climbed from RMB205,000 per tonne to RMB690,000 per tonne at the year-end.

Antaike data shows national tungsten concentrate output (metal content) at 65kt in 2025, down 0.9% year-on-year under state mining quotas. Domestic consumption was around 76kt. After deducting 12kt of scrap, primary demand was around 64kt, up 4.3% year-on-year, representing a clear supply-demand mismatch.

Since export controls of tungsten related products began in 2025, the domestic-export price difference widened. Solar tungsten wire and cemented carbide demand remained strong. China prices initially followed, then started to lead global markets from Q4. With minimal mine growth, the market relied on imports and scrap recycling to fill the gap. This structural imbalance, unlikely to ease soon, pushed prices to record highs.

6. Niobium industry

In 2025, ferroniobium averaged 48.68 USD/kg Nb, up 4.78% year-on-year. Supply remained stable in long-term, but periodic supplier cutbacks constrained spot liquidity. In the second half year, a mine strike tightened conditions versus the first half year, pushing spot prices of ferroniobium higher despite no fundamental shift. Steel demand remained steady, supporting offtake under long-term contracts.

7. Phosphate industry

In 2025, MAP averaged around 690.30 USD/t, up 14.53% year-on-year. Key drivers include continued Chinese fertilizer export restrictions and affected the global supply of fertilizer, higher input costs (especially sulfur) to increase the production cost, and producer reallocation – some capacity switched to DAP for arbitrage into India.

Brazilian fertilizer demand exceeded 49 million tonnes in 2025, up 7.7% year-on-year, as farmers intensified inputs to lift yields on expanding soy, corn and cane acreage. Facing high MAP prices, Brazilian farmers shifted to lower-analysis alternatives like SSP. Total Brazilian fertilizer imports hit around 45 million tonnes in 2025, a record high.

MANAGEMENT DISCUSSION AND ANALYSIS

III. FINANCIAL REVIEW

FINANCIAL INFORMATION SUMMARY

The announced results, assets and liabilities and minority interests of the Group for the last five financial years are as below:

Unit: million Currency: RMB

Item	2025	2024	2023	2022	2021
Operating income	**206,684**	213,029	186,269	172,991	173,863
Total profit	**35,161**	25,124	13,208	9,804	8,755
Income tax expenses	**11,134**	9,665	4,677	2,612	3,327
Net profit	**24,027**	15,459	8,531	7,192	5,428
Net profit attributable to owners of the parent company	**20,339**	13,532	8,250	6,067	5,106
Profit or loss attributable to minority interests	**3,689**	1,927	281	1,125	322

Item	2025	2024	2023	2022	2021
Total assets	**200,932**	170,236	172,975	165,019	137,450
Total liabilities	**101,146**	84,294	101,013	102,982	89,186
Total equity attributable to shareholders of the parent company	**82,435**	71,023	59,540	51,699	39,845
Total minority interests	**17,351**	14,919	12,422	10,338	8,419

The summary does not constitute part of the audited consolidated financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

IV. PROSPECTS

2026 BUSINESS PROSPECT

1. *Based on future economic and market dynamics, the production and physical trade guidance for 2026 set by the Company are as follows:*

Major products		**Production and physical trade guidance for 2026**
Copper metal	0'000 tonnes	76-82
Cobalt metal	0'000 tonnes	10-12
Gold [Note 2]	tonnes	6-8
Molybdenum metal	0'000 tonnes	1.15-1.45
Tungsten metal	0'000 tonnes	0.65-0.75
Niobium metal	0'000 tonnes	1.0-1.1
Phosphate fertilizer	0'000 tonnes	105-125
Physical trade volume	0'000 tonnes	400-450

Notes:

1. On 15 December 2025, the Company announced the acquisition of 100% equity interests in the Aurizona Gold Mine, RDM Gold Mine, and Bahia Complex Mine Area from Canadian listed company Equinox Gold Corp. for US$1.015 billion. The project was completed in January 2026.

2. The above gold production guidance is annualized.

3. The above production guidance is based on the judgement of current economic environment and expected economic development trend. Whether they may be realized or not depends on the macro-economic environment, industry development, market circumstance and other factors, which is subject to uncertainty, and the Board will make timely adjustments to the above production guidance based on the market conditions and the actual business situation of the Company. The above production plans do not constitute substantive commitments to investors, and investors shall exercise caution about investment risk.

2. *Industry landscape and trends*

(1) *Copper market*

For 2026, as mine disruptions persist, ore grades keep declining at major operations, and large new projects are scarce, concentrate supply will remain tight. Demand will evolve structurally: grid upgrades, EVs, AI data centers, and energy storage become key growth drivers. Copper price is expected to remain high supported by easing liquidity amid the anticipated rate cuts by the Fed and the weakening US dollar in 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

(2) *Cobalt market*

For 2026, global cobalt supply uncertainty remains due to the DRC's around 96,600 tonnes annual export quota and Indonesian nickel quota approvals. Cobalt demand stays resilient across batteries, superalloys, and catalysts. China's EV trade-in and tax policies will continue to support battery consumption and stable ternary demand in 2026. Incremental growth from low-altitude economy and power tools will support cobalt prices.

(3) *Gold market*

For 2026, mine supply growth will remain low against depletion of operating reserves and limited incremental supply growth. Central bank buying should stay net positive, with sovereign funds continuing diversification. Investment demand will recover with rising ETF and gold bar allocation as the Fed cuts rates. Geopolitical uncertainty plus US dollar system restructuring will sustain risk-aversion demand. Gold will stay elevated with a firm bias in 2026.

(4) *Molybdenum market*

For 2026, supply improvement is expected. Expansion projects in Xizang, Northeast China and Henan province are coming online. Despite ore grade declines at some large mines, China output should grow. North and South American copper-molybdenum mines also have expansion plans, with some material continuing to flow to China. China molybdenum supply may rise versus 2025. Demand-side, as China upgrades advanced manufacturing and the global energy transition deepens, penetration of molybdenum-bearing steels in new energy, high-end manufacturing, and marine engineering will grow faster. China steel sector demand should grow steadily in 2026, supporting a positive industry outlook.

(5) *Tungsten market*

For 2026, supply contraction continues. Mining quotas are expected to tighten further. Environmental standards are rising in Hunan and Jiangxi, and the state is cracking down on illegal mining and smuggling. New mine projects are slow to commission. Total supply stays tight. While imports and scrap recycling can fill some gaps, the offset is limited. Growth of traditional cutting tools and wear parts may slow down, but high-end tools, solar tungsten wire, semiconductor targets, and fusion energy should grow strongly. As the first year of the "15th Five-Year Plan", tungsten markets will stay in an upward cycle in 2026, constrained by rigid supply and transitioning toward high-quality demand.

MANAGEMENT DISCUSSION AND ANALYSIS

(6) *Niobium market*

For 2026, as incremental capacity returns, supply should improve slightly, easing 2025's spot tightness. Demand from traditional HSLA and alloy steel should stay strong, supporting global consumption growth. Battery materials and high-end electronics demand for niobium oxide should rise modestly – a small share of total demand, but incremental support.

(7) *Phosphate market*

For 2026, China has expanded and extended fertilizer export restrictions, continuing to reshape global supply. On demand side, Brazilian farmer credit constraints persist, but as soil nutrient replenishment needs emerge, planted area expands, and yields rise – plus potential North American subsidies boosting spring demand – phosphate demand should grow versus last year, with the market steadily improving.

The above market prospect is for reference only. Metal market prices are subject to significant fluctuations due to multiple factors such as macro-economic environment, geopolitics, and supply and demand dynamics. It does not constitute any investment advice or trading basis, and investors should bear the corresponding investment risks themselves when making investment decisions based on it.

3. *Priorities of the Company for 2026*

2026 will be a pivotal year for the Company to fully implement its new development strategy and to further advance platform-based operation and refined operations. We will focus on advancing the following five key implementation initiatives:

(1) *Adhering to the "Full-Cycle" Philosophy to Transform Resource Advantages into Capacity Advantages*

The Company will incorporate all key elements into top-level project planning and establish a clear pathway from "resources" to "production capacity".

Africa segment (systematic capacity expansion to increase copper production): Through process improvement and technological upgrades, the Company will respond to changes in ore characteristics, ensuring continued production volume growth and the achievement of its annual copper and cobalt production targets. The Company will accelerate the expansion of KFM Phase II and the construction of a 200,000-tonne sulphuric acid plant, while steadily advancing a new round of capacity expansion at TFM. The Company will also aim to complete river diversion for the N'zilo 2 hydropower project in the first half of the year and bring its solar-storage projects to begin electricity generation within the year, addressing power supply bottlenecks through self-sufficient green energy.

MANAGEMENT DISCUSSION AND ANALYSIS

South America segment (full-cycle control and management to create incremental growth): Niobium recovery rates and the phosphate business structure will be enhanced in Niobium and phosphate business in Brazil. At the Brazilian gold mines, a platform-based approach will be implemented alongside stable daily operations, including the introduction of the CMOC's management system. The development of Odin Mining was accelerated to ensure that annual targets are achieved as scheduled.

China segment (refined operation to maximize resource value): The Company will optimize the capacity layout of Sandaozhuang and Shangfanggou, advance joint mining operations and implement the Shangfanggou capacity enhancement plan. Efforts will be intensified in technological research for the comprehensive recovery of associated and co-existing resources such as scheelite, aiming to maximise resource value.

(2) *Strengthening "Synergy Effects" and Dynamically Optimizing the Global Asset Portfolio*

Through deep integration of internal and external resources, we will effectively realize the scale and synergy advantages of "1+1>2".

Merger and acquisition strategy: The Company will adhere to an investment layout characterized by "multiple commodities, multiple countries and multiple phases". While deepening its resource footprint in South America, Asia, Africa, and other regions, and consolidating its core position in the copper-cobalt segment, the Company will selectively expand into strategic minor metals and precious metals, thereby enhancing the resilience of our global asset portfolio against risks.

Industrial synergy: The Company will deepen its presence in the gold sector, leveraging its gold projects in Brazil and Ecuador to build a synergistic gold asset portfolio, rapidly establishing production and technological advantages in gold mines, and accumulating experience to support the expansion of its gold projects.

Trading synergy: The Company will fully leverage the strategic support role of IXM, deepening the dual-engine drive of "Mining + Trading". Relying on IXM's global spot network, the Company can strengthen our control over market flows, and flexibly utilize spot and derivatives instruments to smooth cyclical fluctuations in commodities, thereby maximizing profitability across the entire industry chain.

(3) *Focusing on "Replicability" and Building a Global Refined Management and Control System*

Taking "Organizational Upgrade 2.0" as a key lever, the Company will accelerate the physical transplantation of our management systems to global business units and promote cultural integration.

MANAGEMENT DISCUSSION AND ANALYSIS

Continuing to carry out platform-based construction: the Company will develop comprehensive platform capabilities across nine key areas, including security assurance, community governance, public relations, power supply, supply chain, digitalization, automation and intelligent, technology, finance and human resources.

Continuing to promote refined management: the Company will improve the unified global data warehouse and global integrated intelligent management and control platform; accelerate the application of core technologies such as photoelectric intelligent sorting technology and low-grade resource recovery in various regions; continue to promote process cost management, so that cost fluctuations can be seen, traceable and intervenable in real time.

(4) Strengthening ESG Management to Transform Social Responsibility into Competitive Advantages

The Company will regard ESG as a key driver for creating long-term commercial value and fulfil our commitment to responsible mining through concrete and substantive actions.

System construction: the Group will integrate ESG construction with key development tasks, align ESG performance with the fundamental purpose of development, and be a true ESG player; continue to benchmark against international standards, develop systematic management tools, and build a modern governance system adapting to multi-regional, multi-asset and multi-risk environment.

Culture construction: the Company will build a corporate culture with CFC gestures, mining characteristics and CMOC genes, with parallel focus on both elite management and hard work and pursuit of the coexistence of excellence and open transparency; build ONE CMOC core values, and unite global employees with a common culture.

Compliance and Brand: the Company will win international recognition with solid performance. We will maintain AAA grade for Wind ESG; complete The Copper Mark certification by KFM; rely on high standards of transparency and global responsibility governance, continue to enhance the brand reputation of CMOC in the global mining industry.

MANAGEMENT DISCUSSION AND ANALYSIS

V. CORE COMPETITIVENESS

(I) Good institutional mechanism and governance structure

CMOC is one of the enterprises with the most in-depth and successful reform of governance structure among mining enterprises in China. Since 2004, the Company has undergone three ownership reforms, experiencing changes from the state-owned system, the mixed ownership to the private operation system, and has established a highly flexible institutional mechanism that fully adapts to the requirements of internationalization; the Company has two major substantial shareholders with tremendous strength, CFC plays a strategic layout and cultural leadership role, while CATL provides market and industry resources, both parties are highly consistent in strategies and closely cooperate in tactics to ensure the long-term stable development of the Company; the separation of the ownership and operational rights of the Company allows for fast and flat decision-making, flexible and efficient operation, and a simple and transparent culture; the Company has preliminarily set up a globally integrated governance system, with a management and technical team that is highly professional and exquisite, and possesses an international vision, laying a solid foundation for in-depth participation in the competition for global resources.

(II) World-class mineral resources and unique product portfolio

The competition in the mining industry is essentially a competition of costs, with the decisive factor being resource endowment. The Company's mines are all world-class resources, possessing the characteristics of large volume of resources and high grade.

The Company focuses on energy transition and technological revolution, and has strategically positioned itself in new energy metals and related metals. In the field of new energy metals, the Company has an important portfolio of copper and cobalt, and is a leading new energy metals producer in the world, as well as having a unique and scarce product portfolio including molybdenum, tungsten, niobium and phosphorus, all of which have leading positions in the industry. In addition, the Company actively invests in gold resources. The product portfolio with unique and diversified natures is beneficial for the Company to resist periodic fluctuation risks in resource sectors, enhance the ability to resist risks and enjoy the enormous benefits brought by the periodic changes in prices from various resources.

(III) Fully validated ability to engage in "counter-cyclical merger and acquisition and low-cost development"

The mining industry is cyclical, and accurately grasping the cycle is the key to mining business expansion. Based on its deep understanding of the industry and rich experience, the Company has developed the ability to engage in "counter-cyclical merger and acquisition and low-cost development". The Company has successfully acquired world-class mines at the bottom of the industry to realize its outward development. As each of the mines under the Company basically possess the characteristics of open pit mining, large reserve and high grade, the Company's mining costs are highly competitive.

MANAGEMENT DISCUSSION AND ANALYSIS

The conversion from reserve to production of world-class mine at low cost is the baseline for the Company's internal development. The Company has extended its "low cost and lean production" capability formed in China's mining areas through long-term experience to global mining areas, built world-class copper and cobalt mine projects at the leading speed in the industry, while continuing to carry out cost reduction and efficiency enhancement activities in all operating units, and adopted advanced modern mining technology, process and equipment to consolidate its low-cost operating advantage through centralized procurement, technology improvement and management reform, further validated the ability to engage in "counter-cyclical merger and acquisition and low-cost development" of the Company.

(IV) A modern business model of "Mining + Trading"

IXM, a wholly-owned subsidiary of CMOC, is a world-leading non-ferrous metal trader. The global metal trading network composed of IXM and its member units cover more than 80 countries and have established a global logistics and warehousing system. By leveraging its outstanding research capabilities and market intelligence capture capabilities, IXM actively assists the Group to formulate effective product marketing strategies and supporting operating mechanisms in addition to its own spot and proprietary trading businesses. Relying on its transaction execution capabilities and risk control mechanism, through its global sales network and solid partner base, IXM improves operational efficiency, optimizes the sales regions and customers of the Company's products, consolidates product market position and brand influence, and is committed to achieving the strategic synergy between trading and mining.

(V) World-leading ESG Management System and Performance

Achieving a high degree of synergy among mining exploitation, environmental protection and ecological construction, and promoting sustainable development is one of the core competitiveness of the mining company. CMOC is one of the earliest Chinese mining companies to introduce international ESG standards and systems, and established a world-leading ESG management framework that is fully compliant with international standards. Through the three-tier governance structure of the Board - Executive Management – Operation Management, the strong environmental, occupational health and safety, human resources, and community development teams at each operation mineral areas ensure the implementation of the Group's approach and policies, and the ESG concepts are implemented throughout the entire process of the Company's development. The Company continued to advance its long-term vision and short-term performance goals regarding climate change and biodiversity. Nearly 200 carbon reduction projects were established and are progressing smoothly across the Group's various mining areas. Some mining areas achieved their carbon reduction targets 2-3 years ahead of schedule, contributing to global green sustainable development and the "net zero" goal through concrete actions.

MANAGEMENT DISCUSSION AND ANALYSIS

(VI) Advanced technical strength and strong innovative capability

The mineral resources are subject to constraints. People are the biggest variable in activating resources, and innovation is one of the driving forces for our business development. The Company has a strong technological research and development team, with industry-leading technical advantages in the comprehensive recovery of associated mines and intelligent mines. With the advanced comprehensive recovery technology of associated mines, the Company realized the comprehensive recovery of associated resources such as white tungsten, copper, iron, fluorite and rhenium from molybdenum tailings, pioneering in the recovery of the low-grade associated mines of its kind in the world. The Company has firstly created the first intelligent mine in the PRC through the application of 5G technology and unmanned driving, realizing unmanned mining and unmanned driving intelligent scheduling through remote operation; and it is equipped with all-electric truck with an intelligent driving new mode, which improves safety, and comprehensively enhances production efficiency by more than 40%. The essence of technology innovation in the mining industry is integrated innovation. With the aim to maximize economic and social benefits, various results researched and developed by the Company, through openness and collaboration, not only have significant benefits but also take the lead in industrial improvement.

VI. RISK WARNING

(I) MINING BUSINESS

1. *Risks Related to Price Fluctuations of Principal Products*

The profit of the Company primarily generates from the Company's principal products, including copper, cobalt, molybdenum, tungsten, niobium and phosphate. Any significant fluctuations in the prices of related mineral products in the future may result in the Company, as a passive price taker in the market, facing significant pressure on its operating performance.

Although the Company possesses world-class mineral resources, it continues to reduce costs and develop new technologies to maintain production costs at a low level in the mining industry, while improving the capacity utilization rate and economic efficiency of its projects in production.

2. *Risks Related to Geopolitics and Policies*

The primary operation of the Company locates in various countries and regions including China, DRC and Brazil. As there are major discrepancies in state politics, economy development level and social structures among different countries, deepening global resource nationalism, the change of government and changes in national policies may have impacts on the operation of the Company.

The Company will enhance the identification of the macro environment and the mining regulations of countries or regions where the mines operate to adhere to legal and compliant operations; and keep a positive and constructive relationship with the stakeholders to ensure the orderly production and operation.

MANAGEMENT DISCUSSION AND ANALYSIS

3. *Risks Related to Interest Rate*

The interest rate risk exposure of the Company comes from changes in bank borrowing rates. The risk of changes in cash flows of financial instruments arising from change in interest rate is mainly related to bank borrowings with floating rates.

Combined with market judgment, the Company has flexibly adopted interest rate swaps to hedge against interest rate fluctuations on US$-denominated loans, therefore coping with interest rate hikes risks resulting from higher United States interest rates.

4. *Risks Related to Exchange Rate*

The exchange rate risk exposure of the Company is primarily arising from assets and liabilities held in foreign currencies other than the function currency, and is mainly associated with US$, HK$, EUR, CAD, RMB, BRL, GBP and CDF. All principal business operations of domestic subsidiaries of the Group are denominated and settled in RMB; the niobium and phosphates businesses in Brazil are mainly denominated and settled in US$ and BRL; and the copper and cobalt businesses in the DRC are mainly denominated and settled in US$ and CDF.

The exchange rate risks arising from assets and liabilities with balances denominated in foreign currencies may affect the operating results of the Company, and the overall exposure of the Company to changes in exchange rates is not significant. The Company pays close attention to the effect of the changes in exchange rates on the foreign exchange risks of the Group, and utilize financial instruments, such as forward foreign exchange contracts to hedge against foreign exchange rate risk in due course.

5. *Risks Related to Safety and Environmental Protection and Natural Disasters*

The Company engages in the mining business and mineral resources processing. In the production process, there may be accidents related to safety and environmental protection, as well as natural disasters such as rainstorms, drought and earthquake, which may damage the tailing storage facilities and slag discharge fields.

The Group prevents and controls safety and environmental risks by formulating and improving safety and environmental system, investing more in production safety and environmental protection and strongly promoting standardized safety management.

MANAGEMENT DISCUSSION AND ANALYSIS

(II) TRADING BUSINESS

Trading business is exposed to multiple risks, including liquidity risk, market risk, counterparty risk, credit risk, HSE risk and other risks. Risk management is a critical aspect of our operations, and a comprehensive risk management framework is a core part of IXM's governance strategy to achieve sustainable long-term value creation. Under the risk policy, IXM proactively makes provisions for unrealized gains and receivables from counterparties that are deemed at risk.

IXM regularly reviews and updates the Risk Register, gathers input from all key functional departments, and the updates will be discussed among and confirmed by the management team.

IXM conducts periodic assessments of various functions and processes, with emphasis on the development and implementation of relevant policies as well as the effectiveness of existing controls.

1. *Market Risks*

Market risk is the risk that the fair value or future cash flows of assets and liabilities held by IXM will fluctuate due to changes in market factors such as spot and future commodity prices, relative price spreads and volatilities, interest and foreign exchange rates.

Market risk exposure is classified into trading and non-trading activities. IXM manages market risk for trading activities by diversifying risks, controlling position concentration, sizes and maturities, performing stress testing, monitoring risk limits under the supervision of its Risk Committee and otherwise. Risk limits are based on a daily measure of market risk exposure referred to as value at risk (VaR). The VaR is a model-based estimate, which undergoes regular back testing to test the validity of its underlying assumptions. In addition to the VaR, IXM also applies various other controls like metal concentration limits, nominal volume limits in some illiquid markets, stress limits and frequent stress testing of investment portfolio.

2. *Liquidity Risks*

Liquidity risk arises from the financing related to trade activities and in the position management process. It includes both the risk of being unable to finance the portfolio of assets at appropriate maturities and rates, and the risk of being unable to close position in a timely manner at a reasonable price.

Management of the liquidity profile is to ensure that IXM has access to the funds necessary to cover maturing liabilities in a timely manner. Sources of funds include share capital, deposits, bank notes, long term debt, borrowing arrangements and financial advances from related parties.

MANAGEMENT DISCUSSION AND ANALYSIS

3. Credit Risks

IXM is engaged in the business of trading a diversified portfolio of commodities. Accordingly, IXM is exposed to significant lending risks and counterparty risks. IXM has implemented risk management procedures to monitor its risk exposures and to minimize counterparty risk. These procedures include periodic updates of global credit profile, initial credit and limit approvals/reviews, credit insurance, margin requirements, other guarantees and restrictive covenants. Among other things, we may choose not to carry out business with high-risk counterparties.

4. Compliance Risks

IXM fully recognizes the importance of business ethics and sustainable development in accessing resources, markets, and financing. IXM is committed to full compliance with applicable laws and regulations in all jurisdictions where we operate. To this effect, IXM has established a comprehensive compliance program tailored to the specific requirements of our industry. It includes policies, procedures, and internal controls which are regularly reviewed to ensure adherence to legal and regulatory obligations. IXM closely monitors and stays abreast of changes in laws, regulations, and industry standards that affect its business operations.

For details of other "Possible Risks" of the Company, please refer to the contents disclosed in relevant sections of the Company's previous periodic reports.

MANAGEMENT DISCUSSION AND ANALYSIS

Administrative expenses

For the year ended 31 December 2025, the administrative expenses of the Group amounted to approximately RMB2,806.50 million, representing an increase of approximately RMB678.96 million or 31.91% from approximately RMB2,127.54 million for the same period in 2024, mainly due to the year-on-year increase in salaries and bonuses for the management during the period.

Financial expenses

For the year ended 31 December 2025, the administrative expenses of the Group amounted to approximately RMB512.83 million, representing an decrease of approximately RMB2,366.03 million or 82.19% from approximately RMB2,878.86 million for the same period in 2024, mainly due to the lower interest expenses and foreign exchange losses during the period compared with the same period last year.

Gains from Changes in Fair Value

For the year ended 31 December 2025, gains from changes in fair value of the Group amounted to approximately RMB-7,688.12 million, representing a decrease of approximately RMB6,312.52 million or 458.89% from approximately RMB-1,375.60 million for the same period in 2024, mainly due to the year-on-year decrease in fair value of derivative instruments of the base metal trading business during the period.

Financial Position

As at 31 December 2025, the total assets of the Group amounted to approximately RMB200,932.36 million, comprising non-current assets of approximately RMB90,584.33 million and current assets of approximately RMB110,348.03 million. Equity attributable to shareholders of the parent company increased by approximately RMB11,412.35 million or 16.07% to approximately RMB82,435.34 million as at 31 December 2025 from approximately RMB71,022.99 million as at 31 December 2024.

Current Assets

The current assets of the Group increased by approximately RMB31,173.64 million or 39.37% to approximately RMB110,348.03 million as at 31 December 2025 from approximately RMB79,174.39 million as at 31 December 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Non-current Assets

The non-current assets of the Group decreased by approximately RMB477.70 million or 0.52% to approximately RMB90,584.34 million as at 31 December 2025 from approximately RMB91,062.04 million as at 31 December 2024.

Current Liabilities

The current liabilities of the Group increased by approximately RMB25,635.93 million or 56.39% to approximately RMB71,096.53 million as at 31 December 2025 from approximately RMB45,460.60 million as at 31 December 2024.

Non-current Liabilities

The non-current liabilities of the Group decreased by approximately RMB8,784.49 million or 22.62% to approximately RMB30,049.11 million as at 31 December 2025 from approximately RMB38,833.60 million as at 31 December 2024.

FINANCIAL INDICATORS OF MAJOR SUBSIDIARIES DURING THE REPORTING PERIOD

Unit: Thousand Yuan Currency: RMB

Company name	Type of company	Main business	Total assets	Net assets	Operating income
TF Holdings Limited	Subsidiary	Copper and cobalt mine assets/business	71,089,742	39,196,704	38,993,059
KFM Holding Limited	Subsidiary	Copper and cobalt mine assets/business	24,696,557	18,325,786	19,815,001
CMOC Brasil	Subsidiary	Niobium and phosphate mine assets/business	13,136,852	6,015,835	7,149,184
IXM	Subsidiary	Trading business	52,655,116	9,992,741	180,253,545

MANAGEMENT DISCUSSION AND ANALYSIS

EXPLANATION TO THE BALANCE SHEET ITEMS

Unit: Thousand Yuan Currency: RMB

Items	Balance as at the end of the current period	Balance as at the end of the current period as a percentage of total assets (%)	Balance as at the end of the corresponding period of last year	Balance as at the end of the corresponding period of last year as a percentage of total asset (%)	Change in balance as at the end of the current period as compared with balance as at the end of the corresponding period of last year (%)	Explanation
Held-for-trading financial assets	**13,642,642**	**6.79**	6,509,906	3.82	109.57	Increase in trade receivables designated as held-for-trading financial assets for the base metal trading business during the current period.
Derivative financial assets	**1,845,993**	**0.92**	1,393,128	0.82	32.51	Increase in fair value of forward commodity contract for the base metal trading business during the current period.
Inventories	**40,600,637**	**20.21**	29,878,326	17.55	35.89	Mainly due to the increase in the value of inventories held for the base metal trading business during the current period.
Other current assets	**10,234,292**	**5.09**	2,929,115	1.72	249.40	Increase in deposits for the base metal trading business during the current period.
Held-for-trading financial liabilities	**8,184,443**	**4.07**	2,835,872	1.67	188.60	Increase in trade payables designated as held-for-trading financial liabilities for the base metal trading business during the current period.
Derivative financial liabilities	**10,425,801**	**5.19**	1,454,738	0.85	616.68	Decrease in fair value of commodity future contract for the base metal trading business during the current period.
Taxes payable	**8,234,866**	**4.10**	5,529,776	3.25	48.92	Increase in corporate income tax payable for copper and cobalt business during the current period.
Long-term borrowings	**1,166,200**	**0.58**	9,333,840	5.48	-87.51	Early repayment of long-term borrowings for copper and cobalt business during the current period.

MANAGEMENT DISCUSSION AND ANALYSIS

CONTINGENCIES

1) Pending litigations

Copper-Cobalt business of the Group in Congo (DRC)

The Group's Copper-Cobalt business in Congo (DRC) may have some lawsuits, claims and liability claims in the daily operation. The management believes that the results of such contingencies will not have a material adverse effect on the financial position, operating results or cash flows of the business based on the information currently available.

Niobium-Phosphorus business of the Group in Brazil

The Group's Niobium-Phosphorus business in Brazil may involve various litigations in its daily operation. The management determines the possibility of losing the litigations and consequent economic benefits outflow in accordance with the information available and the professional advice of external legal experts. If the possibility of economic benefits outflow is low, the management would determine them as contingencies. The results of such contingencies will not have a material adverse effect on the financial position, operating results or cash flows of the business.

GEARING RATIO

The gearing ratio (total liabilities divided by total assets) of the Group increased to 50.34% as at 31 December 2025 from 49.52% as at 31 December 2024.

CASH FLOW

As at 31 December 2025, cash and cash equivalents of the Group increased by approximately RMB3,401.31 million or 12.47% to approximately RMB30,682.03 million from approximately RMB27,280.72 million as at 31 December 2024. For the year ended 31 December 2025, net cash inflow generated from operating activities of the Group was approximately RMB20,843.06 million; net cash outflow from investment activities was approximately RMB8,376.57 million; and net cash outflow generated from financing activities was approximately RMB8,497.21 million.

MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the cash flow position of the Group:

Unit: Thousand Yuan Currency: RMB

Item	Amount of the current year	Amount of last year	Change	Percentage of Change *(%)*	Explanation
Net cash flow from operating activities	**20,843,061**	**32,386,656**	-11,543,595	-35.64	Year-on-year decrease in net inflow from operating activities for the base metals trading business during the current period.
Net cash flow from Investment activities	**-8,376,566**	**-1,159,650**	-7,216,916	-622.34	Year-on-year decrease in maturity amount of structured deposits purchased with idle funds during the current period, and year-on-year increase in expenditures on the acquisition and construction of long-term assets during the current period.
Net cash flow from financing activities	**-8,497,207**	**-30,571,723**	22,074,516	72.21	Year-on-year decrease in cash outflows for repayment of liabilities during the current period.

MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL STRUCTURE

The Group maintains sound capital structure and credit rating by equity and debt financing to ensure normal production and operating activities. The Group might make adjustments to the capital structure in due course in light of changes in the economic environment by way of borrowing new debts or issuing new shares.

As at 31 December 2025, the equity interests of shareholders of the Company amounted to approximately RMB99.787 billion, among which the equity attributable to shareholders of the parent company was approximately RMB82.435 billion.

On 28 October 2024, the Company held the third meeting of the seventh session of the Board, and held the 2024 first extraordinary general meeting on 10 December 2024, where it considered and approved the resolution titled "Proposal on Cancellation of Certain Repurchased Shares and Reduction of Registered Capital". The resolution agreed to cancel the second tranche of treasury shares totaling 99,999,964 shares, which were repurchased under the 2021 Phase I Employee Stock Ownership Plan, and accordingly reduced the registered capital. The cancellation was completed on 6 February 2025, and the Company's total share capital was changed from 21,599,240,583 shares to 21,499,240,619 shares.

On 21 March 2025, the Company held the fourth meeting of the seventh session of the Board, and held the 2024 annual general meeting on 30 May 2025, where it considered and approved the resolution titled "Proposal on Cancellation of Repurchased Shares and Reduction of Registered Capital by the Company". The resolution agreed to cancel the third tranche of treasury shares totaling 104,930,443 shares, which were repurchased under the 2021 Phase I Employee Stock Ownership Plan, and accordingly reduced the registered capital. The cancellation was completed on 16 July 2025, and the Company's total share capital was changed from 21,499,240,619 shares to 21,394,310,176 shares.

As at 31 December 2025, the Company issued 21,394,310,176 shares, comprising 17,460,842,176 A shares and 3,933,468,000 H shares.

Details of borrowings and issuance of bonds by the Group as at 31 December 2025 are set out in note (V).23, note (V).32 and note (V).34 to the financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL INSTRUMENTS

The Group's major financial instruments include cash and bank balances, held-for-trading financial assets, derivative financial assets, financing receivables and accounts receivable, other receivables, non-current assets due within one year, other current assets, other equity instrument investment, other non-current financial assets, other non-current assets, held-for-trading financial liabilities, derivative financial liabilities, notes and accounts payable, other payables, borrowings, other current liabilities, non-current liabilities due within one year, bonds payable, and other non-current liabilities, etc. Details of these financial instruments are disclosed in Note (V) to the financial statements set forth in this report.

SHORT-TERM BORROWINGS

Details of the short-term borrowings are disclosed in Note (V).23 to the financial statements set forth in this report.

LONG-TERM BORROWINGS

Details of the long-term borrowings are disclosed in Note (V).34 to the financial statements set forth in this report.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There were no future plans for material investments or additions of capital assets of the Group as at the date of this annual report.

SUBSEQUENT EVENTS

Acquisition of Brazilian Gold Mine Project

In December 2025, the Company further strengthened its gold resource portfolio by announcing the acquisition of 100% equity interests in four producing gold mines in Brazil (Aurizona Gold Mine, RDM Gold Mine and Bahia Complex) for USD1.015 billion. Leveraging its well-established local operational and management experience, the Company completed the transaction in just 40 days.

In 2026, the Brazilian gold mines are expected to achieve an annualized gold production of 6-8 tonnes, with the gold segment set to gradually become a new driver of the Company's results growth.

Issue of USD1.2 Billion Zero Coupon Guaranteed Convertible Bonds Due 2027

In January 2026, to further optimize its capital structure and support the successful implementation of its global strategy, the Company successfully completed the issuance of USD1.2 billion zero-coupon convertible bonds with a one-year maturity.

RESOURCES AND RESERVES

		Resources			Reserves					
Name of mine	Main Category	Ore *(mt)*	Grade *(%)*	Metal *(0'000 tonnes)*	Ore *(mt)*	Grade *(%)*	Metal *(0'000 tonnes)*	Ore throughput for the year *(mt)*	Remaining years of mining life for the reserves	Validity period of the exploration license/ mining right
TFM Copper and Cobalt Mine in the DRC	Copper	1,316.0	2.25	2,957.3	220.4	2.88	635.0	24.3	9.1	0.5/9 years
	Cobalt	1,316.0	0.25	329.0	220.4	0.29	64.6			
KFM Copper and Cobalt Mine in the DRC	Copper	223.9	1.79	400.8	180.1	1.88	339.1	6.9	17.0	21 years
	Cobalt	223.9	0.87	194.8	180.1	0.92	166.1			
Brazil Mine area I	Niobium	145.5	1.03	149.2	37.4	0.95	35.7	3.3	11.3	Long-term
Brazil Mine area II	Niobium	157.2	0.34	52.7	31.4	0.42	13.3	5.5	33.3	Long-term
	Phosphate	880.6	10.29	9,058.5	182.9	12.42	2,272.1			
Sandaozhuang Molybdenum and Tungsten Mine	Molybdenum	265.6	0.088	23.4	75.3	0.084	6.3	7.5	10.0	9.5 years
	Tungsten	59.5	0.172	10.3	13.0	0.089	1.2			
Shangfanggou Molybdenum Mine	Molybdenum	428.4	0.139	59.8	13.7	0.252	3.5	2.6	5.3	8 years
	Iron	15.8	20.34	321.2	1.1	30.74	35.0			

Notes:

1. The Company has established an effective monitoring and management mechanism for the mining licenses in each mining area and the renewal of relevant mining rights is currently in progress. There is no situation where the mining license has not been renewed or cannot be renewed after expiration.

2. Updated ore reserves following completion of the feasibility study for the KFM Phase II expansion project in 2025 amounted to 192 million tonnes, or 180 million tonnes net of depletion in 2025 and new additions from the secondary captive mine.

3. The remaining exploitable years for KFM are calculated based on the reserves after the reserve increase and the theoretical annual ore processing capacity following the commissioning of the KFM Phase II expansion project.

4. According to the relevant requirements under the Brazilian Mining Law, mining concessions do not have an expiration date. Therefore, the mining rights for the Brazilian niobium-phosphate mining area remain valid indefinitely. In 2025, the Brazil company redetermined its retained ore resource and reserves based on market factors, optimization of geological model, adjustments to engineering geological model, verification of stockpiled ore, and reclassification of ore types.

5. Ore throughput for the year of Sandaozhuang Mine refers to the throughput of industrial ores in Chinese standards, excluding low-grade ores. The Shangfanggou Molybdenum Mine is owned by Fuchuan Mining, a joint venture of the Company. With the approval of the general meeting of Fuchuan Mining, its operation was entrusted to CMOC.

6. The Company endeavours to strengthen the exploration planning, resource upgrading and conversion at each mine, and continues to dynamically extend the service life of the mines.

7. As the Odin Mining gold project is still under development and the acquisition of Brazilian gold assets was completed in January 2026, neither has been included in the table above.

8. The above information has been confirmed by the Company's relevant experts.

RESOURCES AND RESERVES

2. EXPLORATION, DEVELOPMENT AND MINING ACTIVITIES

(1) Exploration

① *Copper and Cobalt Mine in the DRC*

TFM Copper and Cobalt Mine: During the reporting period, supplementary drilling and deep sidetrack drilling for ore searching were carried out mainly around FGME88 mine section, the Pumpi ore deposit of the West Zone and the FGVI mine section. The work aims to define the basic morphology and occurrence of the ore body, control its strike extension, and test for depth continuity, to provide a basis for subsequent integrated development planning. At the same time, barrenground verification drilling was conducted for the expansion project's industrial site. In 2025, 140 diamond drill holes were completed, with a total drilling advance of 53,604 meters, successfully achieving the expected results in defining ore body geometry, upgrading resource categories, and verifying barren areas.

KFM Copper and Cobalt Mine: During the reporting period, it mainly carried out supplementary exploration for deep sulphide ore (Phase II), with a total drilling footage of 63 drill holes and 193,822 meters and completed in 2025. The drilling results for deep sulfide ores were positive, successfully achieving the expected targets for reserve expansion.

② *Niobium and Phosphate Mine in Brazil*

Niobium Mine: In order to reduce the loss rate and dilution rate of the BV niobium mine and achieve the purpose of resources upgrade, during the reporting period, a total of 366 RC holes were constructed, with a total drilling depth of 17,717 meters; 27 DDH holes were carried out in resource geological exploration and construction, with a total drilling depth of 6,588 meters; geotechnical engineering and hydrogeological prospecting were carried out at the same time, and 9 DDH holes were drilled with a depth of 860 meters; and 4 RC holes were drilled for environmental assessment with a total depth of 40 meters.

In the geological exploration and construction of the Farm deposit in the brownfield Catalão II mine, 5 DDH holes were drilled with a total drilling depth of 1,814 meters. Drilled 17 DDH holes with a total drilling depth of 6,534 meters in the geological exploration and construction of ÁreaLeste deposit in the brownfield Catalão I mine.

Phosphate Mine: During the reporting period, 30 DDH holes were constructed for resources geological exploration and construction in Chapadao mine, with a total footage of 4,638 meters; 285 RC holes were constructed with a total footage of 5,725 meters; concurrently, geotechnical engineering and hydrogeological prospecting were carried out, and 14 DDH holes were constructed with a total footage of 854 meters; 2 RC holes were drilled for environmental assessment, with a total footage of 95 meters. Two DDH boreholes were drilled in Britânia, a greenfield area, with a total drilling depth of 1,301 meters.

RESOURCES AND RESERVES

③ *Mines in the PRC*

Sandaozhuang Molybdenum Mine: During the reporting period, deep exploration was carried out within the mining area, with 23 boreholes completed, totaling 15,824 meters in drilling footage. Drilling began at the surface of the open-pit mine, primarily aimed at ascertaining the resource deposits below the mining permit. Fieldwork has now concluded.

Shangfanggou Molybdenum Mine: During the reporting period, production exploration work was carried out between exploration lines Horizontal 5 to Horizontal 16 and Vertical I to Vertical IX in the mining area, with 41 boreholes completed, totaling 4,583 meters of drilling. 3,904 meters of goaf exploration was completed.

(2) Development

① *Copper and Cobalt Mine in the DRC*

TFM Copper and Cobalt Mine: During the reporting period, the extended clearing work of the KWAT & MWAN spoil heap, FGME spoil heap, and FGVI stope was completed; the underground transportation system of ZORO and MAMB was optimized, a new permanent waste rock transportation road was built in ZORO, and the position of the entrance and exit of the trench in MAMB was adjusted to shorten the rock dumping distance; the drainage of the stopes adopted a combined drainage mode with open drainage from the sump pit as the main method and dewatering from the dewatering well as a supplementary method. During the reporting period, 24 new open drainage pumps were added, and 10 dewatering wells were completed, totaling 1,925 meters; the slope stability study project of MWAN and KASA stopes was launched, and the slope engineering geological survey of the two stopes was completed.

KFM Copper and Cobalt Mine: During the reporting period, the mining area gradually formed a combined drainage model with pits as the main component and dewatering wells as a supplement. Drainage pumping stations were set up at different levels within the mining area using measures such as zoned management, segmented interception, and platform retention to ensure smooth drainage. The second phase of the hydrogeological supplementary investigation project was successfully completed, and the hydrogeological report has been submitted and passed expert review. The manual monitoring points in the mining area and spoil heap were improved, forming an all-weather slope monitoring model using manual measurement, GNSS, and radar monitoring. 6.283 million cubic meters of soil were transported from the mining area to the first phase tailings dam heightening project. 43,000 cubic meters of topsoil were stockpiled, and 35,000 square meters of humus soil were reclaimed on the eastern slope of the western spoil heap.

RESOURCES AND RESERVES

② *Niobium and Phosphate Mine in Brazil*

Nobium Mine: During the reporting period, the construction of the northeast spoil heap was completed and put into operation. The relocation and construction of the bottom drainage pumping system of the mining area was completed and put into operation. The mine expansion permit was approved by the Environmental Protection Bureau, and the expansion and stripping of the western part of the mine began.

Phosphate Mine: During the reporting period, the first phase of the 3A spoil heap expansion project was completed and put into operation.

③ *Mines in the PRC*

Sandaozhuang Molybdenum Mine: During the reporting period, in accordance with the national requirements for green mine construction, we continued to strengthen ecological restoration work. We completed ecological restoration of 83,100 square meters; completed slope treatment projects of 8,105 square meters, constructed 1,604 meters of drainage ditches and 2 sedimentation ponds; repaired damaged concrete pavement on ore transportation roads; completed the remote automation upgrade of crushing stations, video monitoring and network upgrades, and equipment and facilities upgrades of the intelligent control center; and installed fine-grained ore detection facilities at the new No. 1 crushing station, enabling remote control of 3 crushing stations; and completed the development of an intelligent remote control system for roller cone drilling rigs, achieving self-adjusting intelligent drilling and significantly improving overall mining efficiency.

Shangfanggou Molybdenum Mine: During the reporting period, in accordance with the national requirements for green mine construction, ecological restoration work was continuously strengthened. Ecological restoration of 127,500 square meters of spoil heaps was completed; 600 meters of temporary ditches were constructed within the mining area, 230 meters of temporary ditches were constructed at the spoil heaps, and 290 meters of intercepting drainage ditches and 105 meters of masonry drainage ditches were constructed in the mine maintenance area; approximately 720,000 cubic meters of slope cutting and 7,494 square meters of slope treatment spraying were completed in the southern part of the mining area; 7,100 square meters of road repairs were completed in the mining area; five sedimentation tanks were constructed, including the No. 1 weighbridge on the slag discharge road, at the mine entrance, at the intersection of Liangshan Avenue, within the mine maintenance area, and at the parking lot of the fifth community at the North Gate; the vehicle-mounted terminal was upgraded and the weighing equipment in three weighbridges was upgraded to be intelligent.

RESOURCES AND RESERVES

(3) Mining Activities

Unit: 0'000 tonnes

Domestic mining activities (0'000 tonnes)	
Mining volume of Sandaozhuang Molybdenum and Tungsten Mine[1]	762.17
Mining volume of Shangfanggou Molybdenum Mine	260.00
Overseas mining activities (0'000 tonnes)	
Mining volume of TFM Copper and Cobalt Mine in the DRC	2,454.54
Mining volume of KFM Copper and Cobalt Mine in the DRC	1,560.98
Mining volume of Niobium Mine in Brazil	338.64
Mining volume of Phosphate Mine in Brazil	560.00

Note: The mining volume of Sandaozhuang Molybdenum and Tungsten Mine represents the volume of industrial ores (Chinese standard), which does not include low-grade ores.

(4) Costs of Exploration, Development and Mining

Projects	**Mining costs**	**Exploration costs**	**Development costs**
Domestic mines *(RMB0'000)*			
Sandaozhuang Molybdenum and Tungsten Mine	47,457.16	735.06	6,317.37
Shangfanggou Molybdenum Mine	24,666.19	192.91	1,571.70
Overseas mines *(USD million)*			
TFM Copper and Cobalt Mine in the DRC	698.42	9.54	21.36
KFM Copper and Cobalt Mine in the DRC	228.13	1.84	5.56
Niobium Mine in Brazil	34.97	3.98	8.87
Phosphate Mine in Brazil	21.73	1.68	7.00

REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders:

The Board of the Company is pleased to present its 2025 annual report and the audited consolidated financial statements of the Company for the year ended 31 December 2025.

ESTABLISHMENT OF THE COMPANY AND PRINCIPAL ACTIVITIES

Details of the establishment and principal activities of the Company are set out in the section headed "Corporate Information" in this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of changes in the property, plant and equipment of the Company and the Group during the year are set out in note (V).14 to the financial statements.

BUSINESS REVIEW

According to the Schedule 5 of the Companies Ordinance of Hong Kong (Chapter 622 of The Laws of Hong Kong), discussion and analysis were made including the Group's business review for the year ended 31 December 2025 and discussion on business development in the future, description of principal risks and uncertainties faced by the Group, and analysis using financial key performance indicators, all of which are described in the section headed "Management Discussion and Analysis" in this annual report. The above discussion forms part of the Report of the Board of Directors.

DIVIDEND

1. Cash dividend distribution policy

According to the requirements of the articles of association of the Company (the "**Articles of Association**"), the profit distribution of the Company attaches importance to the reasonable return on investment for investors and sustainable development of the Company, and the profit distribution policy of the Company shall maintain a certain degree of continuity and stability.

The Company adopts a proactive dividend distribution policy in the form of cash or shares, and implements such policy in accordance with the laws, regulations and regulatory requirements. Priority in profits distribution should be in cash rather than in shares. The Company shall distribute profits in the form of cash should such conditions be met. The Company may distribute interim cash dividends as and when appropriate.

On the premise of complying with the laws, regulations and regulatory requirements at that time, the Company distributes dividends in cash if it records earnings with positive distributable profits and the cash flow of the Company can accommodate the needs of both its daily operation and sustainable development. If the Company distributes cash dividends, the proportion for cash dividends should also comply with the following requirements simultaneously: the profits distributed by the Company in the form of cash each year shall not be less than 30% of distributable profits recorded in the year, in accordance with laws, regulations and regulatory requirements in the period.

REPORT OF THE BOARD OF DIRECTORS

Where the Company is in a developed stage with no substantial capital expenditure arrangement, the dividend distributed in the form of cash shall not be less than 80% of the total profit distribution when distributing its profits; where the Company is in a developed stage with substantial capital expenditure arrangement, the dividend distributed in the form of cash shall not be less than 40% of the total profit distribution when distributing its profits; where the Company is in a developing stage with substantial capital expenditure arrangement, the dividend distributed in the form of cash shall not be less than 20% of the total profit distribution when distributing its profits. The "Substantial Capital Expenditure Arrangement" refers to matters that the total assets of transactions, including asset acquisitions and external investments, by the Company within a year account for more than 30% (inclusive) of the latest audited total assets of the Company.

The Board of Directors shall propose a specific cash dividend distribution plan by differentiating the aforesaid circumstances after taking various factors into consideration, including its industry features, development stages, business model and profitability as well as whether it has any substantial capital expenditure arrangement.

Where the Company records earnings with positive distributable profits for the year and the valuation on the shares of the Company is in a reasonable range, the Company may distribute dividends in the form of shares without prejudice to the scale of the share capital and the reasonable structure of shareholdings of the Company on the basis of considering rewarding and sharing corporate value with investors.

2. Implementation of cash dividend distribution policy

The profit distribution plan for 2024 was considered and approved at the 2024 annual general meeting of the Company held on 30 May 2025. The profit distribution was based on the Company's total share capital of 21,499,240,619 shares before the implementation of the plan, and less the 104,930,443 A shares of the Company in the Company's dedicated repurchase securities account. The cash dividend for every 10 shares was RMB2.55 (tax inclusive), and the total cash dividend of RMB5,455,549,094.88 (tax inclusive) was distributed. The dividend distribution was completed during the reporting period.

REPORT OF THE BOARD OF DIRECTORS

3. Proposal of 2025 cash dividend distribution

On 27 March 2026, the Profit Distribution Plan of the Company for the Year 2025 was considered and approved at the eighth meeting of the seventh session of the Board of Directors, for the purpose of profit distribution, based on the Company's total share capital of 21,394,310,176 shares before the implementation of the plan, a cash dividend of RMB2.86 (tax inclusive) for every 10 shares is proposed. Based on the total share capital of the Company as of 31 December 2025, the total amount of the final dividend to be distributed in 2025 is expected to be RMB6,118,772,710.34 (tax inclusive), with the proportion for cash dividends of approximately 30.08%. From the date of the Board resolution to the record date for the implementation of the equity distribution, if there is any change in the total share capital of the Company due to the conversion of convertible bonds/share repurchases/repurchase and cancellation of shares granted under equity incentive/repurchase and cancellation of shares in connection with major asset restructurings, or other similar events, the Company intends to maintain the total distribution amount unchanged and adjust the distribution per share accordingly.

In addition, in order to enhance investor returns, enable the timely sharing of operating results, and strengthen investors' sense of gain, the Board has proposed at the general meeting to authorize the Board to handle all matters relating to the 2026 interim profit distribution at sole discretion. The Board has proposed that the 2026 interim profit distribution be no less than RMB0.95 (tax inclusive) in cash dividends for every 10 shares. The specific dividend amount and payment timing will be otherwise considered and determined by the Board within the scope of the authorization granted by the general meeting.

The Company will send to shareholders a circular containing, among other things, further information in relation to the proposed distribution of the final dividend and the annual general meeting as soon as practicable.

In accordance with the "Enterprise Income Tax Law of the People's Republic of China" (《中華人民共和國企業所得稅法》) and the "Rules for the Implementation of Enterprise Income Tax Law of the People's Republic of China" (《中華人民共和國企業所得稅法實施條例》), both implemented on 1 January 2008 and the "Notice on Issues in Relation to the Withholding of Enterprise Income Tax on Dividends Paid by PRC Enterprises to Overseas Non-resident Enterprise Holders of H Shares" (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)) promulgated on 6 November 2008, the Company is obliged to withhold and pay PRC enterprise income tax on behalf of non-resident enterprise shareholders at a tax rate of 10%, when the Company distributes an annual dividend to non-resident enterprise shareholders whose names appear on the H shares register of members on the reference date. As such, any H Shares registered in the name of a non-individual shareholder, including shares registered in the name of HKSCC Nominees Limited, and other nominees, trustees, or other organizations and groups, shall be deemed to be H Shares held by non-resident enterprise shareholder(s), and the PRC enterprise income tax shall be withheld from any dividends payable thereon. Non-resident enterprise shareholders may wish to apply for a tax refund (if any) in accordance with the relevant requirements, such as tax agreements (arrangements), upon receipt of any dividends.

REPORT OF THE BOARD OF DIRECTORS

In accordance with the "Notice on Certain Issues Concerning the Policies of Individual Income Tax" (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)) promulgated by the PRC Ministry of Finance and the State Administration of Taxation on 13 May 1994, overseas individuals are exempted from the PRC individual income tax for dividends or bonuses received from foreign-invested enterprises. Furthermore, the competent tax authority of the Company confirmed that the relevant requirements under the "Notice on Certain Issues Concerning the Policies of Individual Income Tax" (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020號)) are applicable to the Company, the Company will not be required to withhold and pay any individual income tax on behalf of individual shareholders when the Company distributes the final dividend to individual shareholders whose names appear on the H shares register of members.

Pursuant to the "Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shanghai Stock Market and the Hong Kong Stock Market" (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) promulgated on 17 November 2014:

- For mainland individual investors who invest in the H shares via the Shanghai-Hong Kong Stock Connect, the Company will withhold individual income tax at the rate of 20% in the distribution of the 2017 final dividend. Individual investors may, by producing valid tax payment proofs, apply to the competent tax authority of China Securities Depository and Clearing Corporation Limited for tax credit relating to the withholding tax already paid abroad. For mainland securities investment funds that invest in the H Shares via the Shanghai – Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, the Company will withhold individual income tax in the distribution of the final dividend pursuant to the foregoing provisions; and

- For mainland corporate investors that invest in the H shares via the Shanghai-Hong Kong Stock Connect, the Company will not withhold the income tax in the distribution of the final dividend and the mainland corporate investors shall file the tax returns on their own.

H shareholders are required to consult their tax advisors regarding the laws and regulations of the Company's dividend payments in China, Hong Kong and other countries, and the relevant tax implications of holding and trading H Shares.

CONNECTED TRANSACTIONS

INVEST IN A LIMITED PARTNERSHIP FUND

On 1 December 2025, Xizang Shmok Trading Co., Ltd. ("**Xizang Shmok**") (a wholly-owned subsidiary of the Company and as a Limited Partner), Boyu Tianshu (Ningbo) Proprietary Investment Co., Ltd. ("**Boyu Tianshu**") (as the General Partner) and the other limited partners of Boyu Xinzhi Xinchan (Ningbo) Equity Investment Partnership (Limited Partnership) (the "**Fund**") entered into the Partnership Agreement, pursuant to which the parties agreed to invest in the Fund, with Xizang Shmok agreeing to contribute RMB500 million to the Fund.

REPORT OF THE BOARD OF DIRECTORS

On the date on which the Partnership Agreement was signed, the Company is directly held by LMG, an indirectly controlled subsidiary of CATL, of approximately 24.91%, thus pursuant to Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Hong Kong Listing Rules**"), CATL constitutes a connected person of the Company. As CATL is simultaneously investing in the Fund as a Limited Partner, the entering into of the Partnership Agreement constitutes a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules.

For details of the connected transaction, please refer to the announcement of the Company dated 2 December 2025.

CONTINUING CONNECTED TRANSACTIONS

The CATL Product Sales and Procurement Framework Agreement and the KFM Sales and Procurement Framework Agreement

1. *The CATL Product Sales and Procurement Framework Agreement*

   On 28 October 2024, the Board approved CMOC Limited, a wholly-owned subsidiary of the Company, to enter into the CATL Product Sales and Procurement Framework Agreement (the "**CATL Product Sales and Procurement Framework Agreement**") with CATL, with a term from 1 January 2025 to 31 December 2027, pursuant to which, (i) CMOC Limited Group agrees to sell and CATL Group agrees to purchase metal products, including but not limited to copper, cobalt, nickel and lithium products; and (ii) CMOC Limited Group agrees to purchase and CATL Group agrees to sell metal products, including but not limited to nickel and copper products. The CATL Product Sales and Procurement Framework Agreement was executed on 26 December 2024. The above-mentioned matters have been considered and approved at the extraordinary general meeting convened by the Company on 10 December 2024.

2. *The KFM Sales and Procurement Framework Agreement*

   On 28 October 2024, the Board approved the Company to enter into the KFM Sales and Procurement Framework Agreement (the "**KFM Sales and Procurement Framework Agreement**") with KFM Holding Limited ("**KFM Holding**") and CMOC KISANFU MINING SARL ("**KFM Mining**"), which are both connected subsidiaries of the Company, with a term from 1 January 2025 to 31 December 2027, pursuant to which, (i) CMOC Group agrees to purchase and KFM Group agrees to sell copper and cobalt products; and (ii) CMOC Group agrees to sell and KFM Group agrees to purchase equipment, materials, and relevant services, etc. The KFM Sales and Procurement Framework Agreement was executed on 26 December 2024. The above-mentioned matters have been considered and approved at the extraordinary general meeting convened by the Company on 10 December 2024.

REPORT OF THE BOARD OF DIRECTORS

As at the date on which the Board approved the signing of the CATL Product Sales and Procurement Framework Agreement and the KFM Sales and Procurement Framework Agreement, CATL is a substantial shareholder of the Company. KFM Holding is ultimately owned as to 75% and 25% by the Company and CATL, respectively, and KFM Mining is a subsidiary of KFM Holding. CATL, KFM Holding and KFM Mining are therefore connected persons of the Company under Chapter 14A of the Hong Kong Listing Rules. Thus, the transactions contemplated under (i) the CATL Product Sales and Procurement Framework Agreement between CMOC Limited Group and CATL Group and (ii) the KFM Sales and Procurement Framework Agreement between CMOC Group and KFM Group constitute continuing connected transactions of the Company under the Hong Kong Listing Rules.

For the year ended 31 December 2025, the annual caps and actual transaction amounts of the abovementioned continuing connected transactions are as follows:

	Annual Caps for the Year Ended 31 December 2025 *(US$)*	Actual Transaction Amounts for the Year Ended 31 December 2025 *(US$)*
CATL Product Sales and Procurement Framework Agreement		
Products to be sold by CMOC Limited Group to CATL Group	2,150,000,000	359,214,988
Products to be purchased by CMOC Limited Group from CATL Group	850,000,000	115,406,072
Interests to be paid by CMOC Limited Group to CATL Group in relation to the prepayment	93,000,000	82,506,891
KFM Sales and Procurement Framework Agreement		
Products to be purchased by CMOC Group from KFM Group	3,500,000,000	2,787,468,789
Equipment, materials, and relevant services, etc. to be provided by CMOC Group to KFM Group	1,400,000,000	261,140,516
Interests to be paid by KFM Group to CMOC Group in relation to the prepayment	45,000,000	–

REPORT OF THE BOARD OF DIRECTORS

Property Leasing Framework Agreement

To ensure the stable development of the Company's business, meet the requirements of the Company's internal reorganization and business layout, and reduce to a certain extent unnecessary additional administrative expenses, on 28 October 2024, the Board approved the Company (as the lessee) and CFC (as the lessor), entered into the property leasing framework agreement (the "**Property Leasing Framework Agreement**") in respect of the property leasing services and related property management services provided by CFC to the Group for a term of three years commencing from 1 January 2025 and ended on 31 December 2027. The annual cap under the Property Leasing Framework Agreement for 2025 is RMB60 million for property leasing services. The actual amount of transactions for the property leasing services contemplated thereunder for the year ended 31 December 2025 was RMB43.60 million.

The auditor of the Company has implemented the review procedures for the above-mentioned continuing connected transactions and sent a letter to the Board, stating that:

1) they did not discover anything that made them believe that the disclosed continuing connected transactions had not been approved by the Board;

2) regarding the above-mentioned continuing connected transactions, they did not discover anything that caused them to believe that the transactions were not carried out in accordance with the Group's pricing policy in all material respects;

3) they did not discover anything that led them to believe that the transactions had not been carried out in accordance with the relevant agreements of the transactions in all material respects;

4) regarding the total amount of the above-mentioned continuing connected transactions, they did not discover anything that caused them to believe that the disclosed continuing connected transactions had exceeded the annual caps contemplated by the Company.

The independent non-executive Directors have reviewed the above continuing connected transactions, and confirmed that:

1) the above continuing connected transactions were entered into in the usual and ordinary course of business of the Company;

2) the above continuing connected transactions were entered into on normal commercial terms or better; and

3) the above continuing connected transactions were conducted based on the relevant transaction agreements, and the terms were fair and reasonable and in the interests of the Company's shareholders as a whole.

Save as disclosed above, other related parties transactions disclosed in note XI to the financial statements do not fall under connected transactions or continuing connected transactions under Chapter 14A of the Hong Kong Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Hong Kong Listing Rules in relation to connected transactions.

REPORT OF THE BOARD OF DIRECTORS

SHARE CAPITAL AND SHAREHOLDERS

1. Share Capital

Details of changes in the share capital of the Company during the year are set out in note (V).40 to the financial statements.

2. Shareholding Structure of Substantial Shareholders

As at 31 December 2025, the total number of shareholders of the Company amounted to 352,617, of which shareholders of H shares amounted to 6,608, and shareholders of A shares amounted to 346,009. By approximate percentage of shareholding in the registered capital, the shareholdings of the Company's top ten shareholders were as follows:

Name of shareholders *(Full name)*	**Class of share**	**Changes during the reporting period** *(10,000 shares)*	**Closing number of shares held** *(10,000 shares)*	**Proportion** *(%)*
Cathay Fortune Corporation	A share and H share	–	533,322.00	24.93
Luoyang Mining Group Co., Ltd.	A share	–	532,978.04	24.91
HKSCC NOMINEES LIMITED	H share	-211.44	359,801.62	16.82
Hong Kong Securities Clearing Company Limited	A share	5,582.92	67,585.70	3.16
ICBC – SSE 50 Exchange Traded Open-End Index Securities Investment Fund	A share	2,875.92	16,151.07	0.75
Industrial and Commercial Bank of China Limited –Huatai-PineBridge CSI 300 ETF	A share	1,869.62	14,076.49	0.66
China Construction Bank Corporation – E Fund CSI 300 Exchange Traded Index Sponsored Securities Investment Fund	A share	1,868.61	10,284.71	0.48
Industrial and Commercial Bank of China Limited – China Southern CSI SWS Non-Ferrous Metal ETF	A share	5,457.30	8,407.16	0.39
Taikang Life Insurance Co., Ltd. – Dividends – Dividends to individuals – 019L-FH002 Shanghai	A share	1,748.51	7,949.31	0.37
Industrial and Commercial Bank of China Limited –ChinaAMC CSI 300 Index ETF	A share	2,255.03	7,848.79	0.37

Notes:

a. Percentage calculation is based on the Company's total share capital of 21,394,310,176 shares.

b. HKSCC NOMINEES LIMITED held 3,598.0162 million H shares in the Company as a nominee, representing 16.82% of the Company's shares in issue. HKSCC NOMINEES LIMITED is a member of the Central Clearing and Settlement System, which carries out securities registration and custodian business for customers.

REPORT OF THE BOARD OF DIRECTORS

3. Substantial Shareholders' Interests in Shares

To the best knowledge of all Directors, as at 31 December 2025, the persons or companies (other than Directors or the chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance or who were deemed to be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company were as follows:

Name	Number of shares held	Capacity	Class of share	Approximate percentage of shares in relevant class of shares
LMG	5,329,780,425	Beneficial owner	A share	30.52%
Sichuan Contemporary Amperex Technology Limited	5,329,780,425	Interest in controlled corporation	A share	30.52%
CFC [(1), (5)]	5,030,220,000	Beneficial owner	A share	28.81%
	303,000,000(L)	Interest in controlled corporation	H share	7.70%(L)
Cathay Fortune Investment Limited ("**Cathay Hong Kong**") [(1)]	91,518,000(L)	Beneficial owner	H share	2.33%(L)
Cathay Fortune International Company Limited [(1)]	211,482,000(L)	Beneficial owner	H share	5.38%(L)
Yu Yong [(2)]	5,030,220,000	Interest in controlled corporation	A share	28.81%
	303,000,000(L)	Interest in controlled corporation	H share	7.70%(L)
BlackRock, Inc. [(3)]	321,324,189 (L) 1,536,000(S)	Interest in controlled corporation	H share	8.17%(L) 0.04(S)
JPMorgan Chase & Co. [(4)]	199,655,634(L) 17,029,368(S) 131,850,620(P)	Beneficial owner/ investment manager/ person having a security interest in shares/ approved lending agent	H share	5.08(L) 0.43(S) 3.35(P)

Notes: (L) – Long position, (S) — Short position, (P) — Lending pool

(1) Cathay Hong Kong and Cathay Fortune International Company Limited are wholly-owned subsidiaries of CFC in Hong Kong.

REPORT OF THE BOARD OF DIRECTORS

(2) Mr. Yu Yong holds 99% interest in CFC and is deemed to hold 5,030,220,000 A shares of the Company held directly by CFC. In addition, Mr. Yu Yong is deemed to hold long position of 303,000,000 H shares of the Company. CFC, Cathay Fortune International Company Limited and Cathay Hong Kong, being the controlled corporations, directly or indirectly hold the shares of the Company.

(3) BlackRock, Inc. is deemed to hold a total of long position of 321,324,189 H shares and short position of 1,536,000 H shares of the Company due to its control rights over a number of companies. BlackRock Finance, Inc., Trident Merger, LLC, BlackRock Investment Management, LLC, BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock Holdco 4, LLC, BlackRock Holdco 6, LLC, BlackRock Delaware Holdings Inc., BlackRock Institutional Trust Company, National Association, BlackRock Fund Advisors, BlackRock Capital Holdings, Inc., BlackRock Advisors, LLC, BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Lux Finco S.àr.l., BlackRock Japan Holdings GK, BlackRock Japan Co., Ltd., BlackRock Holdco 3, LLC, BlackRock Canada Holdings ULC, BlackRock Asset Management Canada Limited, BlackRock Australia Holdco Pty. Ltd., BlackRock Investment Management (Australia) Limited, BlackRock (Singapore) Holdco Pte. Ltd., BlackRock HK Holdco Limited, BlackRock Asset Management North Asia Limited, BlackRock Cayman 1 LP, BlackRock Cayman West Bay Finco Limited, BlackRock Cayman West Bay IV Limited, BlackRock Group Limited, BlackRock Finance Europe Limited, BlackRock (Netherlands) B.V., BlackRock Advisors (UK) Limited, BlackRock International Limited, BlackRock Group Limited-Luxembourg Branch, BlackRock Luxembourg Holdco S.àr.l., BlackRock Investment Management Ireland Holdings Unlimited Company, BlackRock Asset Management Ireland Limited, BLACKROCK (Luxembourg) S.A., BlackRock Investment Management (UK) Limited, BlackRock Fund Managers Limited, BlackRock Life Limited, BlackRock (Singapore) Limited, BlackRock UK Holdco Limited, BlackRock Asset Management Schweiz AG, EG Holdings Blocker, LLC, Amethyst Intermediate, LLC, Aperio Holdings, LLC and Aperio Group, LLC, being the controlled corporations, directly or indirectly hold the shares of the Company.

(4) JPMorgan Chase & Co. is deemed to hold a total of long position of 199,655,634 H shares, short position of 17,029,368 H shares and lending pool of 131,850,620 H shares of the Company due to its control rights over a number of companies. JPMorgan Asset Management (China) Company Limited, J.P. Morgan SE, J.P. Morgan Securities LLC, JPMORGAN ASSET MANAGEMENT (UK) LIMITED, J.P. Morgan Investment Management Inc., JPMorgan Chase Bank, National Association, J.P. Morgan Alternative Asset Management, Inc., JPMorgan Asset Management (Asia Pacific) Limited, J.P. MORGAN SECURITIES PLC, JPMorgan Asset Management Holdings Inc., JPMorgan Chase Holdings LLC, J.P. Morgan International Finance Limited, J.P. Morgan Broker-Dealer Holdings Inc., JPMORGAN ASSET MANAGEMENT INTERNATIONAL LIMITED, JPMorgan Asset Management (Asia) Inc. and J.P. MORGAN CAPITAL HOLDINGS LIMITED, being the controlled corporations, directly or indirectly hold the shares of the Company.

(5) CFC has pledged its 297,108,000 A shares of the Company to China Bond Insurance Co., Ltd. (中債信用增進投資股份有限公司) as a counter-guarantee measure for the guarantee provided by China Bond Insurance Co., Ltd. in respect of the bonds issued by CFC.

Save as disclosed above, as at 31 December 2025, the Directors were not aware of any other persons (other than a Director or chief executive of the Company) who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

REPORT OF THE BOARD OF DIRECTORS

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association and the laws of the PRC that would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the shareholders by reason of their holding of the Company's securities.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31 December 2025, the shareholding of A shares of the Company of the current Directors and chief executives of the Company was as follows:

Name	**Number of shares held** *(Shares)*	**Percentage in total share capital** *(%)*
Que Chaoyang	5,000	0.000023
Total	5,000	0.000023

Note:

As at 31 December 2025, the current Directors and chief executives of the Company did not hold any H share.

So far as was known to the Directors, as at 31 December 2025, none of the Directors, chief executives and their respective associates had interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which required the Company and the Stock Exchange to be notified pursuant to Part XV of the SFO or which were required to be entered into the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

REPORT OF THE BOARD OF DIRECTORS

BONDS

The Company did not issue any bonds during the reporting period.

DOMESTIC AND FOREIGN INDUSTRIAL POLICIES

(I) Domestic Policies in China

On 4 February 2025, the Ministry of Commerce issued the Decision on Implementation of Export Controls on Tungsten, Tellurium, Bismuth, Molybdenum and Indium Related Items《對鎢、碲、鉍、鉬、銦相關物項實施出口管制的決定》(Announcement No. 10 of 2025). It will help to clarify the control requirements for the import and export of molybdenum-related items (such as molybdenum powder and molybdenum alloy with specific compositions), achieve regulated business transactions and enhance the capability of strategic resource guarantee.

In March 2025, the Ecology and Environment Department of Henan Province organized the revision of Emission Standards for Pollutants from the Molybdenum Industry《鉬工業污染物排放標準》of Henan Province, which is conducive to solving the regional pollution problems specific to this industry.

On 1 July 2025, the new Mineral Resources Law came into effect, which protects the rights and interests of mining rights holders, is conducive to optimizing the mining business environment, and promotes the transformation of the mining industry towards high quality, green development and legalization.

On 3 November 2025, the Natural Resources Department of Henan Province issued the Notice on Issuing the Implementation Rules for Strictly Adhering to the Bottom Line of the Earth and Rock Material Utilization Policy and Further Improving the Incentive Measures for Mine Ecological Restoration《關於印發嚴守土石料利用政策底線進一步完善礦山生態修復激勵措施實施細則的通知》, which is conducive to clarifying the specific requirements for regional mine ecological restoration and achieving restoration based on local conditions and in accordance with laws and regulations.

(II) Policies Outside China

On 21 February 2025, the DRC government issued a temporary policy to suspend the export of cobalt for four months, and on 21 June 2025, the ban was extended for another three months. On 16 October 2025, the DRC government lifted the cobalt export ban and implemented a cobalt quota export policy, which stipulates that 18,125 tonnes of cobalt could be exported for the rest of 2025, with an annual quota of 96,600 tonnes for both 2026 and 2027.

REPORT OF THE BOARD OF DIRECTORS

ENVIRONMENTAL PROTECTION POLICIES AND PERFORMANCE

Regarding the environmental protection policy and performance of the Group, the Company maintains its high quality services in the industry while adhering to the sustainable philosophy of “safety, green, harmony and sharing”, in building itself into a resource-saving and eco-friendly company. It takes the harmonious development of energy business and environment as a critical responsibility of the Company and a priority in production and operation, and follows through the green mining concepts of resource saving, eco-friendliness and harmonious mining field in establishing its cultural system. It conscientiously implements the guidelines and policies of environmental protection, comprehensively builds up safe and eco-friendly environmental protection engineering and supporting facilities that are beneficial to water and soil conservation as well as recovery and management of mine ecosystem, ensuring that the environmental protection works and the main works are “simultaneous design, simultaneous construction and simultaneous commencement of usage” during the implementation of the project. Production and operation projects are comprehensively implemented with energy-saving, low-carbon-green and pollution prevention measures to ensure long-term and stable operation in compliance with relevant standards. The Company insists on the development principle of “ecological development, scientific usage and cyclic economy”, actively adopts advanced technology, advanced process, advanced equipment, and endeavors to improve efficient use of resources and the level of discharge recycling and reuse. It promotes clean production, improves the system of energy saving and emission reduction, and practically steps up the reduction of pollutant emissions. It endeavors to promote its ability of environment management, and strives for the sustainable development.

The Company prepared the 2025 Environmental, Social and Governance Report of CMOC Group Limited, pursuant to the Environmental, Social and Governance Reporting Guide issued by the Stock Exchange, and the Guideline No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies – Sustainability Report (Trial) issued by the SSE, and disclosed it separately. The report gives true information of CMOC in terms of environmental, social and governance activities. All information in the report is derived from the official documents and statistics reports of CMOC and the summary and statistics of its affiliated companies. The report gives full disclosure of concerns of the major interested parties (including shareholders, customers, employees, governments of the countries in which they operate and partners) of the Company, across management approaches, environment, employees, community, and products.

Please refer to the 2025 Environmental, Social and Governance Report of CMOC Group Limited disclosed by the Company on the websites of the SSE (www.sse.com.cn), the Stock Exchange (www.hkexnews.hk) and the Company (www.cmoc.com) for details.

REPORT OF THE BOARD OF DIRECTORS

COMPLIANCE WITH RELEVANT LAWS AND RULES

The Company devotes its efforts to strictly comply with regulated laws and rules in the jurisdictions where the Company is operating, and is also in compliance with applicable guidelines and rules issued by regulators. To the Directors knowledge, the Company has complied with all laws and rules which have material effect on the Company during the reporting period. In addition, compliance with the relevant laws and regulations which have significant impacts on the Group has been disclosed in various parts of this annual report (especially in the Corporate Governance Report). Descriptions of key relationships between employees of the Company, major customers and suppliers are set out in the Report of the Board of Directors in this annual report.

BORROWINGS

Details of the borrowings of the Company and the Group are set out in notes (V).23, 32 and 34 to the financial statements.

DISTRIBUTABLE RESERVES

The amount of the Company's reserves available for distribution as of 31 December 2025, calculated in accordance with the PRC rules and regulations, was RMB48,920.41 million.

CHARITABLE DONATIONS

In 2025, the external donation expenses of the Group amounted to RMB34,835,027.92.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2025, the proportions of purchases and sales from the major suppliers and major customers of the Company to our total purchases and sales were as follows:

PURCHASES

The total purchases from our largest supplier were approximately 3.10% of our total purchase value.

The total purchases from our five largest suppliers were approximately 10.31% of our total purchase value.

SALES

The total sales to our largest customer were approximately 5.23% of our total sales value.

The total sales to our five largest customers were approximately 18.35% of our total sales value.

During the year, to the Directors' knowledge, none of the Directors or their respective close associates or any shareholders who hold more than 5% of our shares (excluding treasury shares) had any material interest or rights in our five largest customers and our five largest suppliers.

REPORT OF THE BOARD OF DIRECTORS

DIRECTORS AND SENIOR MANAGEMENT

The Directors and senior management of the Company during the year and up to the date of this annual report are:

Executive Directors

Liu Jianfeng *(Chairman) (appointed in May 2025)*
Peng Xuhui *(appointed in December 2025)*
Que Chaoyang *(employee Director) (appointed as Executive Director in May 2025 and employee Director in December of the same year)*
Sun Ruiwen *(resigned in October 2025)*
Li Chaochun *(resigned in April 2025)*

Non-Executive Directors

Lin Jiuxin *(Vice Chairman)*
Jiang Li
Ma Fei *(appointed in December 2025)*
Yuan Honglin *(resigned in May 2025)*

Independent Non-Executive Directors

Wang Kaiguo
Gu Hongyu
Cheng Gordon

Senior Management

Chen Xingyao *(appointed in May 2025)*
Branko Buhavac *(appointed in October 2025)*
Zhang Liqun
Liang Wei
Tan Xiao *(appointed in April 2025)*
Xu Hui
Kenny Ives *(appointed in April 2025 and resigned in October 2025)*

Pursuant to the Articles of Association, the term of office of all Directors is three years (the expiry date of the tenure being the date of the annual general meeting of the Company to be held in 2027), and may stand for re-election upon expiry of the term.

The Company has received an annual confirmation from each of Mr. Wang Kaiguo, Ms. Gu Hongyu and Mr. Cheng Gordan, all being the independent non-executive Directors, in respect of their independence and is of the opinion that they remained independent as at the date of this report.

REPORT OF THE BOARD OF DIRECTORS

PROFILES OF DIRECTORS AND SENIOR MANAGEMENT

DIRECTORS

Executive Directors

Mr. Liu Jianfeng, born in 1977, holds a Bachelor's degree in Economics from Central University of Finance and Economics, a Master's degree in Law from China University of Political Science and Law, as well as a Master of Business Administration (MBA) and a Master of Laws (LL.M.) from Boston College. He is a Certified Public Accountant (CPA) in Australia and qualified as a PRC Lawyer. With over 20 years of deep involvement in the natural resources sector, Mr. Liu has successively served as the commercial director of CNOOC (中海油), an executive director and the CFO of Roc Oil of Fosun International (復星國際洛克石油), the executive president and CFO of Geo-Jade Petroleum (洲際油氣), an executive director and the president of ENN Energy (新奥能源), as well as a vice chairman of the board and non-executive director of Huzhou Gas Co., Ltd. (湖州燃氣股份有限公司). He has led multiple large-scale cross-border mergers and acquisitions and resources integration projects, and continuously promoted corporate strategic upgrading and comprehensive operational improvement. Mr. Liu has repeatedly won authoritative awards such as "Best CFO" by Institutional Investor and "China CFO of the Year" in 2022 by New Finance. His long-term professional accumulation provides key support for corporate governance optimization and sustainable development.

Mr. Peng Xuhui, born in 1981, graduated from Hebei University of Technology with a Bachelor's degree in Applied Physics as well as a Master's degree in Theoretical Physics, and obtained a Doctor's degree in Electronics and Information from the University of Electronic Science and Technology of China. He is a professorate senior engineer, a "Leading Talent of Shanghai", a "State Council Special Allowance Expert" and a "National Model Worker of Industry and Information Technology System". He has previously served positions such as the chairman of Tianma Microelectronics Co., Ltd. (天馬微電子股份有限公司). Mr. Peng Xuhui's professional experience in the advanced manufacturing industry covers product research and development, factory management, marketing, supply chain, and corporate operations. During his tenure as chairman of Tianma Microelectronics Co., Ltd., Mr. Peng was responsible for the listed company's strategic planning, capital operations, and overall operation management. He possesses extensive experience in corporate management.

Mr. Que Chaoyang, born in 1970, graduated from China University of Geosciences (Beijing) with a Ph.D. in Ore Deposit Geology. He is a professor-level senior engineer in Mining, a geological engineer, the deputy chairman of the National Technical Committee on Gold of Standardization Administration of China (中國黃金標準化技術委員會) and a member of Australian Institute of Geoscientists (澳大利亞地質學家學會) (Competent Person under JORC and NI43-101 Codes). He has previously served as the general manager of multiple large-scale projects, regional companies and business divisions both at home and abroad of Zijin Mining Group Co., Ltd (紫金礦業集團股份有限公司), as well as the vice president and chief engineer of Zijin Mining Group. Mr. Que has extensive experience in mining investment and mergers and acquisitions, exploration, project construction and operation.

REPORT OF THE BOARD OF DIRECTORS

Non-Executive Directors

Mr. Lin Jiuxin, born in 1968, holds a master's degree from Xiamen University. Mr. Lin served as the vice district chief of Haicang District Government of Xiamen City from August 2001 to January 2016. He held the positions of the member of the Standing Committee of the District Committee and the executive vice district chief of the District Government of Xiang'an District of Xiamen City from January 2016 to February 2017. Mr. Lin has been working for CATL since March 2017 and now serves as the deputy director of the Safety Production Committee, a member of the Resources Committee of CATL, and the sponsor of the resources sector of CATL. He has been a non-executive Director of the Company since June 2023 and the non-executive director and vice chairman of the Company since June 2024.

Mr. Jiang Li, born in 1979, holds a master's degree from Peking University. He served as a business manager of the investment banking department of China Galaxy Securities Co., Ltd. from 2004 to 2007. He successively held the positions of deputy director, director and executive director in the investment banking department of UBS Securities Co., Limited from 2008 to 2015. He acted as the director of the board office of China Development Bank Securities Co., Ltd. from 2015 to 2017. He has been the deputy general manager and secretary to the board of CATL since June 2017 and now concurrently serves as the director of Tianjin Binhai Industry Fund Management Co., Ltd. (天津市濱海產業基金管理有限公司), Ningpu Times Battery Technology Co., Ltd. (寧普時代電池科技有限公司) and Livit Life Insurance Company Limited (小康人壽保險有限責任公司). He has been the non-executive Director of the Company since June 2023.

Mr. Ma Fei, born in 1977, holds a Master's degree in Economics from Renmin University of China. He has successively served as a consulting director at Mercer Consulting Company, a senior partner and managing director of consulting business in China at Willis Towers Watson (formerly Towers Watson), senior vice president at Zhongliang Holdings Group, and a global senior partner at Hay Group. Since 2023, he has been the chief human resources officer at Cathay Fortune Capital Investment Co., Ltd. and concurrently serves as an independent director of Zhengyuan Geomatics Group Co., Ltd.

REPORT OF THE BOARD OF DIRECTORS

Independent Non-Executive Directors

Mr. Wang Kaiguo, born in 1958, has a doctorate degree in economics and is a senior economist. He currently serves as the chairman of Shanghai Zhongping Capital Co. Ltd. (上海中平國瑀資產管理有限公司), and an independent director of Greenland Holdings Corporation Limited (綠地控股集團股份有限公司), an independent non-executive director of Zhongliang Holdings Group Company Limited (中梁控股集團有限公司) and an independent director of Dazhong Transportation Group Co., Ltd. (大眾交通(集團)股份有限公司). He served as an independent director of Caitong Fund Management Co., Ltd. (財通基金管理有限公司), the deputy director of Research Institute of Administrative Bureau of State-owned Assets (國家國有資產管理局科研所), the secretary of the Party Committee and chairman of Haitong Securities Co., Ltd. (海通證券股份有限公司) and the vice president of the Securities Association of China (中國證券業協會). He has solid securities business knowledge and corporate management experience. He has been the independent non-executive Director of the Company since June 2024.

Ms. Gu Hongyu, born in 1968, an MBA, qualified as a Chinese certified public accountant. From 1995 to 2014, she worked at Deloitte Touche Tohmatsu Certified Public Accountants and successively held various positions such as auditor, audit manager and audit partner. She has extensive experience in auditing, financial prudence investigation, planning for the group development strategy and consulting on financial software planning and application. She has been the independent non-executive Director of the Company since June 2024.

Mr. Cheng Gordon, born in 1975, and holds a master of law. He has been serving as a partner and the president of the Greater China Region of Cameron Pace Group China since 2018. Mr. Cheng has extensive experience and insights in the management, investment and M&A and strategic development of the world's leading technology, finance, mining and cultural enterprises in the past over 20 years. From 2013 to 2018, Mr. Cheng served as an independent Director of the Company, and was a member of the board of the African Environment and Wildlife Foundation, actively protecting the natural ecology and environment in Africa. Mr. Cheng was invited to serve as the vice president of the Hong Kong Biotechnology Organization in 2023. He has been the independent non-executive Director of the Company since June 2024.

COMPANY SECRETARY

Mr. Xu Hui, born in 1978, holds a bachelor's degree in Investment Economics Management from Hebei University of Economics and Business (河北經貿大學). From July 2001 to September 2022, he served at Great Wall Motor Company Limited (長城汽車股份有限公司) successively as the director of securities and legal department, the secretary to the board of directors, and the chairman of the financial business segment, responsible for information disclosure, investor relationship management, corporate financing, equity investment, legal and compliance, business financial management and other relevant works. Since October 2022, he has been the board secretary and company secretary of the Company.

REPORT OF THE BOARD OF DIRECTORS

SENIOR MANAGEMENT

Senior management consists of the following individuals:

Mr. Chen Xingyao, born in 1974, graduated from Beihang University with a master's degree in materials science, obtained an MBA from the School of Economics and Management at Tsinghua University, an EMBA from China Europe International Business School (中歐國際工商學院), and is a certified public accountant. Since 2002, he has held various positions including assistant president of New Hope Investment Co., Ltd.* (新希望投資有限公司), chief financial officer of Shandong New Hope Liuhe Group Co., Ltd. (山東新希望六和集團有限公司), chairman and president of Hope Financial* (希望金融), and vice president and chief financial officer of New Hope Liuhe Co., Ltd. (新希望六和股份有限公司). He joined the Company in April 2025 and currently serves as an independent director and chairperson of the audit committee of JD Health International Inc. (京東健康股份有限公司). He possesses extensive experience in financial system construction and operations, domestic and international capital planning, and industrial sector resource integration.

Mr. Branko Buhavac, born in 1985, holds dual British and Serbian nationality. He obtained a Bachelor's degree in Mathematics from the University of St Andrews in Scotland. He joined IXM in July 2023 and currently serves as its CEO. Previously, he worked as a senior trader for copper concentrates, overseeing copper metal trading and global copper raw material transactions. Branko has extensive international work experience, proficiency in multiple languages, and a wealth of expertise in non-ferrous metals trading. He previously served as the head of base metals trading at Mitsubishi Corporation International Europe Ltd. and has also worked in various trading roles at Trafigura Group, including copper and coal trading activities.

Mr. Zhang Liqun, born in 1980, graduated from Asia City University (亞洲城市大學) with a DBA and a Ph.D. From 2003 to 2012, he served as the manager of the procurement department and the deputy general manager of the marketing and procurement center of Zhejiang Hengyi Polymer Co. Ltd. (浙江恒逸聚合物有限公司), from 2012 to 2022, he served as the general manager of the engineering and procurement center of Zhejiang Hengyi Petrochemical Co. Ltd. (浙江恒逸石化股份有限公司), and as a director and the deputy general manager of HengYi (Brunei) Industrial Company (恒逸(文萊)實業公司); and legal person, chairman of the board and deputy general manager of procurement of Zhejiang Hengyi Engineering Management Co. Ltd. (浙江恒逸工程管理有限公司). In June 2023, he joined the Company and in August 2024, he was appointed as a vice president of the Company.

Ms. Liang Wei, born in 1983, graduated from Shanghai International Studies University (上海外國語大學) with a bachelor's degree of arts in French in 2005 and École Supérieure d'Interprètes et de Traducteurs with a master's degree in conference interpretation in 2009. Prior to joining the Company, Ms. Liang served at the Foreign Affairs Office of Shanghai Municipal People's Government (上海市政府外事辦公室) from 2005 to 2015; Ms. Liang served as a lecturer at the Graduate Institute of Interpretation and Translation of Shanghai International Studies University from 2016 to 2017. Ms. Liang joined the Company in 2017 and currently serves as the ESG director of the Company, responsible for the establishment and improvement of the Company's ESG management system. Ms. Liang has been a vice president of the Company since August 2022.

REPORT OF THE BOARD OF DIRECTORS

Mr. Tan Xiao, born in 1981, graduated from Beihang University with a Bachelor's degree in Electronic Information Engineering. From 2004 to 2020, Mr. Tan was employed by Huawei Technologies Co., Ltd. (華為技術有限公司), during which he held multiple senior management positions, including the general manager of subsidiaries in Norway, Libya, and Senegal, and director of subsidiaries in Spain and Portugal. From November 2020 to 2023, he served as the vice president of sales at Ficont Industry (Beijing) Co., Ltd. (中際聯合北京科技股份有限公司). From 2023 to 2024, he held the position of vice president of marketing at Ningbo Ronbay New Energy Technology Co., Ltd. (寧波容百新能源科技股份有限公司) and concurrently served as the general manager of the global marketing center. Mr. Tan possesses rich experience in strategy development, business management, international team building, international market development, and customer expansion.

Mr. Xu Hui, born in 1978, has served as the board secretary and company secretary of the Company since October 2022. For the profile of Mr. Xu Hui, please refer to "Profiles of Directors and Senior Management – Company Secretary" in this section.

DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION

The Directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board of Directors of the Company with reference to the Directors' duties, responsibilities and performance and the results of the Group. In compliance with the Corporate Governance Code, the Company has set up the Remuneration Committee to formulate remuneration policies. Details of the remuneration of the Directors are disclosed in note (XI).7 to the financial statements.

The remuneration of the senior management for the year ended 31 December 2025 fell within the following range (Note):

Remuneration band	**Number of Individual(s) Year 2025**
RMB1,500,000 above	6

Note: Directors of the Company were excluded.

REPORT OF THE BOARD OF DIRECTORS

EMPLOYEES AND PENSION PLAN

1. Employees

As at 31 December 2025, the Group had a total of 12,354 full-time employees, classified as follows:

Category of professional composition	Number of professionals	Percentage of professional composition (%)
Production staff	7,270	58.85
Technical staff	1,318	10.67
Finance staff	295	2.39
Administration staff	1,598	12.94
Sales staff	1873	15.15
Total	12,354	100.00

2. Remuneration Policy

The Company implements a broadbanding salary system based on employees' positions and responsibilities and their quantified performance evaluation. The employees' remuneration is evaluated in line with the Company's operating results and individual performance in order to ensure that the remuneration system is consistent, fair and equitable.

For employees domiciled in China, the Company participates in the social insurance and housing provident fund plans in accordance with the law and performs its obligation to make contributions as an employer. Currently, the Company's contribution percentages for social insurance and housing provident fund are as follows: 16% for pension insurance, 7.5% to 10% for health insurance, 0.5% to 0.7% for unemployment insurance, 0.16% to 2.85% for work injury insurance, and 12% of the employee's total basic monthly salary for housing provident fund.

The remuneration and benefits of overseas subsidiaries comply with the laws and regulations of the places where they operate. In the DRC, the Company pays a monthly social insurance contribution of 13% of the employee's monthly salary, and covers all medical expenses for employees and their families. In addition, the Company has established an incentive system including loyalty awards (corresponding awards for employees who have worked for 5, 10, 15, 20 and 25 years), school subsidies for employees' children, retirement subsidies, attendance awards, seniority awards and star employee awards. The Company also implements an employee career development plan, providing promotions to outstanding employees at a rate of 5% every year, while selecting outstanding personnel from labour service partners to join the permanent workforce.

REPORT OF THE BOARD OF DIRECTORS

In Brazil, the Company has implemented a variable compensation policy, including profit sharing plans (PLR), performance bonuses, deferred bonuses and medium-to-long-term incentives, aiming to enhance competitiveness and talent retention. The Company makes a monthly contribution of 37% to social insurance and Length-of-Service Guarantee Fund for employees, and provides comprehensive benefits such as vacation allowances (double pay during annual leave), medical support and dental insurance for employees and their families, childcare allowances, annual physical examinations, meal subsidies, loyalty awards and retirement subsidies.

3. Staff Training Plan

The training plan for the Company's employees is centered on serving the Group's globalization development strategy. The Company aims to establish a talent development system combining "talent recruitment and development, capability transition, cultural competency, care and protection" in a systematic way to comprehensively enhance employees' professional quality, managing capabilities and cross-cultural competence, with a vision to provide solid talent support for building a "respected, modern and world-class resources company".

(1) Headquarters of the Group

Focusing on the construction of international talent team and the transformation of leadership, the headquarters of the Group deepened the training mechanism of "dual-track driving and precise empowerment", so as to create a core talent engine to support the development of global business. The Group deepened the global management trainee program of "Mining Talents", selected 60 outstanding young talents for the class of 2025, implemented the "domestic + international" dual-track training model, and completed a 102-hour per capita customized curriculum system covering the three major empowerment modules of corporate culture, mining majors and international business to accelerate the role transformation from campus to global workplace and build a new generation of management reserve force with both professional depth and strategic vision.

The Group promote the "LDP Cornerstone Leadership Project", in response to the dual challenges of "role transformation" and "capacity transition" for new managers. The three-level training model of "trigger-transformation-sublimation" was innovatively adopted, and the Group organized 30 trainees to dive into the real overseas management scenarios through action learning, the closed-loop transformation of knowledge into behavior was realized, which significantly shortened the management competency cycle and injected stable and efficient new management force into overseas projects.

It continued to iteratively build a learning organization platform, integrated internal expert experience and industry-leading resources, developed and launched a series of premium courses on leadership and professionalism, so as to strengthen the strategic decision-making and change management capabilities of cadres in a complex multinational environment.

REPORT OF THE BOARD OF DIRECTORS

The Group constructed a global service network of "EAP Employee Care System", and established a dual-channel service system of "online psychological support platform + mobile empowerment station" to provide professional psychological support to all domestic and overseas employees, with a cumulative total of over 5,000 person-times, effectively alleviating the cultural shock and burnout. The Group innovatively launched the itinerant project of the "EAP Caravan", held special events at the Shanghai headquarters, TFM and KFM in the DRC at the same time, and designed a three-day immersive psychological empowerment course targeting at three key groups, namely overseas female employees, new employees and management cadres, covering more than 400 people, enhanced employees' sense of belonging and organizational resilience.

The Group promoted the implementation of the overseas localized talent training plan. Firstly, in the "Capability Transition Plan for Team Leaders", the Group organized 20 DRC team leaders at the grassroots level to go to China at our headquarters for a half-month immersive training of "technology + management", learning the lean practices of China's mining industry and experiencing Chinese culture, thus enhancing their cross-cultural leadership. Secondly, the Group implemented the plan of "elite cultivation for skilled talents" at the same time, selected 3 local cadres to carry out in-depth research and study for 5 months, built a three-dimensional path of "skills + language + culture", created "seed" skill benchmarks with international communication skills and advanced practical skills, and jointly strengthened team cohesion and technology inheritance. Thirdly, the Company cooperated with Central South University to promote the cultivation plan of the "100 DRC Mining Talents". The first batch of 25 DRC international students received intensive Chinese language and pre-professional education, breaking through language barriers and professional entry channels, laying a solid foundation for subsequent technical studies.

(2) Mining Areas in China

Focusing on the three-channel development of "technology + management + skills", the Group implemented hierarchical and classified and precise drip irrigation training to optimize the structure of talents and upgrade their capabilities.

The theme training of "Craftsman's Culture Inheritance" is to promote the craftsman's spirit in the new era, deepen the cultural heritage of craftsmen, broaden the industry horizons of the high-skilled talents, improve their skill level and innovation ability, and facilitate the construction of the Company's high-skilled talent team. In the first phase of the "Outside Training for Empowering High-skilled Talents", a total of 114 key personnel were organized to participate in the training. Through systematic theoretical study, skill practice and spiritual infiltration, they have realized the in-depth exploration, inheritance and innovation of "craftsman culture".

CMOC organized a special training for equipment maintenance workers in China to improve their skills. A total of 59 technical key personnel were organized to participate in the 4-month training. The teaching model of "practice complemented by theory" was adopted, focusing on specialties such as welding and electrical maintenance. Through the combination of "theory" and "practical operation", this special training has effectively improved the professional level of the new employees in the community, and also provided a strong guarantee for the maintenance business of the unit.

REPORT OF THE BOARD OF DIRECTORS

(3) Mining Areas in Africa

Taking the sustainable development of local talents as the strategic fulcrum, we will build a cultivation ecosystem of "technology foundation, local management and cultural coexistence", so as to promote the in-depth integration of talents from China and Africa.

The Banmo Academy(班墨學院) was set up on the TFM and KFM project sites in the DRC to integrate the spirit of Chinese craftsmen with local production practices to carry out customized and scenario-based training for 60 outstanding skilled talents in the DRC to realize the goal of "putting knowledge into practice immediately and proficient upon training completion". It can quickly improve the competency and safety operation level of front-line employees.

The Group strengthened the building of compliance building and ESG, and systematically carried out special trainings on ISO14001, ISO45001, human rights awareness, integrity and compliance to enhance the awareness of international operation standards and sustainable development of local management team.

(4) Mining Areas in Other Regions

Following the principle of localization, the Company simultaneously promoted safety regulations, professional skills and management capability improvement trainings, and ensured unified global operation standards and coordinated talent development.

Through the four-in-one talent development system of "global management trainees－leadership development－local training－employee care", the training work in 2025 achieved he following: the improvement in both the quantity and quality of the international talent pool, the continuous optimization of the local talent structure, the significant improvement in employee engagement, and the overall enhancement of cross-cultural management capabilities have provided CMOC with a replicable and scalable talent management paradigm for the implementation of its globalization strategy.

DIRECTORS' SERVICE CONTRACTS

All Directors of the Company have each entered into a service contract with the Company for a term of not more than three years until the annual general meeting of the Company to be held in 2027.

None of the Directors has a service contract with the Company which is not terminable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

None of the Directors or entities connected to the Directors had material interests in the Company, its controlling companies or any subsidiaries either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group subsisting or entered into during or at the end of the year.

REPORT OF THE BOARD OF DIRECTORS

SHARE SCHEME

Share Option Scheme

In 2025, the Company has not implemented any share option scheme.

Employee Share Ownership Plan

On 5 May 2021, the Company convened the seventeenth meeting of the fifth session of the Board to consider and approve the "Resolution on the 2021 First Phase of Employee Share Ownership Plan of CMOC Group Limited (Draft) and Its Summary". On 21 May 2021, the Company convened its 2020 annual general meeting to consider and approve the "Resolution on the 2021 First Phase of Employee Share Ownership Plan of CMOC Group Limited (Draft) and Its Summary".

On 10 June 2022, the Company convened the second holders' meeting of the 2021 First Phase of Employee Share Ownership Plan, the fifth extraordinary meeting of the sixth session of the Board, and the ninth meeting of the sixth session of the Supervisory Committee to consider and approve the "Resolution on Adjusting the 2021 First Phase of Employee Share Ownership Plan of CMOC Group Limited", the "Resolution on Amending the 2021 First Phase of Employee Share Ownership Phan of CMOC Group Limited" and the "Resolution on Amending the Management Measures for 2021 First Phase of Employee Share Ownership Plan of CMOC Group Limited", respectively. Due to the resignation of Ms. Wu Yiming, the original incentive recipient who participated in the Company's Employee Share Ownership Plan, the Company transferred the unvested shares of the Employee Share Ownership Plan held by Ms. Wu Yiming to Mr. Zhou Jun, an incentive recipient who is eligible for the Employee Share Ownership Plan as determined by the management committee of the Company's 2021 First Phase of Employee Share Ownership Plan, and correspondingly amended the relevant documents of the Employee Share Ownership Plan. For details, please refer to the relevant announcements of the Company disclosed on the designated information media.

1. *Purpose of the Employee Share Ownership Plan*

   In recent years, the Company has continuously upgraded its management and organizational structure and is vigorously expanding its talent echelon in order to cope with the challenges brought about by the continuous development and growth of CMOC. To realize the Company's medium and long-term development strategic plan, establish and improve the benefit-sharing mechanism of employees and shareholders, the Company will gradually launch an employee share ownership plan or equity incentive plan that is in line with the Company's actual situation.

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2. *Basis for Determination of Holders and Allocation of the First Phase of Employee Share Ownership Plan*

The participants in the Employee Share Ownership Plan are Directors (excluding independent non-executive Directors), senior management and other core staff of the Company (including subsidiaries of the Company). All participants are required to enter into labor contracts or engagement agreements with the Company or its subsidiaries during the valid term of the Employee Share Ownership Plan.

The total funds under the Employee Share Ownership Plan upon its establishment shall not be more than RMB97.026574 million, divided into "units" for subscription and each unit is equal to RMB1.00. The cap of units of the Employee Share Ownership Plan is 97,026,574. As at the date of this report, the total number of shares that can be subscribed under the Employee Share Ownership Plan accounted for 0.2268% of the total share capital (excluding treasury shares) of the Company. The units held by the holders of the Employee Share Ownership Plan are determined according to their actual payment amount, and the time for payment of units under the Employee Share Ownership Plan shall be arranged by a unified notice of the Company.

Holder	**Position**	**Maximum number of shares to be subscribed** *(unit)*	**Proportion of shares to be subscribed to the total shares under the Employee Share Ownership Plan**
Sun Ruiwen	CEO *(resigned in October 2025)*	36,000,000	37.10%
Yuan Honglin	Chairman of the Board *(resigned in May 2025)*	16,026,574	16.52%
Li Chaochun	Vice chairman of the Board, Chief Investment Officer *(resigned in April 2025)*	15,000,000	15.46%
Zhou Jun	Vice President *(resigned in August 2024)*	15,000,000	15.46%
Liu Dajun	Assistant to CEO *(resigned in August 2024)*	15,000,000	15.46%
Total		97,026,574	100.00%

Note: On 10 June 2022, the Company convened the second holders' meeting of the 2021 First Phase of Employee Share Ownership Plan, the fifth extraordinary meeting of the sixth session of the Board, and the ninth meeting of the sixth session of the Supervisory Committee to consider and approve the "Resolution on Adjusting the 2021 First Phase of Employee Share Ownership Plan of CMOC Group Limited", the "Resolution on Amending the 2021 First Phase of Employee Share Ownership Phan of CMOC Group Limited" and the "Resolution on Amending the Management Measures for 2021 First Phase of Employee Share Ownership Plan of CMOC Group Limited", respectively. Due to the resignation of Ms. Wu Yiming, the original incentive recipient who participated in the Company's Employee Share Ownership Plan, the Company transferred the unvested shares of the Employee Share Ownership Plan held by Ms. Wu Yiming to Mr. Zhou Jun, an incentive recipient who is eligible for the Employee Share Ownership Plan as determined by the management committee of the Company's 2021 First Phase of Employee Share Ownership Plan, and correspondingly amended the relevant documents of the Employee Share Ownership Plan. For details, please refer to the relevant announcements of the Company disclosed on the designated information media.

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3. Source of Funds, Source of Shares, Size and Purchase Price of the Employee Share Ownership Plan

1) Source of Funds: The sources of the funds for the Company's employees to participate in the Employee Share Ownership Plan include their legitimate salary, self-raised funds and other sources as permitted under relevant laws and regulations.

2) Source of Shares: The source of shares under the Employee Share Ownership Plan is ordinary A Shares of CMOC repurchased through the Company's designated repurchase account.

3) Size of the Employee Share Ownership Plan: The number of shares held under the Employee Share Ownership Plan will not exceed 48.513287 million Shares, accounting for approximately 0.22% of the total share capital of the Company of 21,599.24 million shares as of the date of announcement of the Employee Share Ownership Plan.

4) Subscription Price: The subscription price of the shares to be obtained by the participants under the Employee Share Ownership Plan is RMB2 per share, no less than 50% of the actual cost of the Company's repurchase. The payment of the subscription price of the Employee Share Ownership Plan shall be arranged by a unified notice of the Company upon approval at the shareholders' general meeting.

4. Term, Lock-up Period and Allocation of the Employee Share Ownership Plan

1) Term

The term of the Employee Share Ownership Plan is 60 months, commencing from the date when the Employee Share Ownership Plan was considered and approved at the shareholders' general meeting of the Company and the Company announced the registration of the last tranche of the target shares under the Employee Share Ownership Plan. The Employee Share Ownership Plan will be automatically terminated if it is not extended upon expiry.

2) Lock-up Period

The lock-up period of the target shares under the Employee Share Ownership Plan is 12 months, commencing from the date when the Company announced the registration of the last tranche of the target shares under the Employee Share Ownership Plan, during which the target shares under the Employee Share Ownership Plan shall not be traded. The shares derived from the distribution of dividends and the transfer of capital reserves of the Company shall also be subject to the lock-up arrangements. After the expiry of the lock-up period, the management committee or its authorized institution shall sell the target shares under the Employee Share Ownership Plan according to the authorization of the holders' meeting when appropriate.

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3) Allocation

Upon the expiry of the lock-up period, shares held under the Employee Share Ownership Plan will be allocated to the holders in three tranches according to the performance appraisal results. Allocation proportion of each tranche is as follows:

The first tranche of interest allocation period: 12 months after the date when the Employee Share Ownership Plan was considered and approved at the shareholders' general meeting of the Company and the Company announced the registration of the last tranche of the target shares under the Employee Share Ownership Plan, the distribution will be made in cash for 30% of the total amount of the target shares held under the Employee Share Ownership Plan;

The second tranche of interest allocation period: 24 months after the date when the Employee Share Ownership Plan was considered and approved at the shareholders' general meeting of the Company and the Company announced the registration of the last tranche of the target shares under the Employee Share Ownership Plan, the distribution will be made in cash for 30% of the total amount of the target shares held under the Employee Share Ownership Plan;

The third tranche of interest allocation period: 36 months after the date when the Employee Share Ownership Plan was considered and approved at the shareholders' general meeting of the Company and the Company announced the registration of the last tranche of the target shares under the Employee Share Ownership Plan, the distribution will be made in cash for 40% of the total amount of the target shares held under the Employee Share Ownership Plan.

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4) *Performance Appraisal Indicators*

Performance appraisal indicators for the Company: During the implementation period of the Employee Share Ownership Plan, the Company will conduct an appraisal in each fiscal year, and the performance appraisal objectives are as follows:

Interest Allocation Period	Performance Appraisal Objectives
First tranche of interest allocation period	(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2021 shall not be more than 60%; (2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2021 shall not be less than 12%.
Second tranche of interest allocation period	(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2022 shall not be more than 60%; (2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2022 shall not be less than 12%.
Third tranche of interest allocation period	(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2023 shall not be more than 60%; (2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2023 shall not be less than 12%.

Note 1: The asset-liability ratio is calculated based on the amount after deducting monetary capital, which includes RMI (high liquidity trade inventory) of trading companies IXM; the return on equity ratio is the weighted average return on equity ratio, and the incentive cost arising from the implementation of the Employee Share Ownership Plan is not considered in the calculation; during the term of the Employee Share Ownership Plan, if there are changes in the total assets and net assets caused by the Company's additional issuance, allotment of Shares, issuance of convertible bonds, etc., the changes in the total assets and net assets caused by such events and the corresponding revenue shall be excluded from the appraisal results.

Note 2: According to the requirements under Item 2 of Clause (III) of Section VI under the 2021 First Phase of Employee Share Ownership Plan Management Measures, as Mr. Zhou Jun, a new incentive recipient under the Employee Share Ownership Plan, acquired the relevant shares and corresponding interests held by Ms. Wu Yiming, a previous incentive recipient, by way of transfer, the appraisal years for Mr. Zhou Jun are 2022 to 2024 as follows:

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Interest Allocation Period	Performance Appraisal Objectives
First tranche of interest allocation period	(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2022 shall not be more than 60%; (2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2022 shall not be less than 12%.
Second tranche of interest allocation period	(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2023 shall not be more than 60%; (2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2023 shall not be less than 12%.
Third tranche of interest allocation period	(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2024 shall not be more than 60%; (2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2024 shall not be less than 12%.

5. *Completion of Interest Allocation during the Corresponding First Interest Allocation Period of the First Phase of Employee Share Ownership Plan*

According to the Audit Report (De Shi Bao (Shen) Zi (22) No. 01472) issued by Deloitte Touche Tohmatsu Certified Public Accountants LLP, the Company's performance appraisal during the corresponding first interest allocation period under the 2021 First Phase of Employee Share Ownership Plan has been accomplished; as one of the incentive recipients who participated in the 2021 First Phase of Employee Share Ownership Plan has left the Company, the personal performance of the other incentive recipients in the first interest allocation period was confirmed to be qualified after the assessment by the Human Resources Department of the Company, i.e., the unlocking coefficient of the individual for the period was 100%, and the specific unlocking units are as follows:

No.	Holders	Positions	Amount of units
1	Sun Ruiwen	CEO *(resigned in October 2025)*	10,800,000
2	Yuan Honglin	Chairman of the Board *(resigned in May 2025)*	4,807,972
3	Li Chaochun	Vice chairman of the Board, Chief Investment Officer *(resigned in April 2025)*	4,500,000
4	Liu Dajun	Assistant to CEO *(resigned in August 2024)*	4,500,000
Total			24,607,972

Approximately 12,303,900 shares of the Company (representing 0.057% of the then total share capital of the Company in aggregate) corresponding to 24,607,972 units unlocked during the corresponding first interest allocation period under the Employee Share Ownership Plan have been transferred to the person acting in concert designated by the relevant incentive participants by way of block trades from 20 September 2022 to 22 September 2022. As of 22 September 2022, the allocation has been completed.

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6. *Completion of Interest Allocation during the Tranche of Interest Allocation Period in 2022 of the First Phase of Employee Share Ownership Plan*

According to the Audit Report (De Shi Bao (Shen) Zi (22) No. 01472) issued by Deloitte Touche Tohmatsu Certified Public Accountants LLP, the Company's performance appraisal during the tranche of interest allocation period in 2022 under the 2021 First Phase of Employee Share Ownership Plan has been accomplished, and the specific unlocking units are as follows:

No.	Holders	Positions	Amount of units
1	Sun Ruiwen	CEO *(resigned in October 2025)*	10,800,000
2	Yuan Honglin	Chairman of the Board *(resigned in May 2025)*	4,807,972
3	Li Chaochun	Vice chairman of the Board, Chief Investment Officer *(resigned in April 2025)*	4,500,000
4	Liu Dajun	Assistant to CEO *(resigned in August 2024)*	4,500,000
5	Zhou Jun	Vice President *(resigned in August 2024)*	4,500,000
Total			29,107,972

Approximately 14,553,986 A shares of the Company (representing 0.067% of the then total share capital of the Company in aggregate) corresponding to 29,107,972 units unlocked during the tranche of interest allocation period in 2022 under the Employee Share Ownership Plan have been transferred to the person acting in concert designated by the relevant incentive participants by way of block trades since 1 December 2023. As of 1 December 2023, the allocation has been completed.

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7. *Details of Shares Granted under Employee Share Ownership Plan*

Under the Hong Kong Listing Rules, changes in the shares under the Employee Share Ownership Plan in 2025 are as follows

Participants	Date of Grant	Number of unvested shares as of 1 January 2025[1]	Number of shares granted in 2025	Number of shares vested in 2025	Number of shares cancelled in 2025	Number of shares lapsed in 2025	Number of shares repurchased in 2025	Number of unvested shares as of 31 December 2025[2]	Subscription price[3] *(RMB/share)*
Former Directors and chief executives									
Sun Ruiwen (resigned in October 2025)	21 May 2021	7,200,000	–	–	–	–	–	7,200,000	2
Yuan Honglin (resigned in May 2025)	21 May 2021	3,205,315	–	–	–	–	–	3,205,315	2
Li Chaochun (resigned in April 2025)	21 May 2021	3,000,000	–	–	–	–	–	3,000,000	2
Other holders	21 May 2021	3,000,000	–	–	–	–	–	3,000,000	2
	10 June 2022	5,250,000	–	–	–	–	–	5,250,000	2
Total		21,655,315	–	–	–	–	–	21,655,315	–

Notes:

(1) Among the unvested shares as of 1 January 2025, for the vesting period of shares granted on 21 May 2021, please refer to "4. Term, Lock-up Period and Allocation of the Employee Share Ownership Plan – 3) Allocation" under this section; for the vesting period of shares granted on 10 June 2022, please refer to "4. Term, Lock-up Period and Allocation of the Employee Share Ownership Plan – 4) Performance Appraisal Indicators" under this section.

(2) Among the unvested shares as of 31 December 2025, for the vesting period of shares granted on 21 May 2021, please refer to "4. Term, Lock-up Period and Allocation of the Employee Share Ownership Plan – 3) Allocation" under this section; for the vesting period of shares granted on 10 June 2022, please refer to "4. Term, Lock-up Period and Allocation of the Employee Share Ownership Plan – 4) Performance Appraisal Indicators" under this section.

(3) Included the subscription prices for unvested shares as of 1 January 2025 and unvested shares as of 31 December 2025.

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Save as disclosed above, the Company has not granted relevant shares to (i) other Directors; (ii) five individuals (other than Directors) with highest total emoluments in 2025; or (iii) other persons.

No further shares were granted under the Employee Share Ownership Plan at the beginning and end of the reporting period.

H Share Restricted Share Scheme

On 23 September 2025, the Board has resolved to propose the adoption of the H Share Restricted Share Scheme. On 15 October 2025, the Company convened the 2025 first extraordinary general meeting, at which the resolutions regarding the "H Share Restricted Share Scheme", the "Scheme Mandate Limit", the "Service Provider Sublimit" and the "authorization to the Board and/or its delegatee(s) to handle matters pertaining to the H Share Restricted Share Scheme." were considered and approved.

Purpose and Objectives

The specific objectives of the H Share Restricted Share Scheme are: (a) to deepen the connection between the Company and key personnel with significant impact on the Company's business and high-potential professionals, and to strengthen their alignment with the Company's long-term development, thereby establishing a more resilient community of shared interests; (b) to recognize the dedication and outstanding contributions of high-performing employees and individuals who materially influence the Company's operations, by incorporating them into the scope of incentives under the principle of "equivalent incentive and restraint," and to stimulate their potential and encourage continued excellence; and (c) as a key strategy for the Company to retain and attract talent, to encourage broader participation in the scheme, thereby ensuring a strong talent foundation for the achievement of the Company's strategic and operational objectives.

Eligible Participants

The Eligible Participants for the H Share Restricted Share Scheme include: (i) any director (excluding independent non-executive director), supervisors, senior management, employee (whether full-time or part-time) of any members of the Group (the "**Employee Participant(s)**"); (ii) any director or employee (whether full-time or part-time) of the holding companies, fellow subsidiaries or associated companies (the "**Related Entity**") of the Company (the "**Related Entity Participant(s)**"); or (iii) any service provider engaged by the Group who provides services to the Group on a continuing and recurring basis in the ordinary course of business of the Group which are in the interests of the long-term growth of the Group, and in the opinion of the Directors, the continuity and frequency of those services are akin to those of employees of the Group (the "**Service Provider Participant(s)**").

Scheme Mandate Limit and Service Provider Sublimit

As of the date of this annual report, the total number of H shares which may be issued in respect of all options and awards to be granted under all share schemes must not exceed 393,345,000 H shares, representing approximately 10% of the total number of issued H shares (excluding treasury shares, if any) as at the date of this annual report (the "**Scheme Mandate Limit**").

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As of the date of this annual report, within the Scheme Mandate Limit, the total number of H shares which may be issued in respect of all options and awards to be granted under all share schemes to Service Provider Participants shall not exceed 39,333,000 H shares, representing approximately 1% of the total number of issued H shares (excluding treasury shares, if any) as at the date of this annual report (the "**Service Provider Sublimit**").

Individual Limit

Where any grant to an Eligible Participant would result in H shares issued and to be issued in respect of all options and awards under all share schemes granted to such Eligible Participant (excluding those lapsed in accordance with the terms of the relevant share schemes) in the 12-month period up to and including the date of such grant exceeds 1% of the total number of issued H shares (excluding treasury shares, if any) as at the date of such grant, such grant shall be subject to relevant requirements under Chapter 17 of the Hong Kong Listing Rules.

Where any grant of the incentive shares to Directors (other than independent non-executive Directors), chief executives of the Company, or any of their respective associates, would result in the shares issued and to be issued in respect of all awards granted (excluding those lapsed in accordance with the terms of the relevant share schemes) to such proposed Selected Participant in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of issued H shares (excluding treasury shares, if any), such further grant will not be effective unless it has complied with the relevant requirements under Chapter 17 of the Hong Kong Listing Rules.

Where any grant of the incentive shares to substantial shareholders or any of their respective associates, would result in the shares issued and to be issued in respect of all options and awards granted (excluding those lapsed in accordance with the terms of the relevant share schemes) to such proposed Selected Participant in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of issued H shares (excluding treasury shares, if any), such further grant will not be effective unless it has complied with the relevant requirements under Chapter 17 of the Hong Kong Listing Rules.

Vesting of Awards

Vesting of incentive shares granted under the scheme may be subject to the performance-based vesting conditions imposed on the Selected Participants as the Board considers appropriate.

The vesting period shall not be less than twelve (12) months, provided that for Employee Participants, the Board may in its absolute discretion determine that the vesting date may be less than 12 months from the grant date in any of the following circumstances where: (i) grants to new joiners to replace share awards or options they forfeited when leaving their previous employers; (ii) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of-control event; (iii) grants with performance-based vesting conditions in lieu of time-based vesting criteria; (iv) grants that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the award would have been granted; and (v) grants with a mixed or accelerated vesting schedule such as where the awards may vest evenly over a period of 12 months.

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Termination of the H Share Restricted Share Scheme

The scheme shall be terminated on the earlier of: (i) the date of the tenth anniversary of the adoption date; and (ii) such date of early termination as determined by an ordinary resolution of the shareholders in general meeting or by an ordinary resolution of the Board, provided that such termination shall not affect any subsisting rights of any Selected Participants.

Details of the Grant of Shares under the H Share Restricted Share Scheme

As of the date of this annual report, no incentive shares have been granted under the H Share Restricted Share Scheme.

MATERIAL INVESTMENTS

The material investments held by the Group and the performance and prospects of such investments during the accounting year are set out in notes (V).11, 12 and 13 to the financial statements.

MANAGEMENT CONTRACTS

No contracts concerning the management and/or administration of the whole or any substantial part of the business of the Company were entered into or existed in 2025.

PERMITTED INDEMNITY

Except the liability insurance described below, the Company did not enter into any agreement with indemnity provisions with Directors of the Company to provide indemnity to Directors for legal liabilities caused to third parties or other types of legal liabilities.

The Company considered and passed the purchase of liability insurance for the risks of domestic and overseas litigations or regulatory investigations that the Directors and senior management of the Group may be exposed to when carrying out their duties in executing the business decisions and information disclosure, at the ninth extraordinary meeting of the sixth session of the Board. The insurance covers management liabilities of the Directors and senior management, the Company's equity securities claims and the Company's inappropriate employment practices claims. The annual compensation limit per insurance item is up to US$150,000,000 per annum, with the total annual premium not more than US$1,500,000 per annum.

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NON-COMPETITION AGREEMENTS

On 6 September 2006, non-compete agreements were entered into between the Company and each of CFC and LMG, respectively. CFC and LMG agreed not to compete with the Company in our businesses and granted the Company certain options and right of first refusal pursuant to the non-compete agreements. Details of the non-compete agreements had been disclosed in the prospectus of the Company dated 13 April 2007, under the section headed "Relationship with Controlling Shareholders – Non-Compete Agreements". Each of CFC and LMG had executed a Non-Competition Undertaking Letter with the Company on 30 January 2011 and 18 May 2011 respectively, pursuant to which each of them had undertaken not to compete with the Company in the businesses it operated or businesses to be further expanded. Details of the Non-competition Undertaking letters had been disclosed in "Peer Competition and Connected Transactions (同業競爭與關聯交易)" set out in Section VII to the prospectus of A Shares dated 8 October 2012. CFC (together with its parties acting in concert, Cathay Hong Kong) and Luoyang Guohong Investment Group Co., Ltd. had executed the Acquisition Report of CMOC Group Limited* on 23 January 2014 and 29 November 2013 respectively, pursuant to which each of them undertook not to compete with the Company in the businesses we operated. Details of the Acquisition Reports were disclosed in the announcements of the Company dated 23 January 2014 and 27 January 2014.

On 18 April 2017, the Company received from LMG the Notice on Gratuitous Transfer of State-Owned Shares by Luoyang Non-ferrous Mining Group Co., Ltd. (洛陽礦業集團有限公司), to transfer the 100% equity in Luoyang Guo'an Trade Co., Ltd. ("**Guo'an Trade**") held by Luoyang Non-ferrous Mining Group Co., Ltd. (洛陽礦業集團有限公司) to LMG free of charge, as from which, LMG will perform the duty as the shareholder. Upon LMG's acceptance of the transfer, in accordance with the Non-Competition Undertakings and to avoid actual competition between LMG and the Company upon actual commencement of production operation activities by Luoyang Fuchuan Mining Co., Ltd., LMG made an undertaking to the Company on 18 April 2017, that, after LMG obtains the Luoyang Guo'an Interests (and indirectly holds the interests of Luoyang Fuchuan Mining Co., Ltd.) and before Luoyang Fuchuan Mining Co., Ltd. commences production operations, LMG will procure the sale of the Luoyang Guo'an Interests, and the Company shall have the pre-emptive right to purchase Luoyang Guo'an Interests (the "**Pre-Emptive Right**"), or according to the Guiding Opinions on Promoting the Resolution of Horizontal Competition and the Regulation of Affiliated Transactions by the State-owned Shareholders and the Listed Companies under Their Control*《(關於推動國有股東與所控股上市公司解決同業競爭規範關聯交易的指導意見》) jointly issued by the State-owned Assets Supervision and Administration Commission of the State Council* (國務院國有資產監督管理委員會) and the China Securities Regulatory Commission, which indicated the comprehensive use of asset re-structuring, equity replacement, business adjustment and other similar methods to resolve the issue of competing business.

REPORT OF THE BOARD OF DIRECTORS

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance had been entered into between the Company or any of its subsidiaries and any controlling shareholders or any of its subsidiaries during the reporting period.

No contracts of significance had been entered into by the controlling shareholder of the Company or any of its subsidiaries for provision of services to the Company or any of its subsidiaries during the reporting period.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Mr. Jiang Li, a Director of the Company, served as an executive director and general manager of LMG. Save as disclosed above, in 2025, none of the Directors had any interest in any business which competes or is likely to compete either directly or indirectly, with the business of the Group.

SUFFICIENCY OF PUBLIC FLOAT

Based on public information and to the knowledge of the Directors, as at the date of this report, the Company has been maintaining the public float required by the Hong Kong Listing Rules and the Directors confirm that the public float of the Company is in compliance with the Hong Kong Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company, its holding company or any of its subsidiaries or fellow subsidiaries, a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

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

On 13 July 2021, the Board of the Company convened a meeting to consider and approve the Proposal on the Repurchase of the Company's A Shares through Centralized Bidding (Phase II). On 16 December 2021, the Company completed the Proposal on the Repurchase of the Company's A Shares (Phase II), with an accumulated repurchase of 99,999,964 shares. As of 16 December 2024, the three-year utilising period of the aforesaid shares in the Company's dedicated repurchase account has been expired.

On 28 October 2024, the Company held the third meeting of the seventh session of the Board, and held the 2024 first extraordinary general meeting on 10 December 2024, where it approved the resolution titled "Proposal on Cancellation of Certain Repurchased Shares and Reduction of Registered Capital". The resolution agreed to cancel the second tranche of treasury shares totaling 99,999,964 shares, which were repurchased under the 2021 Phase I Employee Stock Ownership Plan, and accordingly reduce the registered capital. The cancellation was completed on 6 February 2025, and the Company's total share capital was changed from 21,599,240,583 shares to 21,499,240,619 shares.

REPORT OF THE BOARD OF DIRECTORS

On 21 March 2025, the Company held the fourth meeting of the seventh session of the Board, and held the 2024 annual general meeting on 30 May 2025, where it approved the resolution titled "Proposal on Cancellation of Repurchased Shares and Reduction of Registered Capital by the Company". The resolution agreed to cancel the third tranche of treasury shares totaling 104,930,443 shares, which were repurchased under the 2021 Phase I Employee Stock Ownership Plan, and accordingly reduce the registered capital. The cancellation was completed on 16 July 2025, and the Company's total share capital was changed from 21,499,240,619 shares to 21,394,310,176 shares.

Save for the above cancellations, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities (including the sale of treasury shares) of the Company or any of its subsidiaries during the year ended 31 December 2025.

As at 31 December 2025, the Company did not hold any H-share treasury shares.

EQUITY-LINKED AGREEMENT

In 2025, the Company has not implemented any equity-linked agreement.

By order of the Board
Liu Jianfeng
Chairman

Shanghai, the PRC
27 March 2026

CORPORATE GOVERNANCE REPORT

The Board hereby presents this Corporate Governance Report in the Group's annual report for the year ended 31 December 2025.

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY

The Group always strives to uphold high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability for the Group.

The Company has applied the principles and code provisions as set out in the Corporate Governance Code contained in Appendix C1 to the Hong Kong Listing Rules.

In the opinion of the Board, the Company has adopted and complied with all applicable code provisions as set out in the Corporate Governance Code throughout the year ended 31 December 2025.

The Company reviews its corporate governance practices regularly to ensure compliance with the Corporate Governance Code.

THE BOARD

During the year ended 31 December 2025, the Board held 11 Board meetings in total for reviewing and approving the financial affairs and usual course of business, considering and approving the production guidance and the overall strategies and policies of the Company, and considering and approving the connected transaction agreements of the Company and other relevant matters.

RESPONSIBILITIES

The Board is responsible for the leadership and control of the Group, overseeing the Group's businesses, strategic decisions and performances. The Group's senior management is delegated the authority and responsibilities by the Board to manage the day-to-day management and operations of the Group. In addition, the Board has also established Board committees and has delegated to these Board committees' various responsibilities (including corporate governance functions) set out in their terms of reference respectively.

Every Director carries out his/her duty in good faith and in compliance with the standards of applicable laws and regulations, and acts in the interests of the Company and its shareholders at all times.

The Company has arranged for appropriate liability insurance which covers legal litigation arising from corporate activities against its Directors and senior management.

CORPORATE GOVERNANCE REPORT

BOARD COMPOSITION

Board currently comprises nine members, including three executive Directors, three non-executive Directors and three independent non-executive Directors. The list of all Directors as at the date of this report is set out under "Corporate Information" of this annual report and the independent non-executive Directors are expressly identified in all corporate communications pursuant to the Hong Kong Listing Rules.

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Hong Kong Listing Rules. There is no relationship among members of the Board (including financial, business, family or other material or relevant relationships).

During the year ended 31 December 2025, the Board, at all times, met the requirements of the Hong Kong Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board, with at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received an annual confirmation from each independent non-executive Director of his/her independence pursuant to the requirements of the Hong Kong Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines set out in Rule 3.13 of the Hong Kong Listing Rules.

Non-executive Directors (including independent non-executive Directors) bring a wide range of business and financial expertise, experience and independent judgment to the Board. Through active participation in Board meetings or meetings of Board committees, supervising management issues involving potential conflict of interests and serving on Board committees, all non-executive Directors (including independent non-executive Directors) make various contributions towards the direction of the Company.

All independent non-executive Directors are not involved in day-to-day management. Independent non-executive Directors also express independent opinions on the Board's deliberation to ensure high standards of corporate governance and financial integrity. Taking into account factors such as the proportion and selection of independent non-executive Directors and the frequency with which independent non-executive Directors attend Board meetings, the Company believes that the Board can effectively obtain independent views and opinions. The Board reviews the implementation and effectiveness of this mechanism on an annual basis.

CHAIRMAN AND CEO

The roles and duties of the Chairman and the CEO are carried out by different individuals and their respective responsibilities have been clearly specified in writing.

The Chairman, Mr. Liu Jianfeng, provides leadership for the Board and is also responsible for chairing the meetings, leading the operations of the Board and ensuring that all major and appropriate issues are discussed by the Board in a timely and constructive manner.

The CEO, Mr. Peng Xuhui, is responsible for running the Company's business operations and implementing the Group's strategic plans and business goals.

CORPORATE GOVERNANCE REPORT

APPOINTMENT AND RE-ELECTION OF DIRECTORS

In accordance with the Articles of Association, all Directors of the Company (including non-executive Directors) are subject to retirement by rotation at least once every three years and any new Director appointed by the Board to fill a casual vacancy or as an addition to the Board shall submit himself/herself for election by shareholders at the first annual general meeting after appointment.

Each Director of the Company is appointed for a term commencing from the date on which the resolution regarding his/her appointment/re-election is passed until the conclusion of the annual general meeting of the Company held in 2025, at which, they have retired and been re-elected. On 25 April 2025, Mr. Yuan Honglin applied to the Board of Directors of the Company for his resignation as the Chairman, non-executive Director and member of relevant special committees of the Board due to personal job reasons, and Mr. Li Chaochun applied to the Board of Directors of the Company for his resignation as the Vice Chairman of the Board, executive Director, member of the Strategic and Sustainability Committee and Chief Investment Officer due to personal job reasons. On 30 May 2025, the Company convened the annual general meeting at which Mr. Que Chaoyang and Mr. Liu Jianfeng were elected as executive Directors.

On 24 October 2025, Mr. Sun Ruiwen applied to the Board of Directors of the Company for his resignation as the president, executive Director, member of the Strategic and Sustainability Committee and the Investment Committee due to personal job reasons. On 8 December 2025, the Company convened the second extraordinary general meeting, at which Mr. Peng Xuhui was elected as an executive Director and Mr. Ma Fei was elected as a non-executive Director.

The term of office of the abovementioned Directors shall commence from the date of appointment and expire at the conclusion of the 2026 annual general meeting of the Company.

According to the Detailed Working Rules for Independent Directors adopted on 9 October 2012, the term of office for independent non-executive Directors shall be the same as that of other Directors of the Company, and they may stand for re-election upon expiry of their term, but the re-appointment shall not exceed six years. The Board proposed a special resolution at the second extraordinary general meeting of the Company held in 2025 regarding the amendment to the Articles of Association, fixing the number of the Board members at 9, so that the number and composition of the Board are in compliance with the requirements under the Company Law and the Hong Kong Listing Rules.

The Nomination and Governance Committee and the Board selected candidates of Directors with reference to substantial shareholders' recommendations and certain criteria and procedures. The relevant criteria mainly include the candidate's professional background, especially his or her experience in the industry where the Group operates, his or her financial and past track record with other similar companies and the recommendations from management and other knowledgeable individuals. The procedures and process of appointment, re-election and removal of Directors are laid down in the Articles of Association. The Nomination and Governance Committee is responsible for reviewing the Board composition, monitoring the appointment, nomination and succession plan of Directors and assessing the independence of independent non-executive Directors.

CORPORATE GOVERNANCE REPORT

TRAINING AND CONTINUING PROFESSIONAL DEVELOPMENT FOR DIRECTORS

Each newly appointed Director receives a comprehensive, formal and tailored induction on the first occasion of his/her appointment so as to ensure that he/she has an appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Hong Kong Listing Rules and relevant regulatory requirements.

The Directors are regularly updated with legal and regulatory developments as well as business and market changes to facilitate the discharge of their responsibilities. Briefings and continual professional development schemes for Directors will be arranged whenever necessary.

The Company encourages all Directors to participate in continuous professional development to develop and refresh their knowledge and skills in order to ensure that their contribution to the Board remains fully informed and relevant. During the year ended 31 December 2025, all Directors attended the training courses organized by the Company on corporate governance and regulatory development and obtained and read relevant materials presented to them by the Board Office of the Company, including updates of laws and regulations. According to the details provided, the summary of the continuing professional development for Directors in 2025 is as follows:

		Scope	
Name of Directors	**Laws, Regulations and Corporate Governance**	**Business of the Group**	**Role, Function and Duty of Directors**
Executive Directors			
Mr. Liu Jianfeng	✓	✓	✓
Mr. Peng Xuhui	✓	✓	✓
Mr. Que Chaoyang	✓	✓	✓
Mr. Sun Ruiwen (resigned)	✓	✓	✓
Mr. Li Chaochun (resigned)	✓	✓	✓
Non-Executive Directors			
Mr. Lin Jiuxin	✓	✓	✓
Mr. Jiang Li	✓	✓	✓
Mr. Ma Fei	✓	✓	✓
Mr. Yuan Honglin (resigned)	✓	✓	✓
Independent Non-Executive Directors			
Mr. Wang Kaiguo	✓	✓	✓
Ms. Gu Hongyu	✓	✓	✓
Mr. Cheng Gordon	✓	✓	✓

Mr. Liu Jianfeng and Mr. Que Chaoyang had obtained the legal advice on 30 May 2025, and Mr. Peng Xuhui and Mr. Ma Fei had obtained the legal advice on 5 December 2025, under Rule 3.09D of the Hong Kong Listing Rules from the Company's legal advisor, and each of them confirmed that they understood their obligations as a Director.

CORPORATE GOVERNANCE REPORT

BOARD MEETINGS

Practices and Conduct of Board Meetings

Meeting schedules and draft agendas for each meeting are normally made available to Directors in advance.

Notices of regular Board meetings are served to all Directors at least 14 days before the meetings. For other Board and committee meetings, notice is generally given pursuant to the Articles of Association and the respective terms of reference and detailed working rules of the committees.

The agenda of the Board meeting and the accompanying Board papers are sent to all Directors at least three days before each Board meeting and committee meeting for their review and to keep the Directors apprised of the latest developments and financial position of the Company so as to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management whenever necessary for inquiries or additional information.

The senior management will attend all regular Board meetings and when necessary, other Board meetings and committee meetings to advise on business developments, operation, financial and accounting matters, statutory compliance, corporate governance and other major aspects of the Company.

The Articles of Association contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions where such Directors or any of their associates have a material interest.

CORPORATE GOVERNANCE REPORT

Directors' Attendance Records

During the year ended 31 December 2025, the Company convened a total of 11 Board meetings. The attendance records of each Director at the meetings of the Board, Remuneration Committee, Audit and Risk Committee, Nomination and Governance Committee and Strategic and Sustainability Committee and the general meetings are set out below:

	Number of Attendance in Person/Number of Meetings Eligible to Attend						
Name of Directors	Board Meeting	Remuneration Committee Meeting	Audit and Risk Committee Meeting	Nomination and Governance Committee Meeting	Strategic and Sustainability Committee Meeting	Annual General Meeting (1)	Extraordinary General Meeting
Mr. Liu Jianfeng	8/8	4/4	N/A	3/3	0/0	N/A	2/2
Mr. Peng Xuhui	1/1	N/A	N/A	N/A	0/0	N/A	N/A
Mr. Que Chaoyang	8/8	N/A	N/A	N/A	0/0	N/A	1/2
Mr. Lin Jiuxin	11/11	N/A	N/A	N/A	1/1	1/1	3/4
Mr. Jiang Li	11/11	N/A	N/A	N/A	1/1	1/1	3/4
Mr. Ma Fei	1/1	1/1	N/A	0/0	N/A	N/A	N/A
Mr. Wang Kaiguo	11/11	6/6	2/2	5/5	1/1	1/1	3/4
Ms. Gu Hongyu	11/11	6/6	5/5	5/5	N/A	1/1	4/4
Mr. Cheng Gordon	11/11	4/4	5/5	5/5	N/A	1/1	3/4
Mr. Sun Ruiwen (resigned)	7/7	N/A	N/A	N/A	1/1	1/1	3/3
Mr. Li Chaochun (resigned)	2/2	N/A	N/A	N/A	1/1	N/A	N/A
Mr. Yuan Honglin (resigned)	3/3	2/2	3/3	2/2	1/1	1/1	2/2

Notes:

(1) The annual general meeting was held on 30 May 2025.

(2) On 30 May 2025, the Company convened the annual general meeting, at which Mr. Que Chaoyang and Mr. Liu Jianfeng were elected as executive Directors.

(3) On 8 December 2025, the Company convened the second extraordinary general meeting, at which Mr. Peng Xuhui was elected as an executive Director and Mr. Ma Fei was elected as a non-executive Director.

COMPANY SECRETARY

On 7 June 2024, the Company convened the first meeting of the seventh session of the Board, in which a resolution was approved to appoint Mr. Xu Hui as secretary to the Board of the Company and to appoint Mr. Xu Hui and Ms. Ng Sau Mei as joint company secretaries with effect from the date of approval by the Board until the date of the 2026 annual general meeting of the Company is to be convened.

Ms. Ng resigned on 6 November 2025. Mr. Xu has confirmed that he undertook no less than 15 hours of relevant professional training during the year.

CORPORATE GOVERNANCE REPORT

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND EMPLOYEES

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 Hong Kong Listing Rules in respect of dealings in the Company's securities by Directors. Having made specific enquiries, all Directors confirmed that the required standards set out in the Model Code have been complied with during the year ended 31 December 2025.

The Company has also formulated written guidelines (the "**Employees' Written Guidelines**") on terms no less exacting than the Model Code for securities transactions by employees of the Company who are likely to be in possession of unpublished inside information of the Company. No incident of non-compliance with the Employees' Written Guidelines by the employees has been noted by the Company after making reasonable enquiry.

DELEGATION BY THE BOARD

The Board reserves its decision-making rights for all major matters of the Company, including: the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular transactions that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters.

All Directors have full and timely access to all relevant information as well as the advice and services of the company secretary, with a view to ensuring that Board procedures and all applicable rules and regulations are complied with. Under appropriate circumstances, Directors may seek independent professional advice relating to relevant queries at the expense of the Company after obtaining consent of the Board.

The day-to-day management, administration and operations of the Company are delegated to the CEO and the senior management. The delegated functions and work tasks are reviewed periodically. Prior to entering into any significant transactions by the abovementioned officers, approvals have to be obtained from the Board.

The Board has established a number of committees, including the Remuneration Committee, the Audit and Risk Committee, the Nomination and Governance Committee and the Strategic and Sustainability Committee for overseeing particular aspects of the Company's affairs. All Board committees of the Company were established with defined written detailed working rules. Board committees are provided with sufficient resources to perform their duties. Upon reasonable requests, Board committees may seek independent professional advice in appropriate circumstances at the expense of the Company.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

The Company has established formal and transparent procedures for formulating policies regarding remuneration of the Directors and senior management of the Group. Details of the remuneration of the Directors and senior management for the year ended 31 December 2025 are set out in note (XI).7 to the financial statements.

During the reporting period, except for Mr. Lin Jiuxin, Mr. Jiang Li and Mr. Ma Fei, non-executive Directors, who waived their remunerations, none of the other Directors has waived or agreed to waive any of their remunerations.

CORPORATE GOVERNANCE REPORT

DISCLOSURES OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES PURSUANT TO RULE 13.51B(1) OF THE HONG KONG LISTING RULES

On 8 December 2025, the Company convened the 2025 second extraordinary general meeting, which considered and approved the resolution in relation to the cancellation of supervisory committee and amendments to the Articles of Association and internal control systems. After the cancellation of supervisory committee, Mr. Zheng Shu, Mr. Zhang Zhenhao and Mr. Luo Yunxiang, the original supervisors, automatically resigned.

After having made all reasonable enquiries, except for the information disclosed in this annual report, the Company is not aware of any other information of the Directors, supervisors and chief executives which is required to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules.

REMUNERATION COMMITTEE

The Company has established the Remuneration Committee and set out its specific operating rules. As at the date of this report, the Remuneration Committee comprises three independent non-executive Directors, namely Mr. Wang Kaiguo, Ms. Gu Hongyu and Mr. Cheng Gordon, one executive Director, namely Mr. Liu Jianfeng, and one non-executive Director, namely Mr. Ma Fei, and Mr. Wang Kaiguo acts as the chairman. The majority of the members of the Remuneration Committee are independent non-executive Directors.

The roles and functions of the Remuneration Committee are set out in its operating rules. Its primary functions include: to make recommendations to the Board on the remuneration policy and structure for all Directors and the senior management and to establish transparent procedures for developing such remuneration policy; to make recommendations to the Board on the remuneration packages of individual executive and non-executive Directors and the senior management; and to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration.

The primary aim of the Company's remuneration policy on executive Directors' packages is to enable the Company to retain and motivate executive Directors by linking their remuneration with performance and measured against corporate objectives. The remuneration policy of the Company for non-executive Directors is to ensure that they are sufficiently compensated for their efforts and time dedicated to the Company. In determining the guidelines for each element of the remuneration package, the Company refers to the remuneration surveys conducted by independent external consultants on companies operating in similar businesses.

In order to motivate the senior management of the Company in an effective and reasonable manner to maximize the creation of value for the shareholders and the Company, the Remuneration Committee has taken into account market-oriented principles including the determination of remuneration based on the performance, responsibilities, faults and attitude, the enhancement of rewards and punishment, the comparison with similar overseas and domestic listed companies in the industry, and consideration of granting special awards regarding the special projects and contributions, as well as referring to the advice from professional intermediaries.

CORPORATE GOVERNANCE REPORT

During the year ended 31 December 2025, the Remuneration Committee held six meetings and the matters considered therein included confirmation on the remuneration of senior management, reviewed the employee share ownership plan and its implementation and the revision of the Operating Rules of the Remuneration Committee. The attendance records are set out under “Directors’ Attendance Records” of this annual report.

AUDIT AND RISK COMMITTEE

The Board resolved to change the name of the Audit Committee to Audit and Risk Committee on 4 August 2018 and its detailed working rules have been updated to better reflect its functions.

The detailed working rules of the Audit and Risk Committee are based primarily on “A Guide for Effective Audit Committees” issued by the Hong Kong Institute of Certified Public Accountants. It is mainly responsible for overseeing and evaluating the internal and external audit functions, reviewing and supervising the Company’s financial information and its disclosure, overseeing and evaluating the Company’s (financial and non-financial) risk management and internal control, supervising the performance of duties by the Company’s Directors and senior management, and assisting the Board in fulfilling its responsibilities in relation to audit and risk management. Besides, the Audit and Risk Committee exercises the powers and functions of the supervisory committee as stipulated under the Company Law.

The Audit and Risk Committee provides an important link between the Board and the Company’s auditors in matters relating to the Group’s audit scope.

The Audit and Risk Committee has reviewed the effectiveness of the external audit and internal control, evaluated risks, and provided comments and advice to the Board. As at the date of this report, the Audit and Risk Committee comprises three independent non-executive Directors, namely Ms. Gu Hongyu, Mr. Wang Kaiguo and Mr. Cheng Gordon, and Ms. Gu Hongyu acts as the chairperson of the committee. The Audit and Risk Committee has reviewed the audited consolidated results of the Group for the year ended 31 December 2025 with the management and external auditors, according to the accounting principles and practices adopted by the Group, and discussed matters relating to auditing, internal control and financial reporting.

The main duties of the Audit and Risk Committee are set out in its detailed working rules, including the following:

(I) WITH RESPECT TO AUDIT AND FINANCIAL SUPERVISION

- provide proposals to the Board on the appointment, re-appointment and removal of the external auditors, advise on the terms of remuneration and appointment of the external auditors, and deal with matters related to the resignation or dismissal of the auditors;

- review and supervise the independence and objectivity of the external auditors and give opinions in this regard;

- review and monitor the effectiveness of the audit procedures in accordance with applicable standards, discuss with the external auditors about the nature and scope of the audit and the relevant reporting obligations before the audit commences and express opinions in this regard;

CORPORATE GOVERNANCE REPORT

- review the financial and accounting policies and practices of the Company, review the drafts of the annual reports, monitor the integrity of financial statements and annual reports and accounts, half-year reports and quarterly reports of the Company, and review significant financial reporting judgements contained therein and provide opinions in this regard;

- examine on a yearly basis the adequacy of the resources, the qualifications and experience of employees in connection with the Company's financial accounting, financial reporting risk management and internal control functions, as well as the adequacy of the training courses received by employees and the related budgets;

- review arrangements under which employees may raise concerns about possible inappropriateness of financial reporting, risk management, internal control or other matters under the condition of confidentiality;

(II) WITH RESPECT TO RISK MANAGEMENT AND INTERNAL CONTROL

- review the Company's financial control, and review the risk management and internal control systems of the Company;

- discuss the risk management and internal control systems with the management to ensure that the management has discharged its duty to establish an effective system and to resolve the procedural issues of serious internal control deficiencies;

- consider any findings of major investigations about risk management and internal control matters and the management's response; and

- evaluate and enhance the risk management procedures and ensure the current and future rationality, effectiveness and feasibility thereof.

The Audit and Risk Committee supervises the risk management and internal control systems of the Company, reports to the Board on any material issues and makes recommendations to the Board.

During the year ended 31 December 2025, the Audit and Risk Committee held five meetings. The Audit and Risk Committee has also reviewed the financial reporting and compliance procedures, the report from the management on the review and processes of Company's internal control and risk management systems and the re-appointment of the external auditors. The attendance records are set out under "Directors' Attendance Records" of this annual report.

During the year ended 31 December 2025, the Audit and Risk Committee held two meetings with the external auditors without the presence of executive Directors.

NOMINATION AND GOVERNANCE COMMITTEE

The Board resolved to change the name of the Nomination Committee to Nomination and Governance Committee on 4 August 2018 and its detailed working rules have been updated to better reflect its functions.

As at the date of this report, the Nomination and Governance Committee comprises five Directors, including three independent non-executive Directors, namely Mr. Wang Kaiguo, Ms. Gu Hongyu and Mr. Cheng Gordon, one executive Director, namely Mr. Liu Jianfeng, and one non-executive Director, namely Mr. Ma Fei, and Mr. Wang Kaiguo and Mr. Liu Jianfeng acts as the chairman and the vice chairman of the Nomination and Governance Committee respectively, and the majority of the members are independent non-executive Directors.

The roles and functions of the Nomination and Governance Committee are set out in the detailed working rules, and it is mainly responsible for (i) with respect to nomination: make suggestions to the Board as to the scale, structure, composition and any proposed change of the Board in light of the business activities, size of assets and shareholding structure of the Company, including reviewing the structure, number, composition and diversity of the background of the Board members (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) at least once a year or as needed; make recommendations to the Board on any proposed change to the Directors and the senior management; study the standards and procedures for the selection or appointment of Directors and senior management, and make recommendations to the Board; search and look for suitable candidates for qualified Directors and senior management, examine any nominated candidates of Directors and senior management and provide recommendations to the Board on this regard. The Board shall fully consider the Nomination and Governance Committee's recommendations on the nomination of the candidates for Directors and senior management; make recommendations to the current Board on the candidates for Directors of the next session of the Board at the re-election of the Board; assess the independence of independent non-executive Directors and any elected independent non-executive Directors; make recommendations to the Board on the candidates for new Directors and senior management at the time when the term of office of the Directors and the senior management expires or they are unable to perform their duties for reasons; assess the performance of the Directors and the senior management and, when necessary, provide advice or make recommendations on the replacement of the Directors and the senior management on the assessment results; and review continuously the needs for leadership and training development plans of the Company to ensure that the Company may continue to operate efficiently and maintain international competitiveness, and to monitor the training and development of Directors; (ii) with respect to corporate governance: review and approve the Company's vision, strategies, framework, principles and policies regarding corporate governance, and make recommendations to the Board; supervise the implementation of the corporate governance policies formulated by the Board and make relevant recommendations; review and consider the Company's corporate governance policies and daily operations to ensure compliance with legal and regulatory provisions, and make recommendations to the Board; review and consider the Code of Conduct and Compliance Manual (if any) on corporate governance applicable to the Company's Directors and employees; review and consider whether the Company complies with Appendix C1 Corporate Governance Code to the Hong Kong Listing Rules, the disclosure provisions relating to the Corporate Governance Report and other relevant rules; review and assess the annual Corporate Governance Report for consideration and approval and disclosure by the Board; examine, supervise and respond to the

CORPORATE GOVERNANCE REPORT

emerging corporate governance and, where appropriate, make recommendations to the Board to continuously improve the Company's corporate governance performance; support the plans for corporate governance outside the Company (both local and overseas), where appropriate, to facilitate the continuous development of corporate governance; review and supervise the assessment procedures of the Board (including its committees and individual members), assess the Board on a regular basis, and submit assessment reports to the Board for consideration and approval; review and supervise the implementation of the shareholder communication policies to ensure its effective implementation and, where appropriate, make recommendations to the Board on strengthening the relationship between shareholders and the Company; and review and supervise the training and continuous professional development of the Directors and senior management.

BOARD DIVERSITY POLICY

The Company adopted a board diversity policy. All appointments to the Board will be made on a merit basis.

The Nomination and Governance Committee reviews and evaluates the composition of the Board, makes recommendations to the Board in relation to the appointment of new Directors, as well as monitors the conduct of annual review on the effectiveness of the Board. When reviewing and evaluating the composition of the Board, the Nomination and Governance Committee will follow the board diversity policy to consider from a number of aspects the benefit of diversity, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, in order for the Board to maintain an appropriate scope and a balance in talents, skills, experience and background. In recommending candidates for appointment to the Board, the Nomination and Governance Committee will consider candidates on merit against objective criteria and with due regard for the benefit of diversity in the Board. In monitoring the effectiveness of the annual review of the Board, the Nomination and Governance Committee will consider the balance of talents, skills, experience, independence and knowledge on the Board and its diversity representation.

The Nomination and Governance Committee will review the composition of the Board in terms of diversity annually and monitor the implementation of the board diversity policy.

As at the date of this report, the composition of the Board in terms of diversity is summarized as follows:

<table>
<tr><td>Educational background</td><td colspan="6">Master</td><td colspan="3">PhD</td></tr>
<tr><td>Designation</td><td colspan="3">Executive Director</td><td colspan="3">Non-executive Director</td><td colspan="3">Independent Non-executive Director</td></tr>
<tr><td>Gender</td><td colspan="8">Male</td><td>Female</td></tr>
<tr><td>Nationality</td><td colspan="8">Chinese (including Hong Kong, China)</td><td>Canadian</td></tr>
<tr><td>Age group</td><td colspan="5">40 to 50</td><td colspan="3">50 to 60</td><td>60 to 70</td></tr>
<tr><td>Length of service</td><td colspan="9">within 5 years</td></tr>
<tr><td>0</td><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td><td>9</td></tr>
</table>

CORPORATE GOVERNANCE REPORT

The Company targets to maintain a Board with female representation, and the Nomination and Governance Committee will actively consider increasing the percentage of female members when selecting and making recommendations on suitable candidates for members of the Board. The Company is conscious of gender diversity when considering potential successors to the Board to achieve gender diversity.

The Nomination and Governance Committee has reviewed the board diversity policy to ensure its effectiveness and is of the opinion that the Group has achieved the board diversity policy.

Please refer to the 2025 Environmental, Social and Governance Report of CMOC Group Limited disclosed by the Company on the websites of the SSE (www.sse.com.cn), the Stock Exchange (www.hkexnews.hk) and the Company (www.cmoc.com) for details such as the gender ratio of all employees of the Company (including senior management), workforce diversity policies, etc.

DIRECTOR NOMINATION POLICY

The Company has adopted a director nomination policy aiming at setting out the criteria and process for the nomination and appointment of Directors and ensuring the Board possesses the required skills, experience and diversity of perspectives appropriate to the Company's business as well as ensuring the Board continuity and its leadership role. In assessing the suitability of a proposed candidate, the Nomination and Governance Committee will consider a number of factors including:

- character and integrity;
- qualifications, including cultural and educational background, professional qualifications, skills, knowledge and experience related to the Company's business and strategy, and the diversity of factors referred to in the board diversity policy;
- the independence of a candidate proposed to be appointed as an independent non-executive Director, in particular by reference to the independence requirements under the Hong Kong Listing Rules;
- any potential contributions the candidate may bring to the Board in terms of diversified aspects, including professional qualifications, skills, professional experience, tenure of service, independence, race, gender and age;
- willingness and commitment to allocate sufficient time to discharge duties as a member of the Board and/or a member of the Board committees;
- the Company's business activities, asset size and shareholding structure, as well as the Company's corporate strategy; and
- such other factors that are appropriate to the Company's business and the succession planning and where applicable, may be adopted and/or amended by the Board and/or the Nomination and Governance Committee from time to time.

CORPORATE GOVERNANCE REPORT

The director nomination policy also sets out the procedures for the selection and appointment of new Directors and re-election of Directors at general meetings. In relation to the appointment of a new Director, the Nomination and Governance Committee will request the candidate to provide his/her biographical information and other information deemed necessary. The Nomination and Governance Committee will review and take reasonable steps to verify the information obtained from the candidate and seek clarification, where required. The Nomination and Governance Committee may, at its discretion, invite any candidate to meet with the Nomination and Governance Committee members to assist them in their consideration of the proposed nomination or recommendation. The Nomination and Governance Committee will then submit its nomination proposal to the Board for consideration and approval and then make recommendation to the shareholders of the Company for approval.

The Nomination and Governance Committee will conduct regular review on the structure, size and composition of the Board and the director nomination policy, and where appropriate, make recommendations on changes to the Board for consideration and approval to complement the Company's corporate strategy and business needs to ensure its effectiveness.

The Nomination and Governance Committee held five meetings during the year ended 31 December 2025. The main topic considered was to review the Company's compliance with the corporate governance functions, including Directors' performance of duties, board diversity policy, Directors' professional and sustainable developments. The attendance records are set out under "Directors' Attendance Records" of this annual report.

STRATEGIC AND SUSTAINABILITY COMMITTEE

The Board resolved to change the name of the Strategic Committee to Strategic and Sustainability Committee on 4 August 2018, and has updated its detailed working rules to better reflect its functions.

The responsibilities of the Strategic and Sustainability Committee are to formulate or periodically review the Company's development strategies, development plans and business objectives, to examine and regularly review the Company's sustainability initiatives in light of its internal and external actual circumstances and provide opinions or recommendations for improvement, and to assist the Board in discharging its responsibilities in relation to strategy and sustainability management. As at the date of this report, the Strategic and Sustainability Committee members comprises three executive Directors, namely Mr. Liu Jianfeng, Mr. Peng Xuhui and Mr. Que Chaoyang, one independent non-executive Director, namely Mr. Wang Kaiguo, and two non-executive Directors, namely Mr. Lin Jiuxin and Mr. Jiang Li, with Mr. Liu Jianfeng acting as the chairman of the committee.

During the year ended 31 December 2025, the Strategic and Sustainability Committee held one meeting; matters considered included assessment of the culture, management framework, affairs, risk management, capacity building and other matters in the fields of environment, social responsibility and sustainability of the Company, etc. The attendance records are set out under "Directors' Attendance Records" of this annual report.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE FUNCTIONS

The Nomination and Governance Committee is responsible for performing the functions of corporate governance.

During the reporting period, the Nomination and Governance Committee has reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and the Employees Written Guidelines, and the Company's compliance with the Corporate Governance Code and disclosure in Corporate Governance Report.

ACCOUNTABILITY AND AUDIT

Directors' Responsibilities for Financial Statements

The Directors acknowledged their responsibilities for preparing the consolidated financial statements of the Company for the year ended 31 December 2025.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other disclosures required under the Hong Kong Listing Rules and other regulatory requirements.

The senior management provides explanations and information to the Board for approval so as to enable the Board to make an informed assessment and to consider and approve the financial information and position of the Company.

The statement of the independent auditors of the Company about their reporting responsibilities on the consolidated financial statements is set out in the Auditor's Report on page 108 of this annual report.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board has overall responsibility for maintaining the soundness and effectiveness of the internal control system and risk management procedures of the Group, including setting up a management structure and its terms of reference to ensure efficient and effective use of the Group's resources to assist the Group in achieving its operation objectives, safeguarding the Group's assets against any unauthorized use or disposal and ensuring appropriate maintenance of relevant records.

The Board acknowledges that it is responsible for the risk management and internal control systems and reviewing the effectiveness of such systems. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

CORPORATE GOVERNANCE REPORT

The Board maintains on-going supervision over the risk management and internal control systems of the Company through the Audit and Risk Committee, and has reviewed the effectiveness of such systems during 2025. The said review covered all material controls, including financial, operational and compliance controls.

The Board is of the opinion that the Company has adequate resources, staff qualifications, experience and training programmes as well as the relevant budget in terms of accounting, internal audit and financial reporting.

During 2025, the Audit and Risk Committee has reviewed the following matters:

- the changes, since the last annual review, in the nature and extent of significant risks, and the Company's ability to respond to changes in its business and the external environment;

- the scope and quality of management's ongoing monitoring of risks and the internal control systems, and the work of its internal audit function and other assurance providers;

- significant control failings or weaknesses that have been identified during the period, and the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the Company's financial performance or condition; and

- the effectiveness of the Company's processes for financial reporting and compliance of the Hong Kong Listing Rules.

Deloitte Touche Tohmatsu Certified Public Accountants LLP has been appointed to review the effectiveness of internal control in relation to the financial report of the Company as at 31 December 2025 in accordance with relevant requirements under the Corporate Internal Control Audit Guidelines and the China Standards on Auditing and Quality Control. Its responsibilities are to express an audit opinion on the effectiveness of internal control over the financial report after conducting an audit, and to disclose the material defects that have come to its attention in the internal control over non-financial reports. Deloitte Touche Tohmatsu Certified Public Accountants LLP is of the view that the Company has maintained effective internal control over the financial report in all material aspects in the year ended 31 December 2025 in accordance with the Basic Rules for Corporate Internal Control and relevant requirements.

The Board evaluates the effectiveness of internal control system once a year. During the reporting period, the Company completed an internal control self-assessment report for 2025. The Board has evaluated and validated the risk management and internal control system of the Group and has not found any violation of laws, regulations and rules or any significant deficiency in compliance monitoring and risk management or any major mistake. The Board considers the risk management and internal control systems of the Group are effective.

Details of the Audit Report on Internal Control issued by Deloitte Touche Tohmatsu Certified Public Accountants LLP and the Internal Control Self-Assessment Report for 2025 of the Company had been published on the websites of the SSE, the Stock Exchange and the Company on 27 March 2026.

CORPORATE GOVERNANCE REPORT

The Company has established an internal audit system. The internal control system of the Group is designed to facilitate effective and efficient operations, to ensure reliability of financial reporting and compliance with applicable laws and regulations, to identify and manage potential risks and to safeguard assets of the Group. The internal control system established by the Group for the purposes of risk management and control, together with internal audit and findings in the operation and management, and with reference to audit findings by external auditors, can be used to comprehensively recognize, evaluate and supervise material risks that the Group faces, including operation and decision-making risk, financial management and control risk and the risks resulted from the changes of operating environment. The internal auditors and senior management shall evaluate operational controls and risk management on a regular basis and report to the Audit and Risk Committee on any findings concerning internal control and risk management. The Audit and Risk Committee supervised the implementation of various rectification measures, and the rectification work was in line with expectations after subsequent tracking and checking.

DEALING WITH AND PUBLISHING INSIDE INFORMATION

The Company has formulated a policy regarding dealing with and publishing inside information, which specifies the procedures of and internal control over dealing with and publishing inside information to deal with and publish inside information in due course, without leading to place any person in a privileged position in security transactions. The inside information policy also provides guidance to the employees of the Group to ensure appropriate measures are put in place and prevent from contravening the disclosure requirements as stipulated in laws and Hong Kong Listing Rules by the Group. The Company has established appropriate internal control and reporting system to identify and evaluate potential inside information. Pursuant to the requirements of Hong Kong Listing Rules, the Company publishes the relevant information relating to inside information on the websites of SSE, the Stock Exchange and the Company.

AUDITORS' REMUNERATION

For the year ended 31 December 2025, the remuneration paid to the auditors of the Company, Deloitte Touche Tohmatsu Certified Public Accountants LLP, is set out below:

Types of services	**Remuneration paid/to be paid** *RMB'000*
Annual audit service	9,480
Internal control audit	2,140

Note: For the avoidance of ambiguity, the auditors' remuneration set out above is only the remuneration paid to the auditor Deloitte Touche Tohmatsu Certified Public Accountants LLP who provides annual audit services to the Company, fees paid by the Group to other organizations that provide accounting services were not included. Deloitte Touche Tohmatsu Certified Public Accountants LLP provides auditing of financial statements of the parent company and the consolidated financial statements and reviews on the effectiveness of internal control for the Company. In 2024, annual financial auditing for the Company's overseas businesses was conducted by Deloitte Touche Tohmatsu Auditores Independentes (Brazil), Deloitte Services SARL (DRC) and Deloitte SA (Swiss), the annual financial statements and internal control audit expenses of overseas business amounted to approximately RMB7.393 million.

CORPORATE GOVERNANCE REPORT

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTOR RELATIONS

The general meetings of the Company provide a forum for communication between the shareholders and the Board. The Chairman as well as chairmen of the Audit and Risk Committee, Remuneration Committee, Nomination and Governance Committee and Strategic and Sustainability Committee shall attend the forthcoming annual general meeting to answer questions of the shareholders.

As of the reporting date, in accordance with the provisions of relevant laws, regulations, normative documents and the Articles of Association, the Company has formulated the Management System for the Resignation of Directors and Senior Management of CMOC; and revised the Articles of Association, the Detailed Working Rules of the Audit and Risk Committee of CMOC, the Detailed Working Rules of the Strategic and Sustainability Committee of CMOC, the Detailed Working Rules of the Audit and Risk Committee of CMOC, the Working System of Independent Directors of CMOC, the Detailed Working Rules of the President of CMOC, the Information Disclosure System of CMOC and other systems, in order to regulate corporate governance and regulate the operation of the global business.

The Company is committed to disseminating important information regarding the Group to the public. To facilitate effective communication, the Company set up the website www.cmoc.com which sets out the information and updates relating to the Company's business development and operation as well as financial information and other information available for public inspection.

The management of the Company regularly reviews the implementation and effectiveness of the various channels of communication with our shareholders. Given that no negative feedback was received during the financial year, we believe that these communication channels are effective.

SHAREHOLDERS' RIGHTS

To safeguard the shareholders' interests and rights, separate resolutions are proposed at a general meeting on each substantial issue (including the election of individual Directors).

All resolutions put forward at a general meeting will be taken by poll pursuant to the Hong Kong Listing Rules and the poll results will be posted on the websites of the Company, the Stock Exchange and the SSE after the general meeting.

CONVENING AN EXTRAORDINARY GENERAL MEETING BY SHAREHOLDERS

Shareholders either individually or collectively holding more than 10% of the shares of the Company may, through signing one or more copies of requisition(s) in the same form and content stating the topics to be discussed at the meeting, require the Board to convene an extraordinary general meeting or a class meeting. The Board shall, in accordance with the laws, administrative regulations and Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of an extraordinary general meeting within ten days after receiving aforesaid written requisition(s).

In the event that the Board agrees to convene an extraordinary general meeting, the notice of the general meeting shall be issued within five days after the passing of the relevant resolution of the Board. Any change to the original proposal made in the notice requires prior approval of the shareholders concerned.

CORPORATE GOVERNANCE REPORT

In the event that the Board does not agree to convene an extraordinary general meeting or does not furnish any reply within 10 days after receiving such requisition(s), shareholders individually or collectively holding 10% or more of the Company's shares shall be entitled to propose to the Audit and Risk Committee to convene the extraordinary general meeting, provided that such proposal shall be made in writing.

In the event that the Audit and Risk Committee agrees to convene an extraordinary general meeting, the notice of the general meeting shall be issued within 5 days after receiving such proposal. Any changes to the original proposal made in the notice shall require prior approval of the shareholders concerned.

Failure of the Audit and Risk Committee to issue the notice of the general meeting within required time frame shall be deemed as failure of the Audit and Risk Committee to convene and preside over a general meeting, in which case, shareholders individually or collectively holding 10% or more of the Company's shares for 90 consecutive days or more may convene and preside over the meeting on his/her/their own.

PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS

When the Company convenes a general meeting, the Board or the shareholders either individually or collectively holding 1% or more of the Company's shares may put forward proposals to the Company.

Shareholders either individually or collectively holding 1% or more of the Company's shares may submit their provisional motions to the convener 10 days before the date fixed for convening of the meeting. The convener shall issue a supplementary notice of the general meeting two days after the motions have been received and announce the name of the shareholder submitting the provisional motions, shareholding percentage and the contents of the motions.

Save for the circumstances referred to in the preceding paragraph, after the convener has issued the notice on the general meeting, no change shall be made to the motions listed in the notice of the meeting nor new motions shall be added. The general meeting shall not vote on or resolve motions not listed in the notice of the general meeting or motions which do not meet the following requirements:

Content of proposals at the general meeting shall be matters falling within the functions and powers of general meeting. It shall have definite topics to discuss and specific matters to resolve and comply with the laws, administrative regulations and the requirements in the Articles of Association.

CORPORATE GOVERNANCE REPORT

SHAREHOLDERS' ENQUIRIES

Enquiries about Shareholdings

Shareholders should direct their enquiries about their shareholdings to the Board Office at the Company's principal place of business in the PRC (for holders of A shares) or at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited (for holders of H shares).

The address and contact details of the Company's principal place of business in the PRC are as follows:

North of Yihe, Huamei Shan Road, Chengdong New District
Luanchuan County
Luoyang City
Henan Province
The People's Republic of China
Telephone No.: (+86) 21 8033 0506
Facsimile No.: (+86) 379 6865 8017

The address and contact details of the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, are as follows:

17M Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong
Telephone No.: (+852) 2862 8555
Facsimile No.: (+852) 2865 0990/(+852) 2529 6087

ENQUIRIES ABOUT CORPORATE GOVERNANCE OR OTHER MATTERS TO BE PUT TO THE BOARD AND THE COMPANY

The Company will not normally deal with verbal or anonymous enquiries. Shareholders may send written enquiries to the Company, for the attention of the Board Office, by email: 603993@cmoc.com, fax: (+86) 379 6865 8017, or mail to North of Yihe, Huamei Shan Road, Chengdong New District, Luanchuan County, Luoyang City, Henan Province, the People's Republic of China. Shareholders may call the Company at (+86) 21 8033 0506 for any assistance.

Note: Shareholders' information may be disclosed as required by law.

CORPORATE GOVERNANCE REPORT

CONSTITUTIONAL DOCUMENTS

The Company approved the amendments to the Articles of Association at the extraordinary general meeting held on 8 December 2025. The latest Articles of Association are available on the websites of the SSE, the Stock Exchange and the Company.

On 27 March 2026, the Board resolved to seek approval from the shareholders of the Company for the proposed amendments to the Articles of Association. The proposed amendments will not become effective until the approval at the 2025 annual general meeting.

AUDITOR

The consolidated financial statements of the Company for the year ended 31 December 2025 were audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP. The financial report for the year 2025 prepared in accordance with the PRC Accounting Standards by the Company has been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP and an auditor's report with unqualified opinions has been issued.

The Company appointed Deloitte Touche Tohmatsu Certified Public Accountants LLP, as the auditor of the Company, with term of office until the conclusion of the next annual general meeting of the Company.

By order of the Board
Liu Jianfeng
Chairman

Shanghai, the PRC
27 March 2026

AUDITOR'S REPORT

De Shi Bao (Shen) Zi (26) No. P04032

TO ALL SHAREHOLDERS OF CHINA MOLYBDENUM CO., LTD.:

I. OPINION

We have audited the financial statements of China Molybdenum Co., Ltd. ("CMOC", or the "Company"), which comprise the consolidated and the Company's balance sheets as at 31 December 2025, and the consolidated and the Company's income statements, the consolidated and the Company's cash flow statements and the consolidated and the Company's statements of changes in shareholders' equity for the year then ended, and the notes to the financial statements.

In our opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the Accounting Standards for Business Enterprises, and present fairly the consolidated and CMOC's financial position as at 31 December 2025, and the consolidated and the Company's results of operations and cash flows for the year then ended.

II. BASIS FOR OPINION

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of CMOC in accordance with the Independence Standards for Chinese Certified Public Accountants No. 1 – Independence Requirements for Financial Statement Audits and Review Engagements and the Code of Ethics for Chinese Certified Public Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We have complied with the independence requirements for audits of public interest entities during our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. KEY AUDIT MATTERS

The key audit matters are the most important matters that we consider to the audit of financial statements based on our professional judgement. The responses to these matters are based on the audit of the financial statements as a whole and the formation of an audit opinion. We do not express an opinion on these matters separately. We determine that the following matters are the key audit matters that need to be communicated in the auditor's report.

(I) Revenue Recognition

Description of matters

We identify the revenue recognition as a key audit matter, mainly because, as an A+H Share listed company, the revenue is a key business indicator. As stated in Note (V)48, the CMOC's revenue for 2025 includes the revenue from the sales of molybdenum-and-tungsten-related products, niobium-and-phosphorus-related products and copper-and-cobalt-related products of the mining and processing business, as well as the revenue from the trade of mineral metals and refined metals of the metal trading segment. Considering the complexity of relevant revenue process and corresponding internal controls, we identify the revenue recognition as a key audit matter.

III. KEY AUDIT MATTERS (CONTINUED)

(I) Revenue Recognition (Continued)

Audit responses

The major audit procedures we performed for revenue recognition include:

1. Understanding and assessing relevant internal controls in the sales and collection cycle of CMOC, and testing their operating effectiveness;

2. Reviewing the significant sales contract, identifying the contract terms and conditions related to the transfer of control of the commodity, and evaluating whether the timing of revenue recognition of CMOC complies with the Accounting Standards for Business Enterprises;

3. Performing test of details for revenue recognition, selecting samples from the recorded revenue transactions and obtaining supporting documents, so as to test whether relevant performance obligations have been performed and accounted for accordingly at the time point of revenue recognition;

4. Performing analytical review procedures based on the sales prices and actual sales volumes of goods in open market to review the reasonableness of revenue recognition in current period in respect of business revenue from sales of goods;

5. Selecting metal trading contract samples to check the terms and transaction dates specified in the contracts against the transaction information in business system, so as to test the completeness of revenue recognition in respect of the revenue from metal trading.

(II) Fair value measurement of the financial instruments and trading inventories related to metal trading of IXM Holding S.A and its subsidiaries ("IXM")

Description of matters

The IXM metal trading involves large quantity of financial instruments and trading inventories measured at fair value, the inputs involved in the recognition of fair values of related assets and liabilities include observable inputs such as the quoted price of similar assets or liabilities in active market and unobservable inputs such as the yield of similar financial products in private market. As at 31 December 2025, the financial instruments held by IXM include held-for-trading financial assets of RMB11,251,831,299.15, derivative financial assets of RMB1,441,339,174.06, held-for-trading financial liabilities of RMB8,184,442,794.65, derivative financial liabilities of RMB1,373,935,967.01 and trading inventories measured at fair value of RMB14,097,857,397.62. The selection of the inputs may have a material impact on financial statements. Therefore, we identify the fair value measurement regarding the financial instruments and trading inventories related to metal trading of IXM as a key audit matter.

AUDITOR'S REPORT

III. KEY AUDIT MATTERS (CONTINUED)

(II) Fair value measurement of the financial instruments and trading inventories related to metal trading of IXM Holding S.A and its subsidiaries ("IXM") (Continued)

Audit responses

The major audit procedures we performed for the fair value measurement of the financial instruments and trading inventories related to metal trading of IXM include:

1. Understanding and assessing the internal controls related to fair value measurement in the metal trading cycle of IXM, and testing their operating effectiveness;

2. Understanding the methods adopted by IXM to measure fair value, and assessing whether such methods comply with the Accounting Standards for Business Enterprises;

3. Selecting samples from the forward commodity contracts, receivables at FVTPL and payables at FVTPL, reviewing the terms of relevant contracts, understanding the valuation methods of fair values of selected samples, and verifying the quoted price of similar assets or liabilities in active market or other inputs adopted by the fair value measurement and their measurement results, so as to evaluate the reasonableness of the closing fair values.

4. Selecting samples from the trading inventories measured at fair value, and verifying the inputs such as the quoted price of similar assets or liabilities in active market, the premium/discount prices in the place of origin or nearby regions in the industry research report adopted by the fair value measurement and their measurement results, so as to evaluate the reasonableness of the closing fair values.

IV. OTHER INFORMATION

The management of CMOC is responsible for preparation of the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the audit work performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

AUDITOR'S REPORT

V. RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The management of CMOC is responsible for the preparation of the financial statements in accordance with Accounting Standards for Business Enterprises to achieve fair presentation of the financial statements, and for the design, implementation and maintenance of internal control which is necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing CMOC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate CMOC or to cease operations, or has no other realistic alternative but to do so.

Those charged with governance are responsible for overseeing CMOC's financial reporting process.

VI. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with China Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

AUDITOR'S REPORT

VI. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

As part of an audit in accordance with China Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

(4) Conclude on the appropriateness of the management's use of the going concern assumption and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required by China Standards on Auditing to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(5) Evaluate the overall presentation (including the disclosures), structure and content of the financial statements and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within CMOC to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

AUDITOR'S REPORT

VI. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Deloitte Touche Tohmatsu
Certified Public Accountants LLP
Shanghai, China

Chinese Certified Public Accountant:
(Engagement partner)

Chinese Certified Public Accountant:

27 March 2026

The auditor's report and the accompanying financial statements are English translations of the Chinese auditor's report and statutory financial statements prepared under accounting principles and practices generally accepted in the People's Republic of China. These financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in other countries and jurisdictions. In case the English version does not conform to the Chinese version, the Chinese version prevails.

THE CONSOLIDATED BALANCE SHEET

AT 31 DECEMBER 2025

RMB

ASSETS	Notes	**31 December 2025**	31 December 2024
Current Assets:			
Cash and bank balances	(V)1	**33,563,955,852.45**	30,427,258,389.26
Held-for-trading financial assets	(V)2	**13,642,641,515.48**	6,509,905,551.61
Derivative financial assets	(V)3	**1,845,993,109.55**	1,393,127,738.63
Accounts receivable	(V)4	**1,210,025,340.21**	647,879,043.30
Receivables financing	(V)5	**59,223,805.38**	80,435,196.69
Prepayments	(V)6	**1,839,159,056.77**	1,114,395,541.39
Other receivables	(V)7	**5,930,423,346.98**	5,524,864,547.38
Including: Interest receivable	(V)7.2	**338,482,419.43**	277,967,881.17
Dividends receivable	(V)7.3	**32,000,000.00**	210,000,000.00
Inventories	(V)8	**40,600,637,422.42**	29,878,326,307.04
Non-current assets due within one year	(V)9	**1,421,675,981.00**	669,085,195.47
Other current assets	(V)10	**10,234,292,119.94**	2,929,115,294.46
Total Current Assets		**110,348,027,550.18**	79,174,392,805.23
Non-current Assets:			
Long-term equity investments	(V)11	**3,898,011,448.97**	3,282,859,126.21
Investment in other equity instruments	(V)12	**46,379,698.64**	7,139,182.24
Other non-current financial assets	(V)13	**3,121,439,688.84**	2,804,861,188.55
Fixed assets	(V)14	**42,039,667,205.37**	44,422,262,703.20
Construction in progress	(V)15	**4,053,651,119.56**	4,054,550,381.26
Inventories	(V)8	**7,053,870,748.59**	7,224,831,357.59
Right-of-use assets	(V)16	**180,544,583.69**	257,985,962.59
Intangible assets	(V)17	**24,044,081,167.37**	21,651,283,345.49
Goodwill	(V)18	**426,867,726.99**	436,560,432.61
Long-term prepaid expenses	(V)19	**237,933,811.96**	279,914,912.55
Deferred tax assets	(V)20	**2,361,882,379.22**	1,592,961,821.67
Other non-current assets	(V)21	**3,120,007,481.61**	5,046,828,472.63
Total Non-current Assets		**90,584,337,060.81**	91,062,038,886.59
TOTAL ASSETS		**200,932,364,610.99**	170,236,431,691.82

THE CONSOLIDATED BALANCE SHEET

AT 31 DECEMBER 2025

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31 December 2025	31 December 2024
Current Liabilities:			
Short-term borrowings	(V)23	**27,128,885,828.23**	13,960,237,085.28
Held-for-trading financial liabilities	(V)24	**8,184,442,794.65**	2,835,872,062.19
Derivative financial liabilities	(V)25	**10,425,800,911.43**	1,454,738,253.36
Notes payable	(V)26	**472,133,125.45**	606,310,041.05
Accounts payable	(V)27	**5,141,795,756.14**	4,807,065,051.51
Contract liabilities	(V)28	**1,512,341,320.38**	2,621,355,529.29
Employee benefits payable	(V)29	**2,040,659,499.84**	1,443,108,200.73
Taxes payable	(V)30	**8,234,866,142.36**	5,529,776,168.33
Other payables	(V)31	**3,498,341,389.68**	5,160,820,314.05
Including: Dividends payable	(V)31.2	**34,063,210.06**	34,063,210.06
Non-current liabilities due within one year	(V)32	**3,488,014,284.30**	6,210,958,935.89
Other current liabilities	(V)33	**969,249,337.52**	830,355,325.34
Total Current Liabilities		**71,096,530,389.98**	45,460,596,967.02
Non-current Liabilities:			
Long-term borrowings	(V)34	**1,166,200,000.00**	9,333,840,115.73
Lease liabilities	(V)35	**91,437,311.92**	136,870,676.80
Long-term employee benefits payable	(V)36	**592,848,067.77**	530,656,320.26
Provisions	(V)37	**2,755,891,555.63**	2,830,531,195.69
Deferred income	(V)38	**128,750,812.85**	53,993,446.58
Deferred tax liabilities	(V)20	**6,402,443,016.36**	6,572,753,970.55
Other non-current liabilities	(V)39	**18,911,536,415.76**	19,374,952,854.42
Total Non-current Liabilities		**30,049,107,180.29**	38,833,598,580.03
TOTAL LIABILITIES		**101,145,637,570.27**	84,294,195,547.05

THE CONSOLIDATED BALANCE SHEET

AT 31 DECEMBER 2025

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31 December 2025	31 December 2024
SHAREHOLDERS' EQUITY:			
Share capital	(V)40	**4,278,862,035.20**	4,319,848,116.60
Other equity instruments	(V)41	**–**	1,000,000,000.00
Including: Perpetual bonds		**–**	1,000,000,000.00
Capital reserve	(V)42	**26,592,906,434.37**	27,708,934,206.93
Less: Treasury shares	(V)43	**82,426,321.88**	1,266,543,810.15
Other comprehensive income	(V)44	**188,371,981.23**	2,739,929,808.22
Special reserve	(V)45	**377,298,142.22**	267,497,082.63
Surplus reserve	(V)46	**2,159,924,058.30**	2,159,924,058.30
Retained profits	(V)47	**48,920,405,956.63**	34,093,404,253.98
Total equity attributable to shareholders of the Company		**82,435,342,286.07**	71,022,993,716.51
Minority interests		**17,351,384,754.65**	14,919,242,428.26
TOTAL SHAREHOLDERS' EQUITY		**99,786,727,040.72**	85,942,236,144.77
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**200,932,364,610.99**	170,236,431,691.82

The accompanying notes form part of the financial statements.

The financial statements were signed by the following:

Legal Representative:	Chief Financial Officer:	Person in Charge of the Accounting Body:

THE COMPANY'S BALANCE SHEET

AT 31 DECEMBER 2025

RMB

ASSETS	Notes	31 December 2025	31 December 2024
Current Assets:			
Cash and bank balances	(XVI)1	**5,745,041,429.97**	6,612,113,055.60
Held-for-trading financial assets	(XVI)2	**1,050,776,411.53**	614,050,539.53
Accounts receivable	(XVI)3	**743,048,329.59**	761,243,032.25
Receivables financing		**5,591,515.22**	18,741,868.56
Prepayments		**19,513,396.75**	15,797,367.82
Other receivables	(XVI)4	**5,418,045,733.04**	12,180,860,063.95
Including: Interest receivable		**155,380,772.68**	305,732,597.47
Dividends receivable		**4,480,327,529.42**	5,029,006,084.08
Inventories		**268,640,572.26**	347,506,465.75
Non-current assets due within one year	(XVI)5	**919,367,717.71**	–
Other current assets		**9,647,094.98**	17,596,997.80
Total Current Assets		**14,179,672,201.05**	20,567,909,391.26
Non-current Assets:			
Long-term equity investments	(XVI)6	**38,530,637,182.97**	35,447,326,287.03
Other non-current financial assets		**155,888,814.87**	80,650,720.23
Fixed assets		**2,511,210,715.37**	2,166,502,689.95
Construction in progress		**390,504,724.11**	459,663,801.52
Intangible assets		**165,256,018.05**	166,700,030.96
Long-term prepaid expenses		**187,661,183.49**	194,617,325.91
Deferred tax assets		**64,977,733.15**	130,046,376.10
Other non-current assets		**272,961,078.22**	1,131,532,520.93
Total Non-current Assets		**42,279,097,450.23**	39,777,039,752.63
TOTAL ASSETS		**56,458,769,651.28**	60,344,949,143.89

THE COMPANY'S BALANCE SHEET

AT 31 DECEMBER 2025

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31 December 2025	31 December 2024
Current Liabilities:			
Short-term borrowings		1,200,758,388.89	1,001,100,000.02
Notes payable		–	59,603.31
Accounts payable		349,548,295.92	312,007,663.50
Contract liabilities		13,134,612.24	7,293,086.80
Employee benefits payable		181,075,518.84	165,212,456.96
Taxes payable		469,894,522.32	318,262,951.17
Other payables		10,894,859,742.71	8,511,947,312.81
Including: Interest payable		9,942,551.69	7,865,721.66
Non-current liabilities due within one year		2,138,217,581.11	4,778,352,480.82
Other current liabilities		243,567,552.91	256,066,309.62
Total Current Liabilities		15,491,056,214.94	15,350,301,865.01
Non-current Liabilities:			
Long-term borrowings		968,200,000.00	4,563,800,000.00
Provisions		105,555,626.42	98,920,188.61
Deferred income		15,274,481.30	15,660,067.10
Other non-current liabilities		299,843,030.23	442,407,141.30
Total Non-current Liabilities		1,388,873,137.95	5,120,787,397.01
TOTAL LIABILITIES		16,879,929,352.89	20,471,089,262.02

THE COMPANY'S BALANCE SHEET

AT 31 DECEMBER 2025

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31 December 2025	31 December 2024
SHAREHOLDERS' EQUITY:			
Share capital		**4,278,862,035.20**	4,319,848,116.60
Other equity instruments		**–**	1,000,000,000.00
Including: Perpetual bonds		**–**	1,000,000,000.00
Capital reserve		**26,738,253,796.83**	27,879,851,870.35
Less: Treasury shares		**82,426,321.88**	1,266,543,810.15
Special reserve		**360,139,773.91**	255,428,194.03
Surplus reserve		**2,159,924,058.30**	2,159,924,058.30
Retained profits		**6,124,086,956.03**	5,525,351,452.74
TOTAL SHAREHOLDERS' EQUITY		**39,578,840,298.39**	39,873,859,881.87
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**56,458,769,651.28**	60,344,949,143.89

The financial statements were signed by the following:

Legal Representative:	Chief Financial Officer:	Person in Charge of the Accounting Body:

THE CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

RMB

ITEM	Notes	2025	2024
I. Total operating income		**206,683,649,050.43**	213,028,664,834.79
Including: Operating income	(V)48	**206,683,649,050.43**	213,028,664,834.79
II. Total operating costs		**164,451,013,691.60**	187,362,391,592.61
Including: Operating costs	(V)48	**157,229,379,805.35**	177,773,986,291.91
Taxes and levies	(V)49	**3,365,784,277.31**	4,135,200,944.74
Selling expenses	(V)50	**104,846,109.61**	92,832,652.76
Administrative expenses	(V)51	**2,806,497,917.05**	2,127,537,139.53
Research and development expenses		**431,679,424.54**	353,973,998.59
Financial expenses	(V)52	**512,826,157.74**	2,878,860,565.08
Including: Interest expenses		**2,630,714,020.64**	4,043,301,643.47
Interest income		**1,644,470,637.14**	1,649,638,853.86
Add: Other income	(V)53	**90,481,985.37**	151,001,935.38
Investment income (losses are indicated by "-")	(V)54	**751,789,644.54**	958,805,198.08
Including: Income from investments in associates and joint ventures		**715,743,202.15**	788,496,777.95
Gains from changes in fair value (losses are indicated by "-")	(V)55	**(7,688,124,922.01)**	(1,375,599,138.49)
Gains from credit impairment (losses are indicated by "-")	(V)56	**1,285,181.85**	(5,862,679.45)
Gains from assets impairment (losses are indicated by "-")	(V)57	**(41,960,591.89)**	(195,059,147.51)
Gains from disposal of assets (losses are indicated by "-")		**(18,416,593.97)**	66,475,010.13
III. Operating profit (loss is indicated by "-")		**35,327,690,062.72**	25,266,034,420.32
Add: Non-operating income	(V)58	**16,010,561.73**	36,682,538.06
Less: Non-operating expenses	(V)59	**182,310,070.14**	178,679,727.63
IV. Total profit (loss is indicated by "-")		**35,161,390,554.31**	25,124,037,230.75
Less: Income tax expenses	(V)60	**11,133,983,246.72**	9,664,594,740.80
V. Net profit (loss is indicated by "-")		**24,027,407,307.59**	15,459,442,489.95
(I) Categorised by the nature of continuing operation			
1. Net profit from continuing operations (net loss is indicated by "-")		**23,754,357,420.53**	15,407,519,425.13
2. Net profit from discontinued operations (net loss is indicated by "-")	(XV)1	**273,049,887.06**	51,923,064.82

THE CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

ITEM	Notes	**2025**	2024
(II) Categorised by ownership:			
1. Net profit attributable to shareholders of the Company (net loss is indicated by "-")		**20,338,750,797.53**	13,532,035,002.94
2. Profit or loss attributable to minority interests (net loss is indicated by "-")		**3,688,656,510.06**	1,927,407,487.01
VI. Other comprehensive income, net of tax	(V)44	**(2,908,261,130.83)**	1,357,882,699.56
Other comprehensive income attributable to shareholders of the Company, net of tax		**(2,551,557,826.99)**	1,165,666,085.89
(I) Other comprehensive income that cannot be reclassified to profit or loss		**12,872,670.90**	(3,402,604.48)
1. Changes from remeasurement of defined benefit plans		**9,895,172.40**	(2,960,098.36)
2. Changes in fair value of investments in other equity instruments		**2,977,498.50**	(442,506.12)
(II) Other comprehensive income that will be reclassified to profit or loss		**(2,564,430,497.89)**	1,169,068,690.37
1. Cash flow hedges reserve		**(77,380,124.15)**	142,767,145.51
2. Translation differences of financial statements denominated in foreign currencies		**(2,487,050,373.74)**	1,026,301,544.86
Other comprehensive income attributable to minority interests, net of tax		**(356,703,303.84)**	192,216,613.67
VII. Total comprehensive income		**21,119,146,176.76**	16,817,325,189.51
Total comprehensive income attributable to shareholders of the Company		**17,787,192,970.54**	14,697,701,088.83
Total comprehensive income attributable to minority interests		**3,331,953,206.22**	2,119,624,100.68
VIII. Earnings per share:			
(I) Basic earnings per share		**0.95**	0.63
(II) Diluted earnings per share		**0.95**	0.63

The financial statements were signed by the following:

Legal Representative:	Chief Financial Officer:	Person in Charge of the Accounting Body:

THE COMPANY'S INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

RMB

ITEM	Note	2025	2024
I. Operating income	(XVI)7	**7,418,263,156.94**	6,925,164,925.21
Less: Operating costs	(XVI)7	**3,049,239,194.78**	3,632,957,973.95
Taxes and levies		**789,773,855.35**	578,794,710.19
Administrative expenses		**202,902,457.35**	192,497,141.70
Research and development expenses		**262,132,886.62**	250,502,873.46
Financial expenses		**75,822,195.94**	162,893,625.08
Including: Interest expenses		**238,090,559.95**	425,652,116.64
Interest income		**187,783,110.61**	292,906,723.01
Add: Other income		**20,974,984.02**	10,644,679.46
Investment income (losses are indicated by "-")	(XVI)8	**3,525,076,885.19**	3,625,261,225.80
Including: Income from investments in associates and joint ventures		**158,363,062.59**	350,261,225.80
Gains from changes in fair value (losses are indicated by "-")		**305,164,887.94**	93,060,337.98
Gains from credit impairment (losses are indicated by "-")		**1,978,048.49**	2,288,133.31
Gains from assets impairment (losses are indicated by "-")		**(2,518,258.48)**	(6,522,194.37)
Gains from disposal of assets (losses are indicated by "-")		**(6,471,154.63)**	54,301,684.51
II. Operating profit (loss is indicated by "-")		**6,882,597,959.43**	5,886,552,467.52
Add: Non-operating income		**10,123,209.60**	7,828,484.22
Less: Non-operating expenses		**46,557,315.86**	63,077,467.93
III. Total profit (loss is indicated by "-")		**6,846,163,853.17**	5,831,303,483.81
Less: Income tax expenses		**735,679,255.00**	662,463,899.84
IV. Net profit (loss is indicated by "-")		**6,110,484,598.17**	5,168,839,583.97
(I) Net profit from continuing operations (net loss is indicated by "-")		**6,110,484,598.17**	5,168,839,583.97
V. Other comprehensive income		**–**	–
VI. Total comprehensive income		**6,110,484,598.17**	5,168,839,583.97

The financial statements were signed by the following:

Legal Representative:	Chief Financial Officer:	Person in Charge of the Accounting Body:

THE CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

RMB

ITEM	Notes	2025	2024
I. Cash Flows from Operating Activities:			
Cash receipts from the sale of goods and the rendering of services		**202,185,359,225.20**	215,036,974,344.06
Receipts of tax refunds		**168,563,873.68**	331,124,682.80
Other cash receipts relating to operating activities	(V)61(1)	**1,373,968,869.92**	1,300,657,590.79
Sub-total of cash inflows from operating activities		**203,727,891,968.80**	216,668,756,617.65
Cash payments for goods purchased and services received		**152,488,139,053.38**	165,625,149,489.09
Cash payments to and on behalf of employees		**4,032,121,124.08**	3,816,732,704.87
Payments of various types of taxes		**16,849,185,654.80**	13,879,306,093.67
Other cash payments relating to operating activities	(V)61(1)	**9,515,385,427.76**	960,912,788.30
Sub-total of cash outflows from operating activities		**182,884,831,260.02**	184,282,101,075.93
Net Cash Flow from Operating Activities	(V)62(1)	**20,843,060,708.78**	32,386,655,541.72
II. Cash Flows from Investing Activities:			
Cash receipts from disposals and recovery of investments	(V)61(2)	**7,498,539,205.45**	14,198,699,630.44
Cash receipts from investment income		**598,673,567.86**	1,467,950,005.50
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		**770,253.67**	187,179,607.90
Net cash receipts from disposals of subsidiaries and other business units		**85,024,982.90**	156,982,100.00
Other cash receipts relating to investing activities	(V)61(2)	**369,888,725.27**	887,890,907.81
Sub-total of cash inflows from investing activities		**8,552,896,735.15**	16,898,702,251.65
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		**7,583,479,880.58**	4,901,319,114.82
Cash payments to acquire investments	(V)61(2)	**9,267,638,284.80**	12,935,217,955.37
Net cash payments for acquisitions of subsidiaries and other business units		**–**	4,985,788.54
Other cash payments relating to investing activities	(V)61(2)	**78,344,544.11**	216,829,433.06

THE CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

ITEM		Notes	2025	2024
	Sub-total of cash outflows from investing activities		**16,929,462,709.49**	18,058,352,291.79
	Net Cash Flow from Investing Activities		**(8,376,565,974.34)**	(1,159,650,040.14)
III.	**Cash Flows from Financing Activities:**			
	Cash receipts from borrowings		**65,617,898,963.89**	63,524,319,615.13
	Other cash receipts relating to financing activities	(V)61(3)	**1,709,522,374.06**	1,725,000,000.00
	Sub-total of cash inflows from financing activities		**67,327,421,337.95**	65,249,319,615.13
	Cash repayments of borrowings		**63,957,504,714.53**	82,883,436,443.69
	Cash payments for distribution of dividends or profits and settlement of interest expenses		**8,730,528,932.39**	7,527,012,034.65
	Including: Payments for distribution of dividends to minority shareholders of subsidiaries		**902,146,480.00**	633,055,010.00
	Other cash payments relating to financing activities	(V)61(3)	**3,136,594,419.58**	5,410,594,515.54
	Sub-total of cash outflows from financing activities		**75,824,628,066.50**	95,821,042,993.88
	Net Cash Flow from Financing Activities		**(8,497,206,728.55)**	(30,571,723,378.75)
IV.	**Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents**		**(567,980,279.55)**	506,671,598.46
V.	**Net Increase in Cash and Cash Equivalents**		**3,401,307,726.34**	1,161,953,721.29
	Add: Opening balance of cash and cash equivalents	(V)62(2)	**27,280,717,697.81**	26,118,763,976.52
VI.	**Closing Balance of Cash and Cash Equivalents**	(V)62(2)	**30,682,025,424.15**	27,280,717,697.81

The financial statements were signed by the following:

Legal Representative: Chief Financial Officer: Person in Charge of the Accounting Body:

THE COMPANY'S CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

RMB

ITEM	Notes	2025	2024
I. Cash Flows from Operating Activities:			
Cash receipts from the sale of goods and the rendering of services		**7,660,078,863.30**	8,218,672,806.19
Other cash receipts relating to operating activities		**468,195,989.03**	307,307,524.20
Sub-total of cash inflows from operating activities		**8,128,274,852.33**	8,525,980,330.39
Cash payments for goods purchased and services received		**1,961,521,885.33**	3,926,210,958.72
Cash payments to and on behalf of employees		**677,294,777.86**	439,607,110.34
Payments of various types of taxes		**1,947,080,003.58**	1,730,151,299.55
Other cash payments relating to operating activities		**275,195,350.00**	371,440,343.46
Sub-total of cash outflows from operating activities		**4,861,092,016.77**	6,467,409,712.07
Net Cash Flow from Operating Activities	(XVI)9	**3,267,182,835.56**	2,058,570,618.32
II. Cash Flows from Investing Activities:			
Cash receipts from disposals and recovery of investments		**5,110,000,000.00**	9,755,000,000.00
Cash receipts from investment income		**4,256,364,995.28**	259,803,707.55
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		**2,198,700.92**	42,067,742.90
Other cash receipts relating to investing activities		**8,328,233,076.14**	9,491,811,459.85
Sub-total of cash inflows from investing activities		**17,696,796,772.34**	19,548,682,910.30
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		**323,130,440.46**	380,473,587.18
Cash payments to acquire investments		**9,069,560,500.00**	11,400,708,434.15
Net cash payments for acquisitions of subsidiaries and other business units		**–**	20,000,000.00
Other cash payments relating to investing activities		**5,339,938,930.34**	9,822,674,719.28
Sub-total of cash outflows from investing activities		**14,732,629,870.80**	21,623,856,740.61
Net Cash Flow from Investing Activities		**2,964,166,901.54**	(2,075,173,830.31)

THE COMPANY'S CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2025

ITEM	Notes	2025	2024
III. Cash Flows from Financing Activities:			
Cash receipts from borrowings		**1,500,000,000.00**	3,690,000,000.00
Other cash receipts relating to financing activities		**23,376,555,694.68**	25,538,184,855.22
Sub-total of cash inflows from financing activities		**24,876,555,694.68**	29,228,184,855.22
Cash repayments of borrowings		**7,540,346,939.97**	4,781,901,252.32
Cash payments for distribution of dividends or profits and settlement of interest expenses		**5,783,522,868.72**	3,814,480,522.77
Other cash payments relating to financing activities		**19,407,932,401.14**	24,482,316,527.64
Sub-total of cash outflows from financing activities		**32,731,802,209.83**	33,078,698,302.73
Net Cash Flow from Financing Activities		**(7,855,246,515.15)**	(3,850,513,447.51)
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		**(4,463,558.64)**	(3,095,387.05)
V. Net Decrease in Cash and Cash Equivalents		**(1,628,360,336.69)**	(3,870,212,046.55)
Add: Opening balance of cash and cash equivalents		**5,555,845,485.05**	9,426,057,531.60
VI. Closing Balance of Cash and Cash Equivalents		**3,927,485,148.36**	5,555,845,485.05

The financial statements were signed by the following:

Legal Representative:	Chief Financial Officer:	Person in Charge of the Accounting Body:

THE CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

RMB

Item	2025										
	Equity attributable to shareholders of the Company								Minority interests		
	Share capital	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained profits	Ordinary shares	Preference shares	Total shareholders' equity
I. Balance at 1 January 2025	4,319,848,116.60	1,000,000,000.00	27,708,934,206.93	1,266,543,810.15	2,739,929,808.22	267,497,082.63	2,159,924,058.30	34,093,404,253.98	12,723,545,648.26	2,195,696,780.00	85,942,236,144.77
II. Changes for the year											
(I) Total comprehensive income	-	-	-	-	(2,551,557,826.99)	-	-	20,338,750,797.53	3,252,427,426.22	79,525,780.00	21,119,146,176.76
(II) Shareholders' contributions and reduction in capital											
1. Ordinary shares contributed by owners	-	-	-	-	-	-	-	-	-	-	-
2. Redemption of other equity instruments	-	(1,000,000,000.00)	-	-	-	-	-	-	-	-	(1,000,000,000.00)
3. Share-based payments included in owners' equity (Note (V)42)	-	-	1,533,333.35	-	-	-	-	-	-	-	1,533,333.35
4. Cancellation of treasury shares (Note (V)40)	(40,986,081.40)	-	(1,143,131,406.87)	(1,184,117,488.27)	-	-	-	-	-	-	-
5. Others	-	-	25,570,300.96	-	-	-	-	-	-	-	25,570,300.96
(III) Profit distribution											
1. Transfer to surplus reserve	-	-	-	-	-	-	-	-	-	-	-
2. Distribution to shareholders	-	-	-	-	-	-	-	(5,455,549,094.88)	(773,168,000.00)	(128,978,480.00)	(6,357,695,574.88)
3. Distribution of dividends of perpetual bonds	-	-	-	-	-	-	-	(56,200,000.00)	-	-	(56,200,000.00)
(IV) Special reserve											
1. Transfer to special reserve in the year	-	-	-	-	-	197,538,491.64	-	-	8,253,754.00	-	205,792,245.64
2. Amount utilised in the year	-	-	-	-	-	(87,737,432.05)	-	-	(5,918,153.83)	-	(93,655,585.88)
III. Balance at 31 December 2025	4,278,862,035.20	-	26,592,906,434.37	82,426,321.88	188,371,981.23	377,298,142.22	2,159,924,058.30	48,920,405,956.63	15,205,140,674.65	2,146,244,080.00	99,786,727,040.72

THE CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	2024										
	Equity attributable to shareholders of the Company								Minority interests		
Item	Share capital	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained profits	Ordinary shares	Preference shares	Total shareholders' equity
I. Balance at 1 January 2024	4,319,848,116.60	1,000,000,000.00	27,694,825,276.01	1,266,543,810.15	1,574,263,722.33	140,310,748.25	2,099,837,960.76	23,977,727,693.23	10,259,517,972.78	2,162,386,527.50	71,962,174,207.31
II. Changes for the year											
(I) Total comprehensive income	–	–	–	–	1,165,666,085.89	–	–	13,532,035,002.94	1,956,446,838.18	163,177,262.50	16,817,325,189.51
(II) Shareholders' contributions and reduction in capital											
1. Ordinary shares contributed by owners	–	–	–	–	–	–	–	–	988,405,000.00	–	988,405,000.00
2. Share-based payments included in owners' equity (Note (V)42)	–	–	14,108,930.92	–	–	–	–	–	–	–	14,108,930.92
3. Business combination not involving enterprises under common control	–	–	–	–	–	–	–	–	19,215,686.27	–	19,215,686.27
(III) Profit distribution											
1. Transfer to surplus reserve	–	–	–	–	–	–	60,086,097.54	(60,086,097.54)	–	–	–
2. Distribution to shareholders	–	–	–	–	–	–	–	(3,300,072,344.65)	(503,188,000.00)	(129,867,010.00)	(3,933,127,354.65)
3. Distribution of dividends of perpetual bonds	–	–	–	–	–	–	–	(56,200,000.00)	–	–	(56,200,000.00)
(IV) Special reserve											
1. Transfer to special reserve in the year	–	–	–	–	–	206,058,997.45	–	–	8,497,410.95	–	214,556,408.40
2. Amount utilised in the year	–	–	–	–	–	(78,872,663.07)	–	–	(5,349,259.92)	–	(84,221,922.99)
III. Balance at 31 December 2024	4,319,848,116.60	1,000,000,000.00	27,708,934,206.93	1,266,543,810.15	2,739,929,808.22	267,497,082.63	2,159,924,058.30	34,093,404,253.98	12,723,545,648.26	2,195,696,780.00	85,942,236,144.77

The financial statements were signed by the following:

Legal Representative: Chief Financial Officer: Person in Charge of the Accounting Body:

THE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE COMPANY

FOR THE YEAR ENDED 31 DECEMBER 2025

RMB

Item	2025							
	Share capital	Other equity instruments	Capital reserve	Less: Treasury shares	Special reserve	Surplus reserve	Retained profits	Total shareholders' equity
I. Balance at 1 January 2025	4,319,848,116.60	1,000,000,000.00	27,879,851,870.35	1,266,543,810.15	255,428,194.03	2,159,924,058.30	5,525,351,452.74	39,873,859,881.87
II. Changes for the year								
(I) Total comprehensive income	-	-	-	-	-	-	6,110,484,598.17	6,110,484,598.17
(II) Shareholders' contributions and reduction in capital								
1. Ordinary shares contributed by owners	-	-	-	-	-	-	-	-
2. Share-based payments included in owners' equity	-	-	1,533,333.35	-	-	-	-	1,533,333.35
3. Redemption of other equity instruments	-	(1,000,000,000.00)	-	-	-	-	-	(1,000,000,000.00)
4. Cancellation of treasury shares	(40,986,081.40)	-	(1,143,131,406.87)	(1,184,117,488.27)	-	-	-	-
(III) Profit distribution								
1. Transfer to surplus reserve	-	-	-	-	-	-	-	-
2. Distribution to shareholders	-	-	-	-	-	-	(5,455,549,094.88)	(5,455,549,094.88)
3. Distribution of dividends of perpetual bonds	-	-	-	-	-	-	(56,200,000.00)	(56,200,000.00)
(IV) Special reserve								
1. Transfer to special reserve in the year	-	-	-	-	182,000,292.86	-	-	182,000,292.86
2. Amount utilised in the year	-	-	-	-	(77,288,712.98)	-	-	(77,288,712.98)
III. Balance at 31 December 2025	4,278,862,035.20	-	26,738,253,796.83	82,426,321.88	360,139,773.91	2,159,924,058.30	6,124,086,956.03	39,578,840,298.39

THE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE COMPANY

FOR THE YEAR ENDED 31 DECEMBER 2025

	2024							
Item	Share capital	Other equity instruments	Capital reserve	Less: Treasury shares	Special reserve	Surplus reserve	Retained profits	Total shareholders' equity
I. Balance at 1 January 2024	4,319,848,116.60	1,000,000,000.00	27,930,079,604.42	1,266,543,810.15	122,482,119.17	2,099,837,960.76	3,907,812,303.97	38,113,516,294.77
II. Changes for the year								
(I) Total comprehensive income	–	–	–	–	–	–	5,168,839,583.97	5,168,839,583.97
(II) Shareholders' contributions and reduction in capital								
1. Ordinary shares contributed by owners	–	–	–	–	–	–	–	–
2. Share-based payments included in owners' equity	–	–	14,108,930.92	–	–	–	–	14,108,930.92
3. Combination by merge of subsidiaries	–	–	(64,336,664.99)	–	16,567,658.61	–	(134,941,993.01)	(182,710,999.39)
(III) Profit distribution								
1. Transfer to surplus reserve	–	–	–	–	–	60,086,097.54	(60,086,097.54)	–
2. Distribution to shareholders	–	–	–	–	–	–	(3,300,072,344.65)	(3,300,072,344.65)
3. Distribution of dividends of perpetual bonds	–	–	–	–	–	–	(56,200,000.00)	(56,200,000.00)
(IV) Special reserve								
1. Transfer to special reserve in the year	–	–	–	–	185,729,808.40	–	–	185,729,808.40
2. Amount utilised in the year	–	–	–	–	(69,351,392.15)	–	–	(69,351,392.15)
III. Balance at 31 December 2024	4,319,848,116.60	1,000,000,000.00	27,879,851,870.35	1,266,543,810.15	255,428,194.03	2,159,924,058.30	5,525,351,452.74	39,873,859,881.87

The financial statements were signed by the following:

Legal Representative:	Chief Financial Officer:	Person in Charge of the Accounting Body:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(I). BASIC INFORMATION

1. Basic Information about the Company

China Molybdenum Co., Ltd. (the "Company") was incorporated on 25 August 2006 as a joint-stock limited company on the basis of China Molybdenum Co., Ltd. by Luoyang Mining Group Co., Ltd. ("LMG") and Cathay Fortune Corporation ("CFC"). Details of share capital are set out in Note (V)40.

The Company together with its subsidiaries (collectively as the "Group") are principally engaged in mining, smelting and deep processing of molybdenum tungsten series products; mining and melting of copper, cobalt and niobium series products; mining and deep processing of phosphorus products, and metal trading.

2. Date of Approval of the Financial Statements

The consolidated and the Company's financial statements have been approved and authorised for issue by the board of directors of the Company on 27 March 2026.

(II). BASIS OF PREPARATION OF FINANCIAL STATEMENTS

Basis of preparation

The Group implements the Accounting Standards for Business Enterprises issued by the Ministry of Finance ("MoF") and the relevant regulations. The Group also discloses related financial information in accordance with Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No. 15 – General Provisions on Financial Reports (2023 Amendment). In addition, the financial statements also include the relevant disclosures required by the Hong Kong Companies Ordinance and the Listing Rules of the Hong Kong Stock Exchange.

Going concern

The Group assessed its ability to continue as a going concern for the 12 months from 31 December 2025 and did not notice any events or circumstances that may cast significant doubt upon its ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis.

Basis of accounting and principle of measurement

The Group has adopted the accrual basis of accounting. Except for certain financial instruments and inventories held for trading which are measured at fair value, the Group adopts the historical cost as the principle of measurement in the financial statements. Where assets are impaired, provisions for asset impairment are made in accordance with relevant requirements.

Where the historical cost is adopted as the measurement basis, assets are measured at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are measured at the amount of proceeds or assets received or the contractual amounts for assuming the present obligation, or, at the amounts of cash or cash equivalents expected to be paid to settle the liabilities in the normal course of business.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(II). BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

Basis of accounting and principle of measurement (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Regardless of whether that price is directly observable or estimated using another valuation technique, fair values measured and disclosed in these financial statements are determined on such a basis.

When measuring non-financial assets at fair value, consideration is given to the ability of a market participant to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial assets of which the transaction price is used as the fair value at initial recognition and for which a valuation technique involving unobservable inputs is used in the subsequent measurement of fair value, the valuation technique is corrected during the valuation process so that the initial recognition result determined by the valuation technique is equal to the transaction price.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than inputs included within Level 1, that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Specific accounting policies and accounting estimates:

The Group has formulated specific accounting policies and accounting estimates for the determination method and selection basis of materiality criteria, provision for decline in value of inventories, depreciation of fixed assets, fixed assets transferred from construction in progress, amortisation of intangible assets, and transactions or events related to the recognition of revenue, stripping cost and exploration, assessment and development expenditures in accordance with actual production and operation characteristics of the Group. Details of significant judgements, accounting estimates and key assumptions used by the Group in determining significant accounting policies are set our in Note (III)36.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

1. Statement of compliance with the Accounting Standards for Business Enterprises ("ASBE")

The financial statements of the Company have been prepared, in all material materials, in accordance with ASBE, and present fairly, the consolidated and the Company's financial position as at 31 December 2025, the consolidated and the Company's results of operations, the consolidated and the Company's cash flows, and the consolidated and the Company's changes in shareholders' equity for the year then end.

2. Accounting period

The Group has adopted the calendar year as its accounting year, i.e., from 1 January to 31 December.

3. Operating cycle

The operating cycle refers to the period from purchase of assets used for processing to realisation of cash or cash equivalents. The Company's operating cycle is usually 12 months.

4. Functional currency

Renminbi ("RMB") is the currency of the primary economic environment in which the Company and its domestic subsidiaries operate. Therefore, the Company and its domestic subsidiaries choose RMB as their functional currency. The Company's foreign subsidiaries determine their functional currencies according to the currencies of economic environment in which they operate. The Group adopts RMB to prepare the financial statements.

5. Determination method and selection basis of materiality criteria

Item	Materiality criteria
Significant recovery or reversal amount of bad debt allowance for receivables for the current period	RMB10 million
Write-off of significant receivables for the period	RMB10 million
Significant construction in progress for the period	RMB10 million
Significant cash relating to investing activities for the current period	RMB20 million
Significant non-wholly owned subsidiaries for the period	The proportion of minority interests to shareholders' equity ≥5%
Significant joint ventures and associates for the period	The carrying amount of long-term equity investments ≥RMB75 million

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Accounting treatment of business combination not involving enterprises under common control

6.1 Business combinations not involving enterprises under common control and goodwill

A business combination not involving enterprises under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties before and after the combination.

For purchase transactions not involving enterprises under common control, the acquirer will consider whether or not to adopt the simplified "concentration test" when determining whether or not an acquired portfolio constitutes a business. If the portfolio passes the concentration test, it will be judged not to constitute a business. If the portfolio does not pass the concentration test, the judgement is made on the basis of whether it constitutes a business.

The cost of combination is the aggregate of the fair values, at the acquisition date, of the assets given, liabilities incurred or assumed, and equity securities issued by the acquirer in exchange for control of the acquiree. The intermediary expenses incurred by the acquirer in respect of auditing, legal services, valuation and consultancy services, etc. and other associated administrative expenses attributable to the business combination are recognised in profit or loss when they are incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities, acquired by the acquirer in a business combination, that meet the recognition criteria are measured at fair value at the acquisition date.

When the business combination contract provides that, upon the occurrence of multiple future contingencies, the acquirer shall pay an additional consideration for the combination, such contingent consideration as set out in the contract shall be recognised as a liability by the Group as a part of the aggregate consideration transferred in the business combination, and be included in the cost of combination at the fair value at the acquisition date. Within twelve months after the acquisition, if the contingent consideration needs to be adjusted as new or further evidence is obtained in respect of circumstances existed as at the acquisition date, the amount preciously included in goodwill/non-operating income shall be adjusted. A change in or adjustment to the contingent consideration under other circumstances shall be accounted for in accordance with relevant provisions in the Accounting Standards for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement. Any change or adjustment is included in profit or loss for the current period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Accounting treatment of business combination not involving enterprises under common control (Continued)

6.1 Business combinations not involving enterprises under common control and goodwill (Continued)

Where the cost of combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is treated as an asset and recognised as goodwill, which is measured at cost on initial recognition. Where the cost of combination is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer firstly reassesses the measurement of the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities and measurement of the cost of combination. If after that reassessment, the cost of combination is still less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer recognises the remaining difference immediately in profit or loss for the current period.

Goodwill arising on a business combination is measured at cost less accumulated impairment losses, and is presented separately in the consolidated financial statements.

7. Determination criteria of control and preparation method of consolidated financial statements

7.1 Determination criteria of control

Control is the power over the investee, exposures or rights to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect the amount of the investor's returns. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes in the above elements of the definition of control.

7.2 Preparation method of consolidated financial statements

The scope of consolidation in the consolidated financial statements is determined on the basis of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. For a subsidiary disposed of by the Group, the operating results and cash flows before the date of disposal (the date when control is lost) are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

For a subsidiary acquired through a business combination not involving enterprises under common control, the operating results and cash flows from the acquisition date (the date when control is obtained) are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Determination criteria of control and preparation method of consolidated financial statements (Continued)

7.2 Preparation method of consolidated financial statements (Continued)

No matter when the business combination occurs in the reporting period, subsidiaries acquired through a business combination involving enterprises under common control or the party being absorbed under merger by absorption are included in the Group's scope of consolidation as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party. Their operating results and cash flows from the beginning of the earliest reporting period or from the date when they first came under the common control of the ultimate controlling party are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

The significant accounting policies and accounting periods adopted by the subsidiaries are determined based on the uniform accounting policies and accounting periods set out by the Company. The effects of all intra-group transactions on the consolidated financial statements are eliminated on consolidation.

The portion of subsidiaries' equity that is not attributable to the Company is treated as minority interests and presented as "minority interests" under shareholders' equity in the consolidated balance sheet. The portion of net profit or loss of subsidiaries for the period attributable to minority interests is presented as "profit or loss attributable to minority interests" under "net profit" in the consolidated income statement.

When the amount of loss for the period attributable to the minority shareholders of a subsidiary exceeds the minority shareholders' portion of the opening balance of owners' equity of the subsidiary, the excess amount is still allocated against minority interests.

Acquisition of minority interests or disposal of interest in a subsidiary that does not result in the loss of control over the subsidiary is accounted for as equity transactions. The carrying amounts of the Company's interests and minority interests are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount by which the minority interests are adjusted and the fair value of the consideration paid or received is adjusted to capital reserve under owners' equity. If the capital reserve is not sufficient to absorb the difference, the excess is adjusted against retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Determination criteria of control and preparation method of consolidated financial statements (Continued)

7.2 Preparation method of consolidated financial statements (Continued)

Where equity interests in an acquiree are acquired step by step through multiple transactions ultimately constituting a business combination not involving entities under common control, the acquirer determines if these transactions are considered to be a "package deal". If yes, these transactions are accounted for as a single transaction where control is obtained. If no, these transactions are accounted for as multiple transactions where control is obtained at the acquisition date; In this case, the acquirer remeasures its previously-held equity interests in the acquiree at their fair value on the acquisition date and recognises any differences between such fair value and carrying amounts in profit or loss for the period. Where equity interests in an acquiree held before the acquisition date involve changes in other comprehensive income or changes in other owners' equity under equity method, they are transferred to income for the period that the acquisition date belongs to.

When the Group loses control over a subsidiary due to disposal of certain equity interest or other reasons, any retained interest is re-measured at its fair value at the date when control is lost. The difference between (i) the aggregate of the consideration received on disposal and the fair value of any retained interest and (ii) the share of the former subsidiary's net assets cumulatively calculated from the acquisition date according to the original proportion of ownership interest is recognised as investment income in the period in which control is lost, and at the same time adjusted against goodwill. Other comprehensive income associated with investment in the former subsidiary is reclassified to investment income in the period in which control is lost.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

8. Classification of joint arrangements and accounting treatment for joint ventures

There are two types of joint arrangements – joint operations and joint ventures. The type of joint arrangements is determined based on the rights and obligations of joint operator to the joint arrangements by considering the factors, such as the structure, the legal form of the arrangements, and the contractual terms, etc. A joint operation is a joint arrangement whereby the joint operators have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the joint ventures have rights to the net assets of the arrangement.

The Group adopts the equity method to account for the investments in joint ventures. Please specifically refer to Note (III) "16.3.2. Long-term equity investments accounted for using the equity method".

The Group as a joint operator recognises the following items in relation to its interest in a joint operation: (1) its solely-held assets, including its share of any assets held jointly; (2) its solely-assumed liabilities, including its share of any liabilities incurred jointly; (3) its revenue from the sale of its share of the output arising from the joint operation; (4) its share of the revenue from the sale of the output by the joint operation; and (5) its solely-incurred expenses, including its share of any expenses incurred jointly. The Group accounts for the recognised assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the requirements applicable to the particular assets, liabilities, revenues and expenses.

9. Determination criteria for cash and cash equivalents

Cash comprises cash on hand and deposits that can be readily available for payments. Cash equivalents are the Group's short-term (generally matured within three months from the acquisition date), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

10. Translation of transactions and financial statements denominated in foreign currencies

10.1 Transactions denominated in foreign currencies

Transactions denominated in foreign currencies are recorded, on initial recognition, by applying the actual spot exchange rate on the date of transaction.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Translation of transactions and financial statements denominated in foreign currencies (Continued)

10.1 Transactions denominated in foreign currencies (Continued)

At the balance sheet date, foreign currency monetary items are translated into RMB using the spot exchange rates at the balance sheet date. Exchange differences arising from the differences between the spot exchange rates prevailing at the balance sheet date and those on initial recognition or at the previous balance sheet date are recognised in profit or loss for the period, except that (1) exchange differences related to a specific-purpose borrowing denominated in foreign currency that qualify for capitalisation are capitalised as part of the cost of the qualifying asset during the capitalisation period; (2) exchange differences related to hedging instruments for the purpose of hedging against foreign currency risks are accounted for using hedge accounting; (3) exchange differences arising from changes in the book balances (other than the amortised cost) of items that are reclassified at fair value through other comprehensive income are included in other comprehensive income.

When the consolidated financial statements include foreign operation(s), if there is foreign currency monetary item constituting a net investment in a foreign operation, exchange difference arising from changes in exchange rates are recognised as “translation differences of financial statements denominated in foreign currencies” in other comprehensive income, and in profit or loss for the period upon disposal of the foreign operation.

Foreign currency non-monetary items measured at historical cost are translated to the amounts in functional currency at the spot exchange rates on the dates of the transactions. Foreign currency non-monetary items measured at fair value are re-translated at the spot exchange rate on the date the fair value is determined. Difference between the re-translated functional currency amount and the original functional currency amount is treated as changes in fair value (including changes of exchange rate) and is recognised in profit or loss for the period or as other comprehensive income.

10.2 Translation of financial statements denominated in foreign currencies

For the purpose of preparing the consolidated financial statements, financial statements of a foreign operation are translated from the foreign currency into RMB using the following method: assets and liabilities on the balance sheet are translated at the spot exchange rate prevailing at the balance sheet date; shareholders’ equity items are translated at the spot exchange rates at the dates on which such items arose; all items in the income statement as well as items reflecting the distribution of profits are translated at exchange rates that approximate the actual spot exchange rates on the dates of the transactions; The difference between the translated assets and the aggregate of liabilities and shareholders’ equity items is recognised as other comprehensive income and included in shareholders’ equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Translation of transactions and financial statements denominated in foreign currencies (Continued)

10.2 Translation of financial statements denominated in foreign currencies (Continued)

Cash flows arising from a transaction in foreign currency and the cash flows of a foreign subsidiary are translated at an exchange rate that approximates the spot exchange rate on the date of the cash flows. The effect of exchange rate changes on cash and cash equivalents is regarded as a reconciling item and presented separately in the cash flow statement as "effect of exchange rate changes on cash and cash equivalents".

The opening balances and the comparative figures of previous year are presented at the translated amounts in the financial statements of the prior year.

On disposal of the Group's entire interest in a foreign operation, or upon a loss of control over a foreign operation due to disposal of certain equity investments or other reasons, the Group transfers the accumulated translation differences of financial statements of this foreign operation attributable to the owners' equity of the Company and presented under owners' equity, to profit or loss for the period in which the disposal occurs.

When the disposal of part of the equity investments or other reason results in decrease in proportion of equity in a foreign operation but does not result in loss of control over the foreign operation, the translation differences of financial statements denominated in foreign currency relating to the partial disposal of the foreign operation are attributable to minority interests and are not transferred to profit or loss for the period. When the disposal of foreign operation is partial disposal of equity in associate or joint venture, the translation differences of financial statements denominated in foreign currency relating to the foreign operation is transferred to profit or loss in proportion to the foreign operation disposed.

11. Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

For financial assets purchased or sold in a regular way, the Group recognises assets acquired and liabilities assumed on a trade date basis, or derecognises the assets sold on a trade date basis.

Contracts to buy or sell non-financial items that can be settled net in cash or other financial instruments, or through an exchange of financial instruments apply to the Revenue Standard when the Group enters into and holds such contracts intended for the receipt or delivery of non-financial items in accordance with the intended purchase, sale or use requirements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

Financial assets and financial liabilities are initially measured at fair value. The method for determining the fair value of financial assets and financial liabilities is set out in the relevant disclosures of basis of accounting and principle of measurement as described in Note (II). For financial assets and financial liabilities at FVTPL, transaction costs are immediately recognised in profit or loss for the period. For other financial assets and financial liabilities, transaction costs are included in their initially recognised amounts. When initially recognising accounts receivable that do not contain significant financing components or of which the financing components in the contract with a term of no more than one year are not taken into consideration in accordance with Accounting Standards for Business Enterprises No. 14 – Revenue ("Revenue Standards"), the Group adopts transaction price as defined in the Revenue Standards for initial measurement.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expenses over the relevant accounting periods.

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. When determining the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial assets or financial liabilities (such as repayment in advance, extension, call options or other similar options), without considering the ECLs.

The amortised cost of a financial asset or a financial liability is the initially recognised amount net of principal repaid, plus or less the cumulative amortised amount arising from amortisation of the difference between the initially recognised amount and the amount at the maturity date using the effective interest method, and then net of cumulative loss allowance (only applicable to financial assets).

11.1 Classification, recognition and measurement of financial assets

After initial recognition, the Group's financial assets of various types are subsequently measured at amortised cost, at fair value through other comprehensive income ("FVTOCI") or at fair value through profit or loss ("FVTPL"), respectively.

If contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows, the Group classifies such financial asset as financial assets at amortised cost, which mainly include cash and bank balances, accounts receivable, other receivables, deposits for derivatives in other current assets, and borrowings receivable, litigation deposits, supplier loans, related party borrowings, and certificates of deposit in other non-current assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.1 Classification, recognition and measurement of financial assets (Continued)

If the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, the Group shall classify the financial asset into the financial assets at FVTOCI. The financial assets at FVTOCI with the period over one year upon acquisition are presented as other debt investments, and those will fall due within one year (inclusive) since the balance sheet date are presented as non-current assets due within one year; notes receivable classified as financial assets at FVTOCI upon acquisition are presented as receivables financing, and others with the period within one year (inclusive) upon acquisition are presented as other current assets.

Upon initial recognition, the Group may irrevocably designate the non-held-for-trading equity instrument investments other than contingent considerations recognised in business combination not involving enterprises under common control as financial assets at FVTOCI on an individual asset basis. Such type of financial assets are presented as investments in other equity instruments.

Financial assets that meet one of the following requirements indicate that the purpose for the Group to hold the financial assets is for trading:

- It has been acquired principally for the purpose of selling it in the near term.
- On initial recognition, it is part of a portfolio of identifiable financial instruments that the Group manages together and there is objective evidence that the Group has a recent actual pattern of short-term profit-taking.
- It is a derivative that is neither a financial guarantee contract nor designated as an effective hedging instrument.

Financial assets at FVTPL include financial assets classified as at FVTPL and those designated as at FVTPL:

- Financial assets not satisfying the criteria of classification as financial assets at amortised cost and financial assets at FVTOCI are classified as financial assets at FVTPL.
- Upon initial recognition, the Group may irrevocably designate the financial assets as at FVTPL if doing so eliminates or significantly reduces accounting mismatch.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.1 Classification, recognition and measurement of financial assets (Continued)

Financial assets at FVTPL other than derivative financial assets are presented as held-for-trading financial assets. Financial assets with a maturity over one year since the balance sheet date (or without a fixed maturity) and expected to be held for over one year are presented under other non-current financial assets.

11.1.1 Financial assets measured at amortised cost

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. Any gains or losses arising from impairment or derecognition are included in profit or loss.

For financial assets at amortised cost, the Group recognises interest income using effective interest method. Interest income is determined by applying an effective interest rate to the gross carrying amount of the financial asset, except for the following circumstances:

- For a purchased or originated credit-impaired financial asset, the Group calculates and determines the interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset since initial recognition.

- For a purchased or originated financial asset that is not credit-impaired but subsequently becomes credit-impaired, the Group calculates and determines the interest income by applying the effective interest rate to the amortised cost of the financial asset in subsequent period. If the financial instrument is no longer credit-impaired due to improvement of credit risk, and the improvement is linked with an event occurred after application of above provisions, the Group will calculate and determine the interest income by applying effective interest rate to the gross carrying amount of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.1 Classification, recognition and measurement of financial assets (Continued)

11.1.2 Financial assets at FVTOCI

For financial assets classified as at FVTOCI, except for the impairment losses or gains, interest income calculated using effective interest method and exchange gains or losses which are included in profit or loss for the period, the changes in fair value of the financial assets are included in other comprehensive income. The amounts included in profit or loss for each period are equivalent to that as if it has been always measured at amortised cost. Upon derecognition, the accumulated gains or losses previously included in other comprehensive income are transferred to profit or loss for the period.

Changes in fair value of non-held-for-trading equity instrument investments designated as financial assets at FVTOCI are recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gains or losses previously recognised in other comprehensive income are transferred and included in retained earnings. During the period in which the Group holds the non-held-for-trading equity instrument, revenue from dividends is recognised in profit or loss for the period when (1) the Group has established the right of collecting dividends; (2) it is probable that the associated economic benefits will flow to the Group; and (3) the amount of dividends can be measured reliably.

11.1.3 Financial assets at fair value through profit or loss ("FVTPL")

Financial assets at FVTPL are subsequently measured at fair value. Any gains or losses arising from changes in the fair value and any dividend or interest income earned on the financial assets are recognised in profit or loss for the period.

11.2 Impairment of financial instruments

The Group accounts for impairment on financial assets at amortised cost, financial assets classified as FVTOCI and financial guarantee contracts that are not measured at FVTPL on the basis of ECL and recognises relevant loss allowance.

For accounts receivable and notes receivable arising from transactions regulated by the Revenue Standards that do not contain significant financing component or without considering the financing component included in the contract with a term not exceeding one year, the Group recognises the loss allowance at an amount equivalent to the lifetime ECL.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.2 Impairment of financial instruments (Continued)

For other financial instruments (other than purchased or originated credit-impaired financial assets), the Group assesses the changes of credit risk since initial recognition of relevant financial instruments at each balance sheet date. If the credit risk has increased significantly since initial recognition of the financial instruments, the Group recognises the loss allowance at an amount equivalent to lifetime ECL; if the credit risk has not increased significantly since initial recognition of the financial instruments, the Group recognises the loss allowance at an amount equivalent to 12-month ECL. The increase or reversal of credit loss allowance for financial assets other than those classified as at FVTOCI is recognised as an impairment loss or gain and included in profit or loss for the period. For financial assets classified as at FVTOCI, the credit loss allowance is recognised in other comprehensive income and the impairment loss or gain is included in profit or loss for the period without reducing the carrying amount of the financial assets in the balance sheet.

Where the Group has measured the loss allowance at an amount equivalent to lifetime ECL of a financial instrument in prior accounting period, but the financial instrument no longer satisfies the criteria of significant increase in credit risk since initial recognition at the current balance sheet date, the Group recognises the loss allowance of the financial instrument at an amount equivalent to 12-month ECL at the current balance sheet date, with any resulting reversal of loss allowance recognised as impairment gains in profit or loss for the period.

11.2.1 Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the balance sheet date with the risk of a default occurring on the financial instrument as at the date of initial recognition with available reasonable and supportable forward-looking information. For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition in the application of criteria related to the financial instrument for impairment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.1 Significant increase in credit risk (Continued)

The following factors are taken into account when assessing whether credit risk has increased significantly:

(1) Whether external market indicators of credit risk for the same financial instrument or financial instruments with shared expected life have changed significantly. Indicators include: credit spreads, credit default swap price for the borrower, length and extent of time when fair value of financial assets is less than amortised cost, other market information related to the borrower (including price changes in borrower's debt instruments or equity instruments);

(2) An actual or expected significant change in the financial instrument's external credit rating;

(3) An actual or expected decrease in the internal credit rating for the debtor;

(4) Adverse changes in business, financial or economic conditions that are expected to cause a significant change in the debtor's ability to meet its debt obligations;

(5) Whether the actual or expected results of the debtor's operations have changed significantly, including the circumstance that an evident adverse change happens to the business indicators such as income and profit and is expected difficult to improve in a short term;

(6) Significant increase in the credit risk of other financial instruments issued by the same debtor;

(7) Whether supervisory, economic or technical environment for the debtor has significant detrimental changes, including the circumstance whether the technological change, or the relevant policies proposed to introduce by the state or local government have significant adverse impact on the debtor;

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.1 Significant increase in credit risk (Continued)

(8) Significant changes in the value of collaterals or the quality of guarantees or credit enhancements provided by third parties, which are expected to reduce the debtor's economic motives to repay within the time limit specified in contract or affect the probability of default;

(9) Significant change in the debtor's economic motives to repay within the time limit specified in contract;

(10) Expected changes to loan contract, including the exemption or revision of contractual obligations, the granting of interest-free periods, the jump in interest rates, the requirement for additional collateral or guarantees, or other changes in the contractual framework for financial instruments that may result from the breach of contract;

(11) Significant changes in expected performance and repayment of the debtor;

(12) Changes in the Group's credit management approach in relation to the financial instrument;

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly when contractual payments are more than 30 days (inclusive) past due.

At the balance sheet date, if the Group determines that a financial instrument has only lower credit risk, the Group assumes that the credit risk of the financial instrument has not increased significantly since initial recognition. The financial instrument is deemed as having lower credit risk if (i) it has a low risk of default; (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash obligations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.2 Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable information:

(1) Significant financial difficulty of the issuer or debtor;

(2) Breach of contract by the debtor, such as a default or delinquency in interest or principal payments;

(3) The creditor(s) of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession(s) that the creditor(s) would not otherwise consider;

(4) It is probable that the debtor will enter bankruptcy or other financial reorganisations;

(5) The disappearance of an active market for that financial asset because of financial difficulties of the issuer or debtor;

(6) Purchase or origination of a financial asset at a significant discount that reflects the fact of credit loss.

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.3 Determination of expected credit loss ("ECL")

The Group determines the ECL of relevant financial instruments using the following methods:

- For financial assets, the credit loss represents the present value of the difference between the contractual cash flows receivable by the Group and the cash flows expected to be received by the Group.

- For a financial guarantee contract (refer to Note (III) 11.4.1.2.1 for detailed accounting policies), credit loss is the present value of difference between the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

- For financial assets that are not purchased or originated credit-impaired financial assets but have become credit-impaired at the balance sheet date, the credit loss is the difference between the gross carrying amount of the financial assets and the present value of expected future cash flows discounted at original effective interest rate.

The Group's measurement of ECL of financial instruments reflects factors including unbiased probability weighted average amount recognised by assessing a series of possible results, time value of money, reasonable and supportable information related to historical events, current condition and forecast of future economic position that is available without undue cost or effort at the balance sheet date.

11.2.4 Write-down of financial assets

The Group shall directly reduce the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event.

11.3 Transfer of financial assets

The Group derecognises a financial asset if one of the following conditions is satisfied: (1) the contractual rights to the cash flows from the financial asset expire; or (2) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset is transferred to the transferee; or (3) although the financial asset has been transferred, the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but has not retained control of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.3 Transfer of financial assets (Continued)

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, and it retains control of the financial asset, it recognises the financial asset to the extent of its continuing involvement in the transferred financial asset and recognises an associated liability. Relevant liabilities are measured using the following methods:

- For transferred financial assets carried at amortised cost, the carrying amount of relevant liabilities is the carrying amount of financial assets transferred with continuing involvement less amortised cost of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of amortised cost of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Relevant liabilities are not designated as financial liabilities at FVTPL.

- For transferred financial assets carried at fair value, the carrying amount of relevant financial liabilities is the carrying amount of financial assets transferred with continuing involvement less fair value of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of fair value of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Accordingly, the fair value of relevant rights and obligations shall be measured on an individual basis.

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between (1) the carrying amount of the financial asset transferred; and (2) the sum of the consideration received from the transfer and any cumulative gain or loss on changes in fair value that has been recognised in other comprehensive income, is recognised in profit or loss. Where the transferred assets are non-held-for-trading equity instrument investments designated as at FVTOCI, cumulative gains or losses previously recognised in other comprehensive income are transferred out and included in retained earnings.

If a part of the transferred financial asset qualifies for derecognition, the overall carrying amount of the financial asset prior to transfer is allocated between the part that continues to be recognised and the part that is derecognised, based on the respective fair value of those parts at the date of transfer. The difference between (1) the carrying amount allocated to the part derecognised on the date of derecognition; and (2) the sum of the consideration received for the part derecognised and any cumulative gain or loss allocated to the part derecognised which has been previously recognised in other comprehensive income, is recognised in profit or loss. Where the transferred assets are non-held-for-trading equity instrument investments designated as at FVTOCI, cumulative gains or losses previously recognised in other comprehensive income are transferred out and included in retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.3 Transfer of financial assets (Continued)

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group continues to recognise the transferred financial asset in its entirety and includes the consideration received for the transfer of the asset in financial liability upon receipt.

11.4 Classification of financial liabilities and equity instruments

Financial instruments issued by the Group or their components are classified into financial liabilities or equity instruments on the basis of not only the legal form but also the contractual terms and their economic substance, together with the definition of financial liability and equity instrument.

11.4.1 Classification, recognition and measurement of financial liabilities

On initial recognition, financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

11.4.1.1 Financial liabilities at FVTPL

Financial liabilities at FVTPL include held-for-trading financial liabilities (including derivative financial liabilities) and financial liabilities designated as at FVTPL. Except for derivative financial liabilities which are presented separately, financial liabilities at FVTPL are presented as held-for-trading financial liabilities.

A financial liability is classified as held-for-trading if any of the following criteria is satisfied:

- It has been acquired principally for the purpose of selling or repurchasing it in the near term; or
- On initial recognition, it is part of a portfolio of identifiable financial instruments that the Group manages together and there is objective evidence that the Group has a recent actual pattern of short-term profit-taking.
- It is a derivative that is neither a financial guarantee contract nor designated as an effective hedging instrument.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.4 Classification of financial liabilities and equity instruments (Continued)

11.4.1 Classification, recognition and measurement of financial liabilities (Continued)

11.4.1.1 Financial liabilities at FVTPL (Continued)

A financial liability may be designated as at FVTPL upon initial recognition only when one of the following conditions is satisfied: (1) Such designation eliminates or significantly reduces accounting mismatch; (2) The financial liability forms part of a group of financial liabilities or a group of financial assets and financial liabilities, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is reported to key management personnel on that basis; or (3) it is a qualifying hybrid contract containing embedded derivatives.

Held-for-trading financial liabilities are subsequently measured at fair value. Any gains or losses arising from changes in the fair value and any dividend or interest expenses paid on the financial liabilities are recognised in profit or loss for the period.

For financial liability designated as at FVTPL, the amount of change in the fair value of such financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, and other changes in the fair value are presented in profit or loss. Upon the derecognition of such financial liability, the accumulated amount of change in fair value that is attributable to changes in the credit risk of that liability, which is recognised in other comprehensive income, is transferred to retained earnings. Any dividend or interest income earned on the financial liabilities are recognised in profit or loss. If the impact of the change in credit risk of such financial liability dealt with in the above way would create or enlarge an accounting mismatch in profit or loss, the Group shall present all gains or losses on that liability (including the effects of changes in the credit risk of that liability) in profit or loss.

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.4 Classification of financial liabilities and equity instruments (Continued)

11.4.1 Classification, recognition and measurement of financial liabilities (Continued)

11.4.1.2 Other financial liabilities

Except for financial liabilities and financial guarantee contracts arising from transfer of financial assets that do not meet the derecognition criteria or those arising from continuing involvement in the transferred financial assets, other financial liabilities are subsequently measured at amortised cost, with gain or loss arising from derecognition or amortisation recognised in profit or loss.

If the modification or renegotiation for the contract by the Group and its counterparties does not result in derecognition of a financial liability subsequently measured at amortised cost but the changes in contractual cash flows, the Group will recalculate the carrying amount of the financial liability, with relevant gain or loss recognised in profit or loss. The Group will determine the carrying amount of the financial liability based on the present value of renegotiated or modified contractual cash flows discounted at the original effective interest rate of the financial liability. For all costs or expenses arising from modification or renegotiation of the contract, the Group will adjust the modified carrying amount of the financial liability and make amortisation during the remaining term of the modified financial liability.

11.4.1.2.1 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Subsequent to initial recognition, financial guarantee contracts that are not designated as financial liabilities at fair value through profit or loss or financial liabilities arising from transfer of financial assets that do not meet the derecognition criteria or those arising from continuing involvement in the transferred financial assets are measured at the higher of: (1) amount of loss allowance; and (2) the amount initially recognised less cumulative amortisation amount determined based on the revenue standard.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.4 Classification of financial liabilities and equity instruments (Continued)

11.4.2 Derecognition of financial liabilities

The Group derecognises a financial liability (or part of it) only when the underlying present obligation (or part of it) is discharged. An agreement between the Group (an existing borrower) and an existing lender to replace the original financial liability with a new financial liability with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

When the Group derecognises a financial liability or a part of it, it recognises the difference between the carrying amount of the financial liability (or part of the financial liability) derecognised and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) in profit or loss for the period.

11.4.3 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued (including refinanced), repurchased, sold and cancelled by the Group are recognised as changes of equity. Change of fair value of equity instruments is not recognised by the Group. Transaction costs related to equity transactions are deducted from equity.

The Group treats allocations to equity instrument holders as profit distribution and the distributed dividends do not affect the total amount of shareholders' equity.

11.5 Derivatives and embedded derivatives

Derivative instruments include forward foreign exchange contracts, commodity futures contracts, commodity forward contracts, etc. Derivatives are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently measured at fair value.

For hybrid contract constituted by embedded derivatives and host contract, if the host contract is a financial asset, the embedded derivative is not separated from the hybrid contract, and the hybrid contract shall be taken as a whole to apply to the accounting standards for the classification of financial assets.

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instruments (Continued)

11.5 Derivatives and embedded derivatives (Continued)

If the host contract included in the hybrid contract is not a financial asset and satisfies all the following criteria, the embedded derivative shall be separated from the hybrid contract by the Group and treated as a stand-alone derivative.

(1) The economic characteristics and risks of the embedded derivative are not closely related to those of the host contract.

(2) A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative.

(3) The hybrid contract is not measured at FVTPL.

For the embedded derivative separated from the host contracts, the Group accounts for the host contracts in the hybrid contracts with applicable accounting standards. When the embedded derivatives whose fair value cannot be measured reliably by the Group according to the terms and conditions of the embedded derivatives, the fair value of such derivatives are measured at the difference between the fair value of the hybrid contracts and the fair value of the host contracts. By adopting the above method, if the embedded derivative cannot be measured on a stand-alone basis at the time when it is acquired or at subsequent balance sheet dates, the hybrid instrument is designated as financial instruments at FVTPL as a whole.

11.6 Offsetting financial assets and financial liabilities

When the Group has a legal right that is currently enforceable to set off the recognised financial assets and financial liabilities, and intends either to settle on a net basis, or to realise the financial assets and settle the financial liabilities simultaneously, the financial assets and financial liabilities are offset with the net amount presented in the balance sheet. Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the balance sheet without offsetting.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Accounts receivable

12.1 Portfolios for which allowances for bad debts are collectively assessed based on credit risk characteristics and their basis

The Group classifies accounts receivable into different portfolios for internal credit risk rating based on ageing and historical repayment at the balance sheet date, and determines credit losses based on the ECL rate of each portfolio. The increase or reversal amount of ECL of accounts receivable is included in profit or loss for the period as credit impairment loss or gain.

13. Receivables financing

The notes receivable classified as at FVTOCI within one year (inclusive) since acquisition are listed as receivables financing, and as other debt investments otherwise.

13.1 Portfolios for which allowances for bad debts are collectively assessed based on credit risk characteristics and their basis

The Group classifies receivables financing into credit risk characteristics portfolios based on the credit ratings of the accepting banks, with reference to historical credit loss experience, current conditions and forecasts of future economic conditions, etc. as the basis for judgement.

14. Other receivables

14.1 Basis of allowances for bad debts made on an individual basis

The Group determines ECL of other receivables on an individual basis. The increase or reversal amount of ECL of other receivables is included in profit or loss for the period as credit impairment loss or gain.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Inventories

15.1 Categories of inventories, valuation method of inventories delivered, inventory count system, amortisation method for low-value consumables and packaging materials

15.1.1 Categories of inventories

The Group's inventories mainly include raw materials, work in progress, finished goods, trading inventories, etc. Inventories (excluding trading inventories outside the PRC) are initially measured at cost. Cost of inventories comprises all costs of purchase, costs of conversion and other expenditures incurred in bringing the inventories to their present location and condition.

The trading inventories are mainly from IXM (including IXM Holding and its subsidiaries), the subsidiaries of the Group. As a commodity trader, IXM measures the trading inventories at fair value less costs to sell in its financial statements prepared in accordance with International Financial Reporting Standards, and recognises changes in fair value in profit or loss.

Pursuant to Interpretation No. 1 of the Accounting Standards for Business Enterprises, for transactions or events occurred abroad to overseas subsidiaries of a domestic enterprise within China, if such transactions or events are not subject to the relevant laws and regulations of China or if such transactions are rare and not covered by the Accounting Standards for Business Enterprises, the accounting treatments made by the aforesaid overseas subsidiaries may be adjusted under the International Financial Reporting Standards and then be consolidated into the relevant items of the consolidated financial statements of the parent company, provided that the principle of the Accounting Standards for Business Enterprises – Basic Standards is followed. Therefore, in the preparation of the financial statements, trading inventories outside the PRC of IXM are still measured according to the above-mentioned accounting policies.

15.1.2 Valuation method of inventories delivered

When the inventories (excluding trading inventories outside the PRC) are delivered, the actual costs of the delivered inventories are determined using the method of weighted average.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Inventories (Continued)

15.1 Categories of inventories, valuation method of inventories delivered, inventory count system, amortisation method for low-value consumables and packaging materials (Continued)

15.1.3 Inventory count system

The perpetual inventory system is maintained for stock system.

15.1.4 Amortisation method for low-value consumables and packaging materials

Packaging materials and low-value consumables are amortised using the immediate write-off method.

15.2 Recognition criteria and determination method for provision for decline in value of inventories

At the balance sheet date, the inventories (excluding trading inventories outside the PRC) are measured at the lower of cost and net realisable value. Where the net realisable value is less than the cost, a provision for decline in value of inventories is made.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, the estimated costs necessary to make the sale and relevant taxes. Net realisable value is determined on the basis of clear evidence obtained, and takes into consideration the purposes of holding inventories and effect of events subsequent to the balance sheet date.

The provision for decline in value of inventories shall be provided by the difference between the cost of the individual inventory or a type of inventories and its net realised value.

After the provision for decline in value of inventories is made, if the circumstances that previously caused inventories to be written down below cost no longer exist so that the net realisable value of inventories is higher than their carrying amount, the original provision for decline in value is reversed and the reversal is included in profit or loss for the period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Long-term equity investments

16.1 Basis for determining joint control and significant influence over the investee

Details of determination criteria of control are set out in Note (III)7.1. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating policy decisions relating to the activity require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. When determining whether an investing enterprise is able to exercise control or significant influence over an investee, the effect of potential voting rights of the investee (for example, warrants and convertible debts) held by the investing enterprises or other parties that are currently exercisable or convertible shall be considered.

16.2 Determination of initial investment cost

For a long-term equity investment acquired through business combination involving enterprises under common control, shares of book value of owners' equity of combined party in financial statements of ultimate controlling party is recognised as initial investment cost of long-term equity investment at the date of combination. The difference between initial investment cost of long-term equity investment and cash paid, non-cash assets transferred and book value of liabilities assumed, is adjusted in capital reserve. If the balance of capital reserve is not sufficient to absorb the difference, any excess is adjusted to retained earnings. If the consideration of the combination is satisfied by the issue of equity securities, the initial investment cost of the long-term equity investment is the share of book value of owners' equity of the acquired entity in the ultimate controlling party's consolidated financial statements at the date of combination. The aggregate face value of the shares issued is accounted for as share capital. The difference between the initial investment cost and the aggregate face value of the shares issued is adjusted to capital reserve. If the balance of capital reserve is not sufficient to absorb the difference, any excess is adjusted to retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Long-term equity investments (Continued)

16.2 Determination of initial investment cost (Continued)

For a long-term equity investment acquired through business combination not involving enterprises under common control, the initial investment cost of the long-term equity investment is the cost of acquisition at the date of combination. Where equity interests in an acquiree are acquired in stages through multiple transactions ultimately constituting a business combination not involving entities under common control, the acquirer determines if these transactions are considered to be "a package deal". If yes, these transactions are accounted for as a single transaction where control is obtained. If no, the initial investment cost of the long-term equity investment is the aggregate of the carrying amount of the equity interest held in the acquiree prior to the acquisition date and the cost of the additional investment at the acquisition date. When the equity held was accounted for under equity method, relevant other comprehensive income is not accounted temporarily; when the equity held was accounted for investments in other equity instruments, the difference between the fair value and carrying amount, together with the cumulative changes in fair value recognised in other comprehensive income are included in retained earnings for the current period.

The intermediary expenses incurred by the combining party or acquirer in respect of auditing, legal services, valuation and consultancy services, etc., and other associated administrative expenses attributable to the business combination are recognised in profit or loss when they are incurred.

The long-term equity investment acquired otherwise than through a business combination is initially measured at its cost. When the entity is able to exercise significant influence or joint control (but not control) over an investee, the cost of long-term equity investments is the sum of the fair value of previously-held equity investments determined in accordance with Accounting Standards for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement and the additional investment cost.

16.3 Subsequent measurement and recognition of profit or loss

16.3.1 Long-term equity investments accounted for using the cost method

Long-term equity investments in subsidiaries are accounted for using the cost method in the Company's separate financial statements. A subsidiary is an investee that is controlled by the Group.

Under the cost method, a long-term equity investment is measured at initial investment cost. When additional investment is made or the investment is recouped, the cost of the long-term equity investment is adjusted accordingly. Investment income is recognised in the period in accordance with the attributable share of cash dividends or profit distributions declared by the investee.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Long-term equity investments (Continued)

16.3 Subsequent measurement and recognition of profit or loss (Continued)

16.3.2 Long-term equity investments accounted for using the equity method

The Group accounts for investment in associates and joint ventures using the equity method. An associate is an entity over which the Group has significant influence; a joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, the difference is recognised in profit or loss for the period, and the cost of the long-term equity investment is adjusted accordingly.

Under the equity method, the Group recognises its share of the net profit or loss and other comprehensive income made by the investee as investment income and other comprehensive income respectively, and adjusts the carrying amount of the long-term equity investment accordingly; the carrying amount of the investment is reduced by the portion of any profit distributions or cash dividends declared by the investee that is distributed to the Group; Other changes in owners' equity of the investee other than net profit or loss and other comprehensive income are adjusted accordingly to the carrying amount of the long-term equity investment, and recognised in the capital reserve. The Group recognises its share of the investee's net profit or loss based on the fair value of the investee's individual identifiable assets, etc. at the acquisition date after making appropriate adjustments. When the investors' accounting policies and accounting period are inconsistent with those of the Company, the Company recognises investment income and other comprehensive income after making appropriate adjustments to conform to the Company's accounting policies and accounting period. For the Group's transactions with its associates and joint ventures where assets contributed or sold do not constitute a business, unrealised intra-group profits or losses are recognised as investment income or loss to the extent that those attributable to the Group's proportionate share of interest are eliminated. However, unrealised losses resulting from the Group's transactions with its investee which represent impairment losses on the transferred assets are not eliminated.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Long-term equity investments (Continued)

16.3 Subsequent measurement and recognition of profit or loss (Continued)

16.3.2 Long-term equity investments accounted for using the equity method (Continued)

The Group discontinues recognising its share of net loss of the investee after the carrying amount of the long-term equity investment together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero. If the Group has incurred obligations to assume additional losses of the investee, a provision is recognised according to the expected obligation, and recorded as investment loss for the period. Where net profits are subsequently made by the investee, the Group resumes recognising its share of those profits only after its share of the profits exceeds the share of losses previously not recognised.

16.4 Disposal of long-term equity investments

On disposal of a long-term equity investment, the difference between the proceeds actually received and receivable and the carrying amount is recognised in profit or loss for the period.

17. Fixed assets

17.1 Recognition criteria

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and have useful lives of more than one accounting year. A fixed asset is recognised only when it is probable that economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. Fixed assets are initially measured at cost, taking into account the impact of anticipated disposal cost factors.

Subsequent expenditures incurred for the fixed asset are included in the cost of the fixed asset if it is probable that economic benefits associated with the asset will flow to the Group and the cost can be measured reliably. Meanwhile, the carrying amount of the replaced part is derecognised. Other subsequent expenditures are recognised in profit or loss for the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Fixed assets (Continued)

17.2 Depreciation method

A fixed asset is depreciated over its useful life using the straight-line method or the units of production method since the month subsequent to the one in which it is ready for intended use. The depreciation method, depreciation period, residual value rate and annual depreciation rate of each category of fixed assets are as follows:

Resources-related subsidiaries of the Group situated in PRC

Category	Depreciation method	Depreciation period (years)	Residual value rate (%)	Annual depreciation rate (%)
Land use rights and buildings	Straight-line method	8-45	0~5	2.1~12.5
Mining projects	Units of production method	Expected life of mines	0	Unit of production
Machinery and equipment	Straight-line method	8-10	5	9.5~11.9
Electronic equipment, fixtures and furniture	Straight-line method	5	5	19.0
Transportation equipment	Straight-line method	8	5	11.9

Resources-related subsidiaries of the Group situated in Brazil

Category	Depreciation method	Depreciation period (years)	Residual value rate (%)	Annual depreciation rate (%)
Land ownership	N/A	Permanent	–	–
Buildings	Straight-line method	20-50	0~5	1.9~5.0
Mining projects	Units of production method	Expected life of mines	0	Unit of production
Machinery and other equipment	Straight-line method	5-20	0~5	4.8~20.0

Resources-related subsidiaries of the Group situated in Congo (DRC)

Category	Depreciation method	Depreciation period (years)	Residual value rate (%)	Annual depreciation rate (%)
Land ownership	N/A	Permanent	–	–
Mining projects	Units of production method	Expected life of mines	0	Unit of production
Buildings	Straight-line method	5-33	0~5	2.9~20.0
Machinery and other equipment	Straight-line method	3-20	0~5	4.8~33.3

Resources-related subsidiaries of the Group situated in Ecuador

Category	Depreciation method	Depreciation period (years)	Residual value rate (%)	Annual depreciation rate (%)
Buildings	Straight-line method	10-45	0	2.2~10
Machinery and other equipment	Straight-line method	3-20	0	5~33.3

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Fixed assets (Continued)

17.2 Depreciation method (Continued)

Metal trading-related subsidiaries of the Group

Category	Depreciation method	Depreciation period (years)	Residual value rate (%)	Annual depreciation rate (%)
Buildings	Straight-line method	20	5	4.8
Machinery and equipment	Straight-line method	3-5	5	19.0~31.7
Electronic equipment, fixtures and furniture	Straight-line method	5	5	19.0

Estimated net residual value of a fixed asset is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

17.3 Other descriptions

If a fixed asset is upon disposal or no future economic benefits are expected to be generated from its use or disposal, the fixed asset is derecognised. When a fixed asset is sold, transferred, retired or damaged, the amount of any proceeds on disposal of the asset net of the carrying amount and related taxes is recognised in profit or loss for the period.

The Group reviews the useful life and the estimated net residual value of a fixed asset and the depreciation method applied at least once at each financial year-end, and accounts for any change as a change in an accounting estimate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Construction in progress

Construction in progress is measured at its actual costs. The actual costs include various construction expenditures during the construction period, borrowing costs capitalised before it is ready for intended use and other relevant costs. Construction in progress is not depreciated.

Construction in progress is transferred to a fixed asset when it is ready for intended use. The criteria and time points for the transfer of various types of construction in progress to fixed assets are as follows:

Category	Basis of transfer		Time point of transfer
Lands, buildings and mining projects	(1)	The main construction project and supporting projects have been completed, the predetermined design requirements have been met and acceptance has been completed.	When it is ready for intended use
	(2)	If a construction project is ready for the intended use but has not yet completed the final accounts, it will be transferred to fixed assets at the estimated value based on actual project cost from the date when it is ready for the intended use.	
Machinery and equipment, electronic equipment, fixture and furniture and transportation equipment to be installed	(1)	Relevant equipment and other supporting facilities have been installed.	When it is ready for intended use
	(2)	The equipment can maintain normal and stable operation for a period of time after commissioning.	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalised when expenditures for such asset and borrowing costs are incurred and activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced. Capitalisation of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where funds are borrowed under a specific-purpose borrowing, the amount of interest to be capitalised is the actual interest expenses incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds. Where funds are borrowed under general-purpose borrowings, the Group determines the amount of interest to be capitalised on such borrowings by applying a capitalisation rate to the weighted average of the excess of cumulative expenditures on the asset over the amounts of specific-purpose borrowings. The capitalisation rate is the weighted average of the interest rates applicable to the general-purpose borrowings.

20. Biological assets

Biological assets of the Group are timber forests that will be harvested as agricultural products in the future.

Upon harvest of timber forests, the Group uses the weighted average method to carry forward the cost by carrying amount.

If there is an active market for timber forests and the Group can obtain market prices and other relevant information regarding the same or similar type of timber forests from the market so as to reasonably estimate the fair value of the related timber forests, the Group subsequently measures the timber forests at fair value with changes of the fair value are recognised in profit or loss for the current period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Intangible assets

21.1 Useful life and its determination basis, estimation, amortisation method or review procedures

Intangible assets include land use rights and land ownership rights, exploration and mining rights, copper supply concessions, supplier relationships, etc.

An intangible asset is measured initially at cost. When an intangible asset with a finite useful life is available for use, its original cost less accumulated impairment provision is amortised over its estimated useful life using the straight-line method or the units of production method. Amortisation method, useful life and estimate residual value rate of all intangible assets are as follows:

Category	Amortisation method	Useful life (year) and its basis	Residual value rate (%)
Land use rights (China and others)	Straight-line method	50 years, the time when the lands are available for use	0
Land ownership rights (Ecuador)	N/A	Permanent	
Exploration and mining rights	Units of production method	N/A	0
Copper supply concessions	Units of purchase method	N/A	0
Supplier relationship	Straight-line method	15 years, the expected period that can bring economic benefits to the Company	0

For an intangible asset with a finite useful life, the Group reviews the useful life and amortisation method at the end of the year, and makes adjustments when necessary.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Intangible assets (Continued)

21.2 Scope of and related accounting treatment for research and development expenditure

Expenditure during the research phase is recognised as an expense in the period in which it is incurred.

Expenditure during the development phase that meets all of the following conditions at the same time is recognised as an intangible asset. Expenditure during development phase that does not meet the following conditions is recognised in profit or loss for the period.

(1) it is technically feasible to complete the intangible asset so that it will be available for use or sale;

(2) the Group has the intention to complete the intangible asset and use or sell it;

(3) the Group can demonstrate the ways in which the intangible asset will generate economic benefits, including the evidence of the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;

(4) the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and

(5) the expenditure attributable to the intangible asset during its development phase can be reliably measured.

If the expenditures cannot be distinguished between the research phase and development phase, the Group recognises all of them in profit or loss for the period.

The scope of research and development expenditure includes salaries and welfare expenses of personnel directly engaged in research and development activities, materials, fuel and power expenses directly consumed in research and development activities, depreciation expenses of instruments and equipment in research and development activities, lease and maintenance expenses of research and development sites, travel, transportation and communication expenses required for research and experimental development. The Group takes whether the product design has been approved as the specific basis for classifying research and development projects into research phase and development phase.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Impairment of long-term assets

The Group reviews the long-term equity investments, fixed assets, construction in progress, right-of-use assets and intangible assets with finite useful life at each balance sheet date to determine whether there is any indication that they have suffered an impairment loss. If there is any indication that such assets may be impaired, recoverable amounts are estimated for such assets. Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that the assets may be impaired.

Recoverable amount is estimated on an individual asset basis. If it is not practical to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs will be estimated. The recoverable amount of an asset or asset group is the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset or asset group.

If such recoverable amount is less than its carrying amount, a provision for impairment losses in respect of the deficit is recognised in profit or loss for the period.

Goodwill is tested for impairment at least at the end of each year. For the purpose of impairment testing, goodwill is considered together with the related asset groups or sets of asset groups, i.e., goodwill is reasonably allocated to the related asset group or set of asset groups expected to benefit from the synergies of the combination. An impairment loss is recognised if the recoverable amount of the asset group or set of asset groups (including goodwill) is less than its carrying amount. The impairment loss is firstly allocated to reduce the carrying amount of any goodwill allocated to such asset group or set of asset groups, and then to the other assets (other than goodwill) of the asset group or set of asset groups pro-rata on the basis of the carrying amount of each asset (other than goodwill) in the asset group or set of asset groups.

Once an impairment loss of the above-mentioned assets is recognised, it will not be reversed in any subsequent period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Long-term prepaid expenses

Long-term prepaid expenses represent expenses incurred that should be borne and amortised over the current and subsequent periods (together of more than one year). Long-term prepaid expenses are amortised using the straight-line method over the expected periods in which benefits are derived.

24. Contract liabilities

Contract liabilities refer to the Group's obligation to transfer goods or services to a customer for consideration received or receivable from the customer. Contract assets and contract liabilities under the same contract are presented at net amounts.

25. Employee benefits

25.1 Accounting treatment of short-term employee benefits

In an accounting period in which an employee has rendered services to the Group, the Group recognises the short-term employee benefits for that service as a liability, and the related expenditures are charged to profit or loss for the period or in costs of relevant assets. Employee welfare incurred by the Group is recognised in profit or loss for the period or the costs of relevant assets based on the actual amount when incurred. Non-monetary employee welfare is measured at fair value.

Payment made by the Group of social security contributions for employees such as premiums or contributions on medical insurance, work injury insurance, etc. and payments of housing funds, as well as union running costs and employee education costs provided in accordance with relevant requirements, are calculated according to prescribed bases and percentages in determining the amount of employee benefits and recognised as relevant liabilities, with a corresponding charge to the profit or loss for the period or the costs of relevant assets in the accounting period in which employees provide services.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Employee benefits (Continued)

25.2 Accounting treatment of post-employment benefits

Post-employment benefits are classified into defined contribution plans and defined benefit plans.

In an accounting period in which an employee has rendered service to the Group, the amount payable calculated in accordance with the defined contribution plan is recognised as a liability by the Group and charged to profit or loss for the period, or included in cost of related assets.

For defined benefit plans, the Group assigns the welfare obligation generated from the defined benefit plans to the period of rendering services using the formula determined by the projected unit credit method, and includes it in the current profit or loss or related asset costs. Employee benefit costs generated from the defined benefit plans are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on settlements);
- net interest of net liabilities or assets of defined benefit plan (including interest income of planned assets, interest expenses of defined benefit plan liabilities and effect of asset ceiling); and
- Changes arising from remeasurement of net liabilities or net assets of defined benefit plans.

Service costs and net interest of net liabilities or net assets of defined benefit plans are recognised in profit or loss for the period or costs of related assets. Changes arising from remeasurement of the net defined benefit liability (asset) (including actuarial gains or losses, the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset), and any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)) are recognised in other comprehensive income.

Deficit or surplus generated from the present value of the obligation of defined benefit plan less the fair value of defined benefit plan asset is recognised as a net liability or a net asset of defined benefit plan. If there is a surplus in the defined benefit plan, the lower of the surplus of defined benefit plan and the asset ceiling is used to measure the net asset of the defined benefit plan.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Employee benefits (Continued)

25.3 Accounting treatment of termination benefits

A liability for a termination benefit is recognised in profit or loss for the period at the earlier of when the Group cannot unilaterally withdraw from the termination plan or the redundancy offer and when the Group recognises any related restructuring costs or expenses.

26. Provisions

Provisions are recognised when the Group has a present obligation related to a contingency, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money. Where the effect of the time value of money is material, the amount of the provision is determined by discounting the related future cash outflows.

27. Share-based payments

A share-based payment is a transaction which the Group grants equity instruments, or incurs liabilities for amounts that are determined based on the price of equity instruments, in return for services rendered by employees. The Group's share-based payments include equity-settled share-based payments and cash-settled share-based payments.

27.1 Equity-settled share-based payments

Equity-settled share-based payments granted to employees

Equity-settled share-based payments in exchange for services rendered by employees are measured at the fair value of the equity instruments granted to employees at the grant date. Such amount is recognised as related costs or expenses on a straight-line basis over the vesting period, based on the best estimate of the number of equity instruments expected to vest, with a corresponding increase in capital reserve.

At each balance sheet date during the vesting period, the Group makes the best estimate according to the subsequent latest information of change in the number of employees who are granted options that may vest, etc. and revises the number of equity instruments expected to vest. The effect of the above estimate is recognised as related costs or expenses, with a corresponding adjustment to capital reserve.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Share-based payments (Continued)

27.2 Cash-settled share-based payments

Cash-settled share-based payments are measured at the fair value of the liabilities incurred by the Group, which are determined based on the price of the share or other equity instruments. The Group recognises the services for the period as related costs or expenses, with a corresponding increase in liability, at an amount equal to the fair value of the liability based on the best estimate of the outcome of vesting at each balance sheet date within the vesting period. Until the liability is settled, the Group re-measures the fair value of the liability at each balance sheet date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

27.3 Accounting treatment related to implementation, modification and termination of share-based payment arrangement

In case the Group modifies a share-based payment arrangement, if the modification increases the fair value of the equity instruments granted, the Group will include the incremental fair value of the equity instruments granted in the measurement of the amount recognised for services received. If the modification increases the number of the equity instruments granted, the Group will include the fair value of additional equity instruments granted in the measurement of the amount recognised for services received. The increase in the fair value of the equity instruments granted is the difference between fair value of the equity instruments before and after the modification on the date of the modification. If the Group modifies the terms or conditions of the share-based payment arrangement in a manner that reduces the total fair value of the share-based payment arrangement, or is not otherwise beneficial to the employee, the Group will continue to account for the services received as if that modification had not occurred (other than a cancellation of some or all the equity instruments granted).

If cancellation of the equity instruments granted occurs during the vesting period, the Group will account for the cancellation of the equity instruments granted as an acceleration of vesting, and recognise immediately the amount that otherwise would have been recognised over the remainder of the vesting period in profit or loss for the period, with a corresponding recognition in capital reserve. When the employee or counterparty can choose whether to meet the non-vesting condition but the condition is not met during the vesting period, the Group treats it as a cancellation of the equity instruments granted.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Preference shares, perpetual bonds and other financial instruments

Other financial instruments such as the as preference shares, perpetual bonds issued by the Group are accounted for as equity instruments if all the following criteria are satisfied:

(1) The financial instrument does not include a contractual obligation of delivering cash or other financial assets to other parties, or exchanging financial assets or financial liabilities with other parties under potential disadvantages;

(2) Where the financial instrument is required to be or may be settled using the Group's own equity instrument, it does not include a contractual obligation of settlement by delivering variable quantity of the Group's own equity instruments if the financial instrument is not a derivative instrument; or the financial instrument is settled by exchanging only fixed quantity of the Group's own equity instruments for a fixed amount of cash or other financial assets if the financial instrument is a derivative instrument.

Except for other financial instruments that can be classified as equity instruments described above, other financial instruments issued by the Group are classified as financial liabilities.

For other financial instruments (including preference shares, perpetual bonds, etc.) classified as financial liabilities, the interest expenses or dividends distribution are accounted for as borrowing cost, with any gain or loss arising from the repurchase or redemption included in profit or loss for the period. If the financial liabilities are measured at amortised cost, related transaction costs are included in initial measurement amount.

For other financial instruments including preference shares and perpetual bonds classified as equity instruments, the interest expenses or dividends distributions are accounted for as profit distribution, and the repurchase and cancellation are dealt with as changes in equity, with related transaction costs deducted from equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Revenue

Disclosure of accounting policies adopted in revenue recognition and measurement in accordance with business types

The revenue of the Group is mainly from:

(1) Sale of goods and metal trading

The Group sells minerals including self-produced mineral products of molybdenum, tungsten, niobium, phosphorus, copper, cobalt and gold, etc. and commercial mineral products of copper, lead and zinc concentrates and copper, lead and zinc refined metal to the customers. Generally, the performance business only includes delivery of goods in the contract concerning sales of goods, so the consideration of sale is recognised according to the price as agreed in the sales contract. The Group recognises the revenue at the time point when the control over the relevant goods are passed to the customers. In the meanwhile, the Group carries out business by receipts in advance or sales on credit based on credit status of counterparties.

(2) Metal flow transaction

In respect of the Group's metal flow transactions, the Group receives payments in advance from customers for the sale of goods, which are first recognised as liabilities (contract liabilities and other non-current liabilities – metal flow transaction contract liabilities) and then transferred to revenue when the relevant performance obligations are satisfied, i.e. when control of the goods is transferred to the customer. Where a metal flow contract has a significant financing component, the Group determines the transaction price at the time of entering into the metal flow contract based on the amount payable in cash assuming that the customer will pay for the goods as soon as it obtains control over these goods, and the difference between this transaction price and the contract consideration is amortised over the term of the contract using the effective interest method.

Where a contract includes a variable consideration, the Group determines the best estimate of the variable consideration based on the volume of mineral reserve, the expected delivery time and quantity of goods and the expected market price of goods. The transaction price including variable consideration shall not exceed the amount of the cumulatively recognised revenue which is most unlikely to be significantly reversed when relevant uncertainty is eliminated. At each balance sheet date, the Group re-estimates the amount of variable consideration to be included in the transaction price.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Revenue (Continued)

Disclosure of accounting policies adopted in revenue recognition and measurement in accordance with business types (Continued)

(3) Hotel services

The Group provides room and catering services to the customers through its self-operated hotels and accordingly obtains revenue, of which the revenue from room service provided is recognised over the period when the customers obtain and consume the service, and the revenue from catering service provided is recognised at the time point when the customers obtain the control over relevant goods.

(4) Other revenue

Meanwhile, the Group sells auxiliary materials including scraps to the customers. Generally, there is only one performance obligation i.e. delivery of goods in the contract concerning sales of goods. Relevant revenue is recognised at the time point when the control over the relevant goods is transferred to the customers. The consideration for sales of goods is determined based on the fixed price agreed in the sales contract.

A performance obligation is a commitment that the Group transfers distinct goods or services to a customer in the contract.

30. Government grants

Government grants are transfer of monetary assets and non-monetary assets from the government to the Group at no consideration. A government grant is recognised only when the Group can comply with the conditions attaching to the grant and the Group will receive the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value; if fair value is not reliably determinable, it is measured at a nominal amount. A government grant measured at a nominal amount is recognised immediately in profit or loss for the period.

30.1 Determination basis and accounting treatment of government grants related to assets

The government grants of the Group mainly include grant for demonstration base project, etc. Due to direct relationship with investment and construction of fixed assets, such government grants are defined as the government grants related to assets.

A government grant related to an asset is recognised as deferred income, and evenly amortised to profit or loss over the useful life of the related asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Government grants (Continued)

30.2 Determination basis and accounting treatment of government grants related to income

The government grants of the Group mainly include receipts of tax refunds, etc... Such government grants are defined as the government grants related to income.

For a government grant related to income, if the grant is a compensation for related costs and losses to be incurred in subsequent periods, the grant is recognised as deferred income, and recognised in profit or loss over the periods in which the related costs or losses are recognised. If the grant is a compensation for related costs or losses already incurred, the grant is recognised immediately in profit or loss for the period.

A government grant related to the Group's daily activities is recognised in other income based on the nature of economic activities. A government grant not related to the Group's daily activities is recognised in non-operating income.

31. Leases

A lease is a contract whereby the lessor conveys to the lessee the right to use an asset for an agreed period of time in return for a consideration.

The Group assesses whether a contract is, or contains, a lease at inception date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

31.1 The Group as lessee

31.1.1 Separating components of a contract

If the contract contains one or more lease and non-lease components, the Group will separate the individual lease and non-lease components and allocate contract consideration according to the relative proportion of the sum of the stand-alone prices of the lease components and the stand-alone prices of the non-lease components.

31.1.2 Right-of-use assets

Except for short-term leases, the Group recognises a right-of-use asset at the commencement date of the lease. The commencement date of the lease is the date on which a lessor makes an underlying asset available for use. The right-of-use asset is measured at cost. The cost of the right-of-use asset shall include:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Leases (Continued)

31.1 The Group as lessee (Continued)

31.1.2 Right-of-use assets (Continued)

- the amount of the initial measurement of the lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group;
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Group depreciates right-of-use assets by reference to the relevant depreciation provisions of Accounting Standards for Business Enterprises No. 4 – Fixed Assets. The right-of-use assets are depreciated over the remaining useful lives of the leased assets where the Group is reasonably certain to obtain ownership of the underlying assets at the end of the lease term. Otherwise, right-of-use assets are depreciated over the shorter of the lease term and the remaining useful lives of the leased assets.

The Group assesses and determines whether the right-of-use asset is impaired and accounts for any impairment loss identified in accordance with Accounting Standards for Business Enterprises No. 8 – Impairment of Assets.

31.1.3 Lease liabilities

Except for short-term leases, at the commencement date of the lease, the Group measures the lease liabilities at the present value of the lease payments that are not paid at that date. In calculating the present value of lease payments, the Group uses the interest rate implicit in the lease as the discount rate. The Group uses the incremental borrowing rate if the interest rate implicit in the lease is not readily determinable.

The lease payments are payments to the lessor for the right to use the underlying asset during the lease term made by the Group, including fixed payments and in-substance fixed payments, less any lease incentives receivable, if applicable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Leases (Continued)

31.1 The Group as lessee (Continued)

31.1.3 Lease liabilities (Continued)

After the commencement date of the lease, the Group calculates interest expenses of lease liabilities for each period of the lease term based on a fixed periodic rate, and recognises such expenses in profit or loss or costs of related assets.

After the commencement date, the lease term has changed or there is a change in the assessment of exercise of a purchase option, the Group remeasures the related lease liability by discounting the revised lease payments using a revised discount rate and adjusts the corresponding right-of-use asset. If the carrying amount of the right-of-use asset has been reduced to zero, but the lease liability still needs to be further reduced, the difference is recognised in the profit or loss for the current period.

31.1.4 Basis of adopting simplified methods and relevant accounting treatment for short-term leases as lessee

The Group elects not to recognise right-of-use assets and lease liabilities for short-term leases of transportation devices and machinery equipment. A short-term lease is a lease that at the commencement date, has a lease term of 12 months or less and does not contain any purchase options. The Group shall recognise the lease payments associated with short-term leases in profit or loss or the costs of related assets on a straight-line basis over the lease term.

31.1.5 Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope which is adjusted based on circumstances of the particular contract.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Leases (Continued)

31.1 The Group as lessee (Continued)

31.1.5 Lease modifications (Continued)

If the lease modification is not accounted for as an individual lease, on the effective date of the lease modification, the Group reallocates the consideration of the contract after the change, re-determines the lease term, and remeasures the lease liabilities at the present value of revised lease payment discounted at revised discount rate.

If the lease modification results in a reduction in the lease scope or lease term, the carrying amount of the right-of-use assets will be reduced, and the gains or losses relevant to the lease partially of fully terminated will be included in profit or loss for the period; for other lease modifications resulting in the remeasurement of lease liabilities, the carrying amount of right-of-use assets is adjusted accordingly.

32. Deferred tax assets/Deferred tax liabilities

Income tax expenses include current income tax and deferred income tax.

32.1 Current income taxes

At the balance sheet date, current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid (or recovered) according to the requirements of tax laws.

32.2 Deferred tax assets and deferred tax liabilities

For temporary differences between the carrying amounts of certain assets or liabilities and their tax base, or between the nil carrying amount of those items that are not recognised as assets or liabilities and their tax base that can be determined according to tax laws, deferred tax assets and liabilities are recognised using the balance sheet liability method.

Deferred tax is generally recognised for all temporary differences. Deferred tax assets for deductible temporary differences are recognised to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilised. However, for temporary differences associated with the initial recognition of goodwill and the initial recognition of an asset or liability arising from a transaction (not a business combination) that affects neither the accounting profit nor taxable income (or deductible losses) and does not give rise to equal taxable temporary differences and deductible temporary differences at the time of transaction, no deferred tax asset or liability is recognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Deferred tax assets/Deferred tax liabilities (Continued)

32.2 Deferred tax assets and deferred tax liabilities (Continued)

For deductible losses and tax credits that can be carried forward, deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible losses and tax credits can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be taxable income against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates, according to tax laws, that are expected to apply in the period in which the asset is realised or the liability is settled.

Current and deferred tax expenses or benefits are recognised in profit or loss for the period, except when they arise from transactions or events that are directly recognised in other comprehensive income or in shareholders' equity, in which case they are recognised in other comprehensive income or in shareholders' equity; and when they arise from business combinations, in which case they adjust the carrying amount of goodwill.

At the balance sheet date, the carrying amount of deferred tax assets is reviewed and reduced if it is no longer probable that sufficient taxable income will be available in the future to allow the benefit of deferred tax assets to be utilised. Such reduction in amount is reversed when it becomes probable that sufficient taxable income will be available.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Deferred tax assets/Deferred tax liabilities (Continued)

32.3 Income tax offsetting

When the Group has a legal right to settle on a net basis and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously, current tax assets and current tax liabilities are offset and presented on a net basis.

When the Group has a legal right to settle current tax assets and liabilities on a net basis, and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax assets and liabilities on a net basis or to realise the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be reversed, deferred tax assets and deferred tax liabilities are offset and presented on a net basis.

33. Stripping costs

During mining operations, the Group may find that mineral wastes and surface cover to be removed before mining, and the removal activities for such wastes is called stripping. The stripping costs are usually capitalised in the mining development phase (before production). The capital expenditure is divided into cash outflows of investment activities.

After mining development phase can be ended for getting into the production phase, the waste removal activity is referred to as production stripping.

If the production stripping activity is related to the current mining, the associated stripping costs are included in the statement of profit or loss for the current period as operating costs. If the production stripping is associated with inventory production and improves the mining environment for subsequent years, the expenditure on the removal of wastes should be reasonably allocated between the two activities, and the portion that is beneficial to the mining environment for subsequent years shall be capitalised into fixed assets. In some cases, where a large amount of wastes is removed or only a small volume of inventory is produced, the costs incurred by the stripping of wastes will be fully capitalised.

On the basis of the proven reserves of ore, all capitalised waste stripping costs are depreciated in accordance with the output method.

The impact on the waste stripping costs or on the remaining ore reserves arising from changes in mine life expectancy or mining plans will be treated as changes in accounting estimates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Exploration, assessment and development expenditures

The costs of exploration and assessment are directly recognised in costs when they are incurred. When a mine is determined to be of economic value, all subsequent assessment and exploration expenditures, including expenditures incurred in the development phase, are capitalised into the cost of the underlying asset. The above capitalisation terminates after the mine has reached the commercial production phase. The exploration assets generated from acquisitions are presented on the balance sheet at the assessed value.

35. Other significant accounting policies and accounting estimates

35.1 Work safety expenses

In accordance with the Notice on Issuing the Administrative Measures for the Collection and Utilisation of Enterprise Work Safety Funds (Cai Qi [2012] No. 16), the safety expenses for domestic mining enterprises are provided as per RMB5/ton for raw ore of surface mine, RMB10/ton for raw ore of downhole mine and RMB1/ton for tailing pond; the safety expenses for domestic metallurgy enterprises are provided as per actual operating income in the prior year and are provided month by month based on the following standards with excessive and accumulative withdrawal method:

(I) Provided 3% if the operating income does not exceed RMB10 million;

(II) Provided 1.5% if the operating income is RMB10 million to RMB0.1 billion;

(III) Provided 0.5% if the operating income is RMB0.1 billion to RMB1 billion;

(IV) Provided 0.2% if the operating income is RMB1 billion to RMB5 billion;

(V) Provided 0.1% if the operating income is RMB5 billion to RMB10 billion;

(VI) Provided 0.05% if the operating income exceeds RMB10 billion.

In accordance with the Notice on Issuing the Administrative Measures for the Collection and Utilisation of Enterprise Work Safety Funds (Cai Zi [2022] No. 136), from 1 December 2022, the safety expenses for domestic mining enterprises are provided as per RMB5/ton for raw ore of surface mine, RMB15/ton for raw ore of downhole mine and RMB4/ton for tailing pond;

When safety expenses of the enterprises are provided as per the standards, debit “manufacturing expenses” and credit “special reserve”.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Other significant accounting policies and accounting estimates (Continued)

35.1 Work safety expenses (Continued)

When the safety protection equipment and facilities are purchased with safety production reserve within specified limit, it should debit “construction in progress” and credit “bank deposit” based on the amount included into assets cost. The safe projects will be deemed as fixed assets upon completion and reaching the reserved serviceable condition; the special reserves will be written down as per the cost of fixed assets and the cumulative depreciation in the same amount will be confirmed; debit “special reserve” and credit “accumulated depreciation”. The fixed asset will not withdraw depreciation later, but amount carried forward is within the limit of the balance of “special reserves” being offset to be zero.

When the safety production reserve is used to pay the expenses in safety production inspection, evaluating expenditure, safety skills training and emergency rescue drill, it should directly write down special reserves, debit “special reserve” and credit “bank deposits”. The amount carried forward should be within the scope that the balance of “special reserve” is written down to zero.

35.2 Hedge accounting

35.2.1 Basis of adopting hedge accounting and relevant accounting treatment

Some financial instruments are designated as hedging instruments by the Group for the purpose of managing risk exposure caused by specific risks such as currency risk, interest rate risk, price risk, etc. The Group applies hedging accounting for a hedge that satisfies the prescribed conditions. Hedging activities of the Group include fair value hedges and cash flow hedges.

At the inception of hedging, the Group officially designated hedging instruments and hedged items, and prepared written documents recording the nature of hedging instruments, hedged items, hedged risks, and hedging effectiveness evaluation methods (including the analysis of the causes of invalid hedging and methods to determine the hedging ratio).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Other significant accounting policies and accounting estimates (Continued)

35.2 Hedge accounting (Continued)

35.2.1 Basis of adopting hedge accounting and relevant accounting treatment (Continued)

The Group will discontinue hedge accounting when one of the following conditions occurs:

- the risk management objective is changed so that the hedging relationship no longer meets the risk management objective.
- the hedging instrument expires, or is sold, terminated or exercised.
- There is no longer an economic relationship between the hedged items and the hedging instruments, or in the value changes arising from the economic relationship between the hedged items and the hedging instruments, the impact of credit risk begins to dominate.
- The hedging relationship no longer meets other conditions for using the hedge accounting methods.

Fair value hedges

The Group recognises gains or losses arising from hedging instruments in current profit or loss. Where a hedging instrument is a hedge of an investment in a non-held-for-trading equity instrument that has been elected to be measured at FVTOCI, the gain or loss arising on the hedging instrument is included in other comprehensive income.

The Group recognises gains or losses on hedged items arising from hedged exposures in current profit or loss and adjusts the carrying amount of recognised hedged items not measured at fair value. If the hedged item is a financial asset classified as at FVTOCI, the gain or loss arising from the hedged exposure is included in profit or loss for the period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Other significant accounting policies and accounting estimates (Continued)

35.2 Hedge accounting (Continued)

35.2.1 Basis of adopting hedge accounting and relevant accounting treatment (Continued)

Cash flow hedges

The Group includes the effective portion of the gains or losses arising from hedging instruments as the cash flow hedge reserve into other comprehensive income, and the ineffective portion of the hedge into the profit or loss. The cash flow hedge reserve shall be determined to be the lower of (in absolute amounts) 1) the cumulative gain or loss on the hedging instrument from inception of the hedge; and 2) the cumulative change in present value of the expected future cash flows on the hedged item from inception of the hedge.

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, or the forecast transaction of a non-financial asset or a non-financial liability forms a firm commitment applicable to fair value hedge accounting, the Group will reclassify the cash flow hedging reserve originally recognised in the other comprehensive income into initial carrying amount of the asset or liability. For the cash flow hedges not under the above conditions, the Group will reclassify the cash flow hedging reserve originally recognised in the other comprehensive income into current profit or loss in the same period(s) during which the hedged expected cash flow affects profit or loss. If the cash flow hedging reserve recognised in the other comprehensive income is a loss all or a portion of which will not be recovered in future accounting periods, the Group shall reclassify into profit or loss the amount that is not expected to be recovered.

When the Group discontinues hedge accounting for a cash flow hedge, if the hedged future cash flow is still expected to happen, the accumulated cash flow hedge reserve will be reserved and accounted for with the above method; if the hedged future cash flow is not expected to happen, the accumulated cash flow hedge reserve will be reclassified from other comprehensive income into current profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Other significant accounting policies and accounting estimates (Continued)

35.2 Hedge accounting (Continued)

35.2.2 Method for assessing effectiveness of hedging

The Group continuously evaluates whether the hedging relationship meets the requirements of hedging effectiveness on and after the inception date of hedging. If the hedging meets the following conditions at the same time, the Group will determine that the hedging relationship meets the requirements for hedging effectiveness:

- An economic relationship exists between the hedged items and the hedging instruments.
- Among the value changes caused by the economic relationship between hedged items and hedging instruments, the impact of credit risk does not dominate.
- The hedge ratio of the hedging relationship will be equal to the ratio of the actual number of the Group's hedged items to the actual number of hedging instruments.

If the hedging relationship no longer meets the requirement of hedging effectiveness due to the hedge ratio, but the risk management objectives of the hedging relationship have not changed, the Group will rebalance the hedging relationship. The number of hedged items or hedging instruments in the hedging relationship is adjusted so that the hedge ratio meets the requirements of hedging effectiveness again.

35.3 Accounting treatment related to repurchase of the Company's shares

The consideration and transaction costs paid to repurchase shares are deducted from equity. No gain or loss is recognised in profit or loss on the repurchase, sale or cancellation of the Company's shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

36. Key assumptions and uncertainties in the accounting estimates

In the application of the Group's accounting policies, which are described in Note (III), the Group is required to make judgements, estimates and assumptions about the carrying amounts of items in the financial statements that cannot be measured accurately, due to the internal uncertainty of the operating activities. These judgements, estimates and assumptions are based on historical experiences of the Group's management as well as other factors that are considered to be relevant. Actual results may differ from these estimates.

The aforementioned judgements, estimates and assumptions are reviewed regularly on a going concern basis. The effect of a change in accounting estimate is recognised in the period of the change, if the change affects that period only; or recognised in the period of the change and future periods, if the change affects both.

At the balance sheet date, the key assumptions and uncertainties in accounting estimates that are probable to cause significant adjustments to the carrying amounts of assets and liabilities in future periods include:

Estimate of mineral reserve

The estimate of mineral reserve is determined based on the materials formulated by the industrial experts or other judicial authorities. Use the method to determine the mineral reserve and other minerals and calculate depreciation and amortisation of assets, evaluate impairment indicators and useful life of mine, calculate metal flow transaction and forecast the payment time of rehabilitation cost for forecasting to be closed or rehabilitate mine.

When evaluating the useful life of mine for the purpose of accounting, calculate the mineral resources with mining value. The estimate of mineral reserve will involve multiple uncertainties. Estimate the currently effective assumptions and material changes in actual data. The changes in market prices, exchange rate, production cost or recovery may change the current economic situation of reserve and cause revaluation of the reserve in the end.

Useful life of fixed assets

The management judges the estimated useful life of fixed assets and their residual value. The estimate should base on the experience in actual useful life of fixed assets and assume the government will update upon expiration of mining rights. The scientific innovation and fierce industrial competition have material impact on the estimate of useful life. Where the actual useful life is different from the estimated useful life, the management should adjust the depreciation amount.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

36. Key assumptions and uncertainties in the accounting estimates (Continued)

Impairment of non-current assets other than financial assets

The Group assesses whether there are any indicators of impairment of all non-current assets other than financial assets at the balance sheet date. Non-current assets other than financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. Intangible assets with an indefinite useful life or not yet available for use and goodwill are tested for impairment annually, irrespective of whether there is any indication that the assets and goodwill may be impaired. If it is not practical to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs will be estimated. Impairment exists if the carrying amount of an asset or asset group is higher than recoverable amount, the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset or asset group. For the net amount of fair value less costs of disposal, it is determined by referring to the observable market prices less incremental costs for disposing of the asset. For the estimated future cash flows, the changes in assumptions adopted by the Group, such as budgeted gross profits, discount rates and inflation rates of raw material prices, may have a significant impact on the present value of future cash flows used in the impairment test.

Revenue recognition – metal flow transactions

The Group's metal cash flow transaction contract contains variable considerations and significant financing components. The unrecognised financing expenses are amortised in each reporting period, with the balance of contract liabilities and other non-current liabilities (metal flow transaction contract liabilities) adjusted accordingly. In application of Revenue Standards to account for the metal flow transactions, the key assumptions adopted by the Group include the discount rate of significant financing component, mineral reserves, expected time and quantity of delivery, as well as the forecasted market price of the goods, etc. The changes in the above estimates may have impact on the adjustment of variable considerations and the measurement of contract liabilities and other non-current liabilities (metal flow transaction contract liabilities).

Provision for closure, restoration and rehabilitation costs

Provision for closure, restoration and rehabilitation costs has been determined by the directors based on their best estimates. The directors estimated this liability for final reclamation and mine closure based upon detailed calculations of the amount and timing of future cash flows spending for a supplier to perform the required work, escalated for inflation, then discounted at a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability, such that the provision reflects the present value of the expenditures expected to be required to settle the obligation. However, in so far as the effect on the land and the environment from current mining activities becomes apparent in future periods, the estimate of the associated costs may be subject to change in the future. The provision is reviewed regularly to verify that it properly reflects the present value of the obligation arising from the current and past mining activities. The adjustments to the expected rehabilitation costs for the current year are detailed in Note (V)14.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

36. Key assumptions and uncertainties in the accounting estimates (Continued)

Deferred tax assets

The realisation of deferred tax assets mainly depends on actual future profits and taxable temporary differences. In cases where the actual future profits are less than the expected profits or the actual tax rates are lower than the expected tax rates, deferred tax assets recognised will be reversed and recognised in the consolidated profit or loss account for the period during which such reversals take place.

Income tax

Since the operating environment for subsidiaries of the Group situated in the Brazil and Congo (DRC) is special, and the final tax decisions on certain transactions made by local tax authorities have uncertainties. The income tax expenses accrued by the relevant subsidiaries during the reporting period are objectively estimated based on existing tax laws and other relevant tax policies. The provision for liabilities uses significant accounting estimates and is based on the management's best estimate of future income tax to be paid.

The subsidiaries of the Group situated in Congo (DRC) are subject to a series of local laws and regulations in Congo (DRC), including but not limited to the mining law passed in 2018 ("2018 mining law of Congo (DRC)") and the constantly updated fiscal bill; Under the relevant legal system, the Company may be exposed to a series of taxes and operating expenses, including royalties, excess profit tax, etc. The tax laws and regulations of Congo (DRC) are complicated and constantly updated. The relevant laws and regulations promulgated and updated at any time and the interpretation of relevant laws and regulations by local tax authorities may have a significant impact on the income tax currently recognised by the Group.

Contingent liabilities

The Group will face a wide range of legal disputes in the course of continuing operations, and the results of the relevant disputes are highly uncertain.

When the economic benefits related to a particular administrative and legal dispute are considered to be extremely likely to flow out and measurable, the management of the Group will make corresponding provisions according to the professional legal advice. The management uses judgement to determine whether a provision shall be made for the relevant administrative and legal dispute or whether the dispute shall be disclosed as a contingent liability. Details are set out in Note (V)37 and Note (XIII).

Fair value measurement and valuation procedure

Group's held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and trading inventories at fair value that are related with IXM business are measured at fair value. In determining the fair value of the underlying assets and liabilities, the management of the Group will adopt the appropriate valuation method and the input value of the fair value measurement according to the nature of the underlying assets and liabilities. For the selection of input values, the Group will use observable market data wherever possible. The Group will sets up an internal valuation team or employs eligible appraisers from a third party to assess the part of financial instruments in respect of which the Level 1 inputs are not available. The financial department of the Group will cooperate with the valuation team or eligible external appraisers closely to determine suitable valuation technology and inputs of relevant model. For the relevant information relating to the valuation technology and input adopted in determining the fair value of assets and liabilities, refer to Note (X).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(IV). TAXATION

1. Major categories of taxes and tax rates

Category of taxes	Tax basis	Tax rate
China VAT	The Company is a general taxpayer. Value-added Tax ("VAT") on sales is paid after deducting input VAT on purchases.	13%, 9%, 6%
China urban maintenance and construction tax	Actual turnover tax	For city urban area, tax rate is 7%; For county town, tax rate is 5%; For others, tax rate is 1%.
China resource tax	Sales volume of concentrate	6.5%, 8% collection on ad valorem basis (Note 1)
China education surcharge	Actual turnover tax	3%
China local education surcharge	Actual turnover tax	2%
Transfer income from mining rights in China	Sales volume of relevant mineral products	2.3% for molybdenum concentrate, 2.3% for tungsten concentrate, 1.8% for iron ore concentrate and 1.2% for copper concentrate
Brazil social contribution tax and goods circulation tax	Brazil local social contribution tax (PIS & COFINS) and the goods circulation tax (ICMS) are applicable to CMOC Brasil, of which the tax basis is the balance of income from rendering of goods and services in Brazil less the deductible costs. It is not required to pay social contribution tax and goods circulation tax for export goods.	The social contribution tax is 9.25% of the sales price of goods or services. The goods circulation tax is 4% -20% of the sales price of goods or services. The tax rates imposed by the local states of Brazil are different.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(IV). TAXATION (CONTINUED)

1. Major categories of taxes and tax rates (Continued)

Category of taxes	Tax basis	Tax rate
Congo (DRC) VAT	VAT of the Democratic Republic of the Congo ("DRC") is applicable to CMOC Kisanfu Mining S.A.R.L ("KFM") and Tenke Fungurume Mining S.A.("TFM")	The output VAT is calculated at 16% of the sales amount calculated in accordance with the relevant tax provisions.
Royalties of mining rights in Congo (DRC)	Sales of related products	*Note 2*
Congo (DRC) consumption tax	Purchase/production costs of related products	Depending on the type of taxable product, the consumption tax rate ranges from 10% to 25%
Congo (DRC) exchange tax	The amount of foreign currency paid to or received from countries other than Congo (DRC).	0.2%
Enterprise income tax	Taxable income: the amount of taxable income is computed on basis of adjusted pre-tax accounting profit of the period in accordance with the relevant provisions of the tax law multiplying by the statutory tax rate.	*Note 3*

Note 1: According to the Law of People's Republic of China on Resources Tax, the resources tax is price-based or quantity-based. The taxes on Tungsten and Molybdenum resources are price-based and are calculated at 6.5% and 8% respectively.

Note 2: In accordance with the new mining act of Congo (DRC), the Group calculates and pays royalties of mining rights at 3.5% and 10% respectively in respect of the revenue from sales of products relating to copper and cobalt business in Congo (DRC).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(IV). TAXATION (CONTINUED)

1. Major categories of taxes and tax rates (Continued)

Note 3: Applicable tax rate:

Except for the tax incentive disclosed below, the applicable enterprise income tax rate for the Company and its domestic subsidiaries is 25%.

According to the two-tier profits tax regime, the qualified HK companies apply profits tax rate of 8.25% to the first HKD2,000,000 taxable profit, and apply 16.5% to the portion of taxable profit exceeding HKD2,000,000. For related companies within a single Group, only one enterprise can be nominated for the benefit. China Molybdenum (Hong Kong) Company Limited and CMOC Holding Limited ("CMOC Limited") are incorporated in Hong Kong. The applicable enterprise income tax rate for China Molybdenum (Hong Kong) Company Limited is 16.5%; the applicable enterprise income tax rates for CMOC Limited are 8.25% and 16.5%.

CMOC UK Limited ("CMOC UK") is incorporated in the United Kingdom, thus is subject to the applicable income tax rate of 25%.

CMOC Brasil Mineração, Indústria e Participações Ltda. ("CMOC Brasil") are incorporated in Brazil, thus are subject to the income tax rate of 34%.

Odin Mining del Ecuador ("Odin Mining") is incorporated in Ecuador, thus is subject to the applicable income tax rate of 25%.

There's no enterprise income tax for the subsidiaries of the Group established in Bermuda and the British Virgin Islands ("BVI").

TFM and KFM are incorporated in Congo (DRC) and are subject to the enterprise income tax rate of 30%. In addition, when the prices of materials or commodities significantly increase by 25% on average basis comparing to the prices disclosed in the feasibility study report of the Company, the mining enterprises are required to pay excess profit tax at 50% of the profit.

IXM and its subsidiaries principally operate in Switzerland and China. Applicable income tax rate of its subsidiaries in Switzerland is 14.70%.

2. Tax incentive and approval

According to the Law of the People's Republic of China on Enterprise Income Tax and the Implementation Provisions, the revenue from products satisfying the state industrial policy produced by comprehensive utilisation of resources may be partially deducted when calculating the taxable income. Such deduction represents that the enterprise's revenue from using the resources included in the Catalogue of Preferential Enterprise Income Tax for Comprehensive utilisation of Resources as the main raw material to produce the products that are neither restricted not forbidden by the state and satisfy the national and industrial standards is included in taxable income at 90%. The proportion of the aforesaid raw material to the total materials used to produce the product shall not be lower than the standards specified in the Catalogue of Preferential Enterprise Income Tax for Comprehensive utilisation of Resources. However, the Company's iron concentrate, copper concentrate, and sulfur concentrate fall within the scope of Catalogue of Preferential Enterprise Income Tax for Comprehensive utilisation of Resources. Therefore, the Company still recognised 90% of sales of iron concentrate, copper concentrate, and sulfur concentrate to taxable income during the year 2024 and 2025.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(IV). TAXATION (CONTINUED)

2. Tax incentive and approval (Continued)

In accordance with the Resource Tax Law of the People's Republic of China ("New Resource Tax Law"), the resource tax rate for molybdenum minerals is 8%, and the exemption or reduction of resource tax for associated mines is decided by the provincial people's congresses; in accordance with the decision of the Nineteenth Meeting of the Standing Committee of the Thirteenth People's Congress of Henan Province on 31 July 2020, associated mines are exempt from resource tax. Since 1 September 2020, the Company's associated iron, associated copper and associated sulfur continue to be exempt from resource tax.

On 22 November 2023, the Company received a "high-tech enterprise certificate", No. GR202341002662, which was jointly issued by the Henan Science and Technology Department, the Henan Finance Department, and the Henan Provincial Tax Service, State Taxation Administration. The issuance of the high-tech enterprise certificate is a re-recognition after the expiration of the previous certificate, which is valid for 3 years. The Company will enjoy a preferential enterprise income tax from 1 January 2023 to 31 December 2025 and the applicable enterprise income rate during above period is 15% (2024: 15%).

In accordance with the Measures for the Implementation of the Enterprise Income Tax Policies of the Xizang Autonomous Region (Provisional) (Zang Zheng Fa (2022) No. 11) issued by the People's Government of the Xizang Autonomous Region, Article 5 of the above documents stipulates that enterprises meeting certain conditions shall be exempted from local share of enterprise income tax from 1 January 2022 to 31 December 2025. The subsidiary of the Group, TibetSchmoke, meets the condition for enjoying a preferential tax and the condition for exemption from local share of enterprise income tax stipulated in the above documents. Therefore, the applicable enterprise income rate of TibetSchmoke is 15% during the year 2025.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

RMB

	31 December 2025			31 December 2024		
Item	Amount denominated in original currency	Exchange rate	Amount in RMB	Amount denominated in original currency	Exchange rate	Amount in RMB
Cash:			6,328,994.71			3,062,041.30
RMB	6,522.77	1.0000	6,522.77	2,172.77	1.0000	2,172.77
USD	883,964.00	7.0288	6,213,206.16	399,104.86	7.1884	2,868,925.37
CDF	32,213,283.87	0.0031	99,861.18	40,585,216.00	0.0025	101,463.04
ZAR	22,264.68	0.4224	9,404.60	232,778.67	0.3844	89,480.12
Bank deposits:			32,216,272,429.44			28,036,388,401.15
RMB	5,836,621,874.85	1.0000	5,836,621,874.85	6,492,004,336.81	1.0000	6,492,004,336.81
USD	3,112,308,177.83	7.0288	21,875,791,720.33	2,786,564,573.90	7.1884	20,030,940,783.00
EUR	684,159.19	8.2355	5,634,393.01	1,417,268.80	7.5257	10,665,939.83
HKD	2,333,593.76	0.9032	2,107,701.88	4,488,284.98	0.9260	4,156,151.89
CAD	2.86	5.1141	14.63	–	–	–
AUD	972.78	4.6892	4,561.56	960.28	4.5070	4,327.99
BRL	218,813,841.12	1.2749	278,965,766.04	154,624,447.14	1.1821	182,781,558.97
GBP	197,285.32	9.4346	1,861,308.08	154,877.41	9.0765	1,405,744.81
SGD	965,056.39	5.4586	5,267,856.81	269,580.35	5.3214	1,434,544.85
CDF	3,393,937,522.58	0.0031	10,521,206.32	2,362,182,340.00	0.0025	5,905,455.85
ZAR	8,470,712.38	0.4224	3,578,028.91	23,803,107.88	0.3844	9,149,914.67
AED	401,557.43	1.9071	765,810.17	–	–	–
CHF	56,344.07	8.8510	498,701.36	156,996.88	7.9977	1,255,613.93
CLP	45,462,277.92	0.0077	350,059.54	118,863,638.89	0.0072	855,818.20
MXP	453,317.03	0.3899	176,748.31	2,844,224.64	0.3498	994,909.78
PEN	72,500.38	2.0869	151,301.04	89,613.07	1.9067	170,865.25
TRY	7,979.03	0.1631	1,301.38	13,799.56	0.2051	2,830.29
IDR	266,487,650.00	0.0004	106,595.06	243,476,325.00	0.0004	97,390.53
ZWD	–	–	–	1.94	0.2216	0.43
JPY	93,610,746,614.29	0.0448	4,193,761,448.32	28,020,827,144.37	0.0462	1,294,562,214.07
KRW	21,639,151.02	0.0049	106,031.84	–	–	–
Other cash and bank balances:			1,341,354,428.30			2,387,807,946.81
RMB	447,316,558.66	1.0000	447,316,558.66	1,082,848,542.55	1.0000	1,082,848,542.55

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

1. Cash and bank balances (Continued)

	31 December 2025			31 December 2024		
Item	Amount denominated in original currency	Exchange rate	Amount in RMB	Amount denominated in original currency	Exchange rate	Amount in RMB
USD	126,342,406.63	7.0288	888,035,507.72	180,961,724.54	7.1884	1,300,825,260.68
EUR	14,949.83	8.2355	123,119.32	82.36	7.5257	619.78
BRL	3,548,584.86	1.2749	4,524,090.84	3,409,551.04	1.1821	4,030,430.28
PEN	649,361.14	2.0869	1,355,151.76	46,495.91	1.9067	88,653.75
CDF	–	–	–	5,775,908.00	0.0025	14,439.77
Total			33,563,955,852.45			30,427,258,389.26
Including: Total amount deposited abroad			20,335,650,006.30			18,979,805,446.96

Note: At 31 December 2025, other cash and bank balances which are restricted for use mainly include deposits for mines, deposits for borrowings, certificates of deposit pledged, deposits for notes and other deposits, amounting to RMB83,913,512.09, RMB667,883,437.45, RMB350,000,000.00, RMB0.00 and RMB239,557,478.76 (31 December 2024: RMB70,718,040.15, RMB1,135,561,387.41, RMB1,000,000,000.00, RMB2,572,487.27 and RMB178,956,031.98).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Held-for-trading financial assets

RMB

Item	Fair value at the end of the year	Fair value at the beginning of the year
Financial assets at FVTPL		
Including: Receivables *(Note 1)*	**11,533,125,889.19**	5,724,552,840.30
Structured deposits *(Note 2)*	**300,011,260.27**	750,400,253.77
Entrusted wealth management products of banking financial institutions	**581,676,086.25**	–
Fund products of financial institutions	**1,058,739,214.76**	21,168,198.07
Others	**169,089,065.01**	13,784,259.47
Total	**13,642,641,515.48**	6,509,905,551.61

Note 1: The major products of the Group are copper, lead, zinc concentrates, cobaltous hydroxide, etc., selling price of which is provisionally determined according to the market price upon delivery. Generally, the price is finally determined according to the monthly average spot price quoted by the London Metals Exchange (LME) or other agreed pricing methods within a specified period or a period subsequent to the delivery. The Group classifies the accounts receivable generated from relevant business as financial assets at FVTPL.

As at 31 December 2025, receivables pledged by the Group to obtain short-term borrowings amounted to RMB2,493,103,760.53 (2024: Nil).

Note 2: They are the structured deposits of RMB purchased by the Group from domestic financial institutions in the current year, the yield of which is linked to exchange rate, and the Group classifies such deposits as financial assets at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Derivative financial assets

RMB

Item	**Fair value at the end of the year**	Fair value at the beginning of the year
Derivatives of which hedging relationship is not designated *(Note 1)*		
Forward commodity contracts	**1,441,339,174.06**	388,112,613.81
Forward exchange contract	**78,536,752.30**	162,070,544.16
Commodity futures contracts	**326,117,183.19**	790,280,665.00
Derivatives of which hedging relationship is designated Commodity futures contracts *(Note 2)*	**–**	52,663,915.66
Total	**1,845,993,109.55**	1,393,127,738.63

Note 1: The Group uses commodity (copper, lead, zinc concentrates, refined metals, etc.) futures contracts and forward commodity contracts to manage the risk of commodity purchases and future sales so as to avoid bearing the risk of significant changes in the price of relevant products arising from the fluctuation of the market price. Besides, the Group uses forward foreign exchange contracts for risk management to avoid the Group's exchange rate risk.

The above forward commodity contracts and commodity futures contracts are not designated as hedging instruments. The gains or losses arising from changes in fair value of these contracts shall be directly recorded into profit or loss. See Note (V)55.

Note 2: It refers to the commodity futures contracts purchased by the Group, which are used to hedge fair value risks caused by price fluctuations in some copper products of the Group or cash flow risks caused by expected sales. The Group accounts for the above hedging instruments and corresponding hedged items in accordance with hedge accounting. See Note (V)65 for details.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable

(1) Disclosures by aging:

RMB

	31 December 2025		
Aging	**Accounts receivable**	**Loss allowance**	**Proportion (%)**
Within 1 year	**1,232,633,010.35**	**26,346,171.80**	**2.14**
1-2 years	**4,196,095.03**	**458,193.37**	**10.92**
2-3 years	**1,281.00**	**681.00**	**53.16**
Over 3 years	**1,803,973.38**	**1,803,973.38**	**100.00**
Total	**1,238,634,359.76**	**28,609,019.55**	**2.31**

RMB

	31 December 2024		
Aging	Accounts receivable	Loss allowance	Proportion (%)
Within 1 year	675,764,284.20	28,407,335.41	4.20
1-2 years	558,060.91	77,235.63	13.84
2-3 years	108,298.58	67,029.35	61.89
Over 3 years	20,071,332.29	20,071,332.29	100.00
Total	696,501,975.98	48,622,932.68	6.98

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(2) Credit risk of accounts receivable

The Group classifies its customers into different groups based on aging at the balance sheet date and historical repayments, and determines expected loss rate for each group of accounts receivable. At the balance sheet date, the Group recognises the expected credit loss allowance for accounts receivable based on impairment matrix.

RMB

	31 December 2025				31 December 2024			
Internal credit rating	**Expected average loss rate**	**Gross carrying amount**	**Loss allowance**	**Carrying amount**	Expected average loss rate	Gross carrying amount	Loss allowance	Carrying amount
Low risk	**0.15%**	**807,640,381.42**	**1,172,042.71**	**806,468,338.71**	0.11%	360,383,431.92	407,335.49	359,976,096.43
Normal	**5.66%**	**409,550,327.98**	**23,187,709.44**	**386,362,618.54**	4.76%	287,964,257.93	13,713,109.14	274,251,148.79
Attention	**10.62%**	**19,200,375.16**	**2,038,993.12**	**17,161,382.04**	10.26%	3,779,011.77	387,901.16	3,391,110.61
Doubtful (impaired)	**53.50%**	**70,969.00**	**37,968.08**	**33,000.92**	49.30%	20,237,379.49	9,976,692.02	10,260,687.47
Loss (impaired)	**100.00%**	**2,172,306.20**	**2,172,306.20**	**-**	100.00%	24,137,894.87	24,137,894.87	-
Total		**1,238,634,359.76**	**28,609,019.55**	**1,210,025,340.21**		696,501,975.98	48,622,932.68	647,879,043.30

The expected average loss rate is measured based on historical actual impairment rate with the current situation and prediction on future economy taken into consideration. There are no changes in evaluation approach and significant assumption in 2025 and 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(3) Changes in expected credit loss allowance for accounts receivable

RMB

	Lifetime ECL
1 January 2025	48,622,932.68
Provision of ECL for the year	1,489,975.78
Reversal of ECL for the year	1,521,489.60
ECL written off in the year	22,251,358.50
Changes in exchange rate	2,268,959.19
31 December 2025	28,609,019.55

(4) Top five accounts receivable balances at the end of the reporting period based on debtors:

RMB

Name of entity	Amount	Proportion of the amount to the total accounts receivable (%)	Credit impairment loss
31 December 2025			
BV	**562,030,552.86**	**45.38**	**675,554.45**
BU	**48,814,100.00**	**3.94**	**58,674.00**
BY	**35,972,963.00**	**2.90**	**43,239.10**
BZ	**34,936,056.18**	**2.82**	**41,992.75**
BP	**34,729,459.97**	**2.80**	**–**
Total	**716,483,132.01**	**57.84**	**819,460.30**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(4) Top five accounts receivable balances at the end of the reporting period based on debtors: (Continued)

RMB

Name of entity	Amount	Proportion of the amount to the total accounts receivable (%)	Credit impairment loss
31 December 2024			
BT	122,214,871.48	17.55	170,123.12
HK Brunp Resource Recycling Technology Co. Limited	92,423,435.81	13.27	–
BU	91,177,665.60	13.09	126,919.32
BM	77,093,961.90	11.07	947,068.11
BC	58,978,658.89	8.47	82,098.29
Total	441,888,593.68	63.45	1,326,208.84

5. Receivables financing

RMB

Category	**31 December 2025**	31 December 2024
Notes receivable	**59,223,805.38**	80,435,196.69
Including: Bank acceptances	**59,223,805.38**	80,435,196.69
Total	**59,223,805.38**	80,435,196.69

Part of notes receivable are endorsed or discounted by the Group based on its daily fund needs, and thus classified as financial assets at FVTOCI.

At 31 December 2025, the Group considers that the likelihood of incurring significant losses due to bank defaults is low, and therefore the bank acceptances held are not exposed to significant credit risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Receivables financing (Continued)

(1) Receivables financing endorsed or discounted and not yet matured of the Group at balance sheet date at the end and beginning of the year respectively are as follows:

RMB

Category	**Amount derecognised at the end of 2025**	Amount derecognised at the end of 2024
Bank acceptances	**1,304,463,749.38**	1,760,824,690.62
Total	**1,304,463,749.38**	1,760,824,690.62

6. Prepayments

(1) Aging analysis of prepayments

RMB

	31 December 2025		31 December 2024	
Aging	**Amount**	**Proportion (%)**	Amount	Proportion (%)
Within 1 year	**1,760,438,871.47**	**95.72**	1,072,509,158.76	96.24
1-2 years	**62,485,126.16**	**3.40**	37,988,865.94	3.41
2-3 years	**13,508,493.86**	**0.73**	1,939,432.19	0.17
Over 3 years	**2,726,565.28**	**0.15**	1,958,084.50	0.18
Total	**1,839,159,056.77**	**100.00**	1,114,395,541.39	100.00

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Prepayments (Continued)

(2) Top five prepayments balances at the end of the year based on debtors

RMB

31 December 2025			31 December 2024		
Name of entity	**Amount**	**Proportion of the amount to the total prepayments (%)**	Name of entity	Amount	Proportion of the amount to the total prepayments (%)
CB	**280,364,361.60**	**15.24**	BW	222,008,964.64	19.92
CC	**247,617,595.20**	**13.46**	BY	160,189,548.57	14.37
CD	**227,644,060.33**	**12.38**	BZ	83,155,366.34	7.46
CE	**113,238,977.64**	**6.16**	CA	69,690,928.78	6.25
CF	**86,201,203.20**	**4.69**	P	43,107,726.29	3.87
Total	**955,066,197.97**	**51.93**	Total	578,152,534.62	51.87

7. Other receivables

7.1 Summary of other receivables

RMB

Item	31 December 2025	31 December 2024
Interest receivable	**338,482,419.43**	277,967,881.17
Dividends receivable	**32,000,000.00**	210,000,000.00
Other receivables	**5,559,940,927.55**	5,036,896,666.21
Total	**5,930,423,346.98**	5,524,864,547.38

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

7.2 Interest receivable

RMB

Item	31 December 2025	31 December 2024
Interest receivable on bank deposits	**130,290,184.96**	123,343,943.24
Interest receivable from related parties *(Note (XI) 6)*	**202,437,918.91**	147,962,010.09
Interest receivable from third parties	**5,754,315.56**	6,661,927.84
Total	**338,482,419.43**	277,967,881.17

7.3 Dividends receivable

RMB

Name	31 December 2025	31 December 2024
Luoyang Huanyu Molybdenum Co., Ltd. (“Huan Yu”)	**–**	163,600,000.00
Luoyang Fuchuan Mining Co., Ltd. (“Fu Chuan”)	**–**	46,400,000.00
Luoyang Yulu Mining Co., Ltd. (“Yulu Mining”)	**32,000,000.00**	–
Total	**32,000,000.00**	210,000,000.00

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

7.4 Other receivables

(1) Other receivables disclosed by nature

RMB

Nature of other receivables	31 December 2025	31 December 2024
VAT refunds and other taxes receivable *(Note 1)*	**4,936,682,722.39**	4,573,730,785.78
Deductible Brazil social contribution tax *(Note 2)*	**156,008,125.56**	108,209,608.39
Deposits	**153,602,373.91**	59,496,000.25
Gains in close position *(Note 3)*	**250,983.48**	3,161,212.12
Others	**332,250,078.69**	339,138,609.34
Total	**5,578,794,284.03**	5,083,736,215.88

Note 1: It mainly refers to the VAT refundable amount generated from the Group's export business. The entity has applied for tax refunds from the government.

Note 2: See Note (V) 21 Note (2) for details.

Note 3: This represents the gains that will be received at the settlement after the period from the Group's forward commodity contracts that have been closed out.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

7.4 Other receivables (Continued)

(2) Credit risk of other receivables

The Group has other receivables of which the loss allowance is recognised on the basis of ECL as below:

RMB

	31 December 2025			31 December 2024		
	Gross carrying amount	**Loss allowance**	**Carrying amount**	Gross carrying amount	Loss allowance	Carrying amount
Other receivables of which the loss allowance is recognised on the basis of ECL	**5,578,794,284.03**	**18,853,356.48**	**5,559,940,927.55**	5,083,736,215.88	46,839,549.67	5,036,896,666.21

At 31 December 2025, the management of the Group believes that there's no significant ECL on other receivables as their credit risk has not been increased significantly since the initial recognition, except for which impairment has been provided.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

7.4 Other receivables (Continued)

(3) Top five other receivables balances at the end of the year based on debtors

RMB

Name	Closing balance	Proportion of the amount to the total other receivables (%)	Nature of the amount	Aging	Closing balance of bad debt allowance
31 December 2025					
CB	**4,936,682,722.39**	**88.49**	Tax refunds receivable	**Within 6 years**	**–**
Federal government of Brazil	**156,008,125.56**	**2.80**	Deductible tax	**Within 3 years**	**–**
Jiaxing Customs District, P.R. China	**51,603,231.31**	**0.92**	Deductible tax	**Within 1 year**	**–**
Federal government of Brazil	**51,449,234.52**	**0.92**	Tax refunds receivable	**Within 2 years**	**–**
People's Government of Luanchuan	**25,920,200.00**	**0.46**	Land concession fees	**Within 3 years**	**–**
Total	**5,221,663,513.78**	**93.59**			**–**
31 December 2024					
CB	4,573,730,785.78	89.97	Tax refunds receivable	Within 5 years	–
Federal government of Brazil	108,209,608.39	2.13	Deductible tax	Within 2 years	–
Federal government of Brazil	77,890,349.72	1.53	Tax refunds receivable	Within 1 year	–
Lianyungang Customs District, P.R. China	35,717,606.53	0.70	Deductible tax	Within 1 year	–
People's Government of Luanchuan	25,920,200.00	0.51	Land concession fees	Within 2 years	–
Total	4,821,468,550.42	94.84			–

(4) There are no other receivables concerning government grants during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories

RMB

Item	31 December 2025 Carrying amount	31 December 2024 Carrying amount
Inventories:		
– Measured at cost	**33,463,325,652.11**	29,128,715,494.28
– Measured at fair value	**14,191,182,518.90**	7,974,442,170.35
Total	**47,654,508,171.01**	37,103,157,664.63
Including: Inventories included in non-current assets	**7,053,870,748.59**	7,224,831,357.59

Note: As at 31 December 2025, the carrying amount of the inventories, which are pledged by the Group to obtain short-term borrowings, is USD1,659,851,650.28, equivalent to RMB11,666,765,279.47 (31 December 2024: USD1,1,152,418,000.00, equivalent to RMB8,284,041,551.20).

(1) Inventories measured at cost

(a) Categories of inventories

RMB

Item	31 December 2025 Gross carrying amount	31 December 2025 Provision for decline in value	31 December 2025 Carrying amount	31 December 2024 Gross carrying amount	31 December 2024 Provision for decline in value	31 December 2024 Carrying amount
Current:						
Raw materials	**8,092,022,044.62**	**77,791,560.19**	**8,014,230,484.43**	8,144,244,914.80	50,245,028.99	8,093,999,885.81
Work in progress	**6,470,694,943.43**	**–**	**6,470,694,943.43**	5,941,706,395.00	–	5,941,706,395.00
Finished goods	**5,782,021,060.64**	**–**	**5,782,021,060.64**	4,732,836,320.70	186,574,648.84	4,546,261,671.86
Trading inventories	**6,235,833,536.30**	**–**	**6,235,833,536.30**	3,422,011,785.99	–	3,422,011,785.99
Sub-total	**26,580,571,584.99**	**77,791,560.19**	**26,502,780,024.80**	22,240,799,416.49	236,819,677.83	22,003,979,738.66
Non-current:						
Raw materials *(note)*	**6,960,545,627.31**	**–**	**6,960,545,627.31**	7,124,735,755.62	–	7,124,735,755.62
Sub-total	**6,960,545,627.31**	**–**	**6,960,545,627.31**	7,124,735,755.62	–	7,124,735,755.62
Total	**33,541,117,212.30**	**77,791,560.19**	**33,463,325,652.11**	29,365,535,172.11	236,819,677.83	29,128,715,494.28

Note: Non-current raw materials are minerals reserved by the Group for future production or sales, mainly including the low-grade ores produced from Tenke Copper-Cobalt mine in Congo (DRC). As the ore recovery process is further demanded in the future, the management estimates that these ores will not be ready for sales within one year, so it is presented as non-current assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

(1) Inventories measured at cost (Continued)

(b) Provision for decline in value of inventories

RMB

Categories of inventories	1 January 2025	Increase	Decrease		Translation differences of financial statements denominated in foreign currencies	31 December 2025
		Provision	Reversal	Write-off		
Raw materials	50,245,028.99	31,605,198.10	–	2,685,642.75	(1,373,024.15)	**77,791,560.19**
Finished goods	186,574,648.84	78,808,790.43	97,732,066.61	165,580,166.70	(2,071,205.96)	**–**
Total	236,819,677.83	110,413,988.53	97,732,066.61	168,265,809.45	(3,444,230.11)	**77,791,560.19**

(2) Inventories measured at fair value

(a) Categories of inventories

RMB

Item	31 December 2025 Carrying amount	31 December 2024 Carrying amount
Current: Trading inventories outside the PRC	**14,097,857,397.62**	7,874,346,568.38
Non-current: Consumable biological assets	**93,325,121.28**	100,095,601.97
Total	**14,191,182,518.90**	7,974,442,170.35

(b) Changes in consumable biological assets are set out below:

RMB

Item	Quantity	1 January 2025	Increase	Decrease		Translation differences of financial statements denominated in foreign currencies	31 December 2025
			Transfer from construction in progress	Changes in fair value	Utilisation		
Eucalyptus forest in Brazil	1951 hectares	100,095,601.97	2,833,063.15	1,280,014.75	6,152,798.83	(2,170,730.26)	**93,325,121.28**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Non-current assets due within one year

RMB

Item	31 December 2025	31 December 2024
Borrowings due from SNEL *(Note (V) 21)*	**212,702,147.95**	231,499,113.61
Loans to suppliers *(Note (V) 21)*	**7,643,819.72**	9,094,415.19
Certificates of deposit due within one year *(Note (V) 21)*	**1,201,330,013.33**	428,491,666.67
Total	**1,421,675,981.00**	669,085,195.47

10. Other current assets

RMB

Item	31 December 2025	31 December 2024
Derivative financial instruments deposits *(Note 1)*	**8,671,855,078.73**	1,764,513,234.39
Input VAT to be deducted	**1,202,935,199.46**	866,961,508.99
Prepaid enterprise income tax	**128,698,845.98**	138,776,816.23
Prepaid insurance expenses	**6,997,152.44**	5,108,902.93
Prepayment of VAT	**167,596,442.72**	110,423,182.10
Others	**56,209,400.61**	43,331,649.82
Total	**10,234,292,119.94**	2,929,115,294.46

The Group accounts the financial assets in the other current assets according to ECL model. At 31 December 2025, the management believes that the relevant financial assets have a low credit risk.

Note 1: It is the deposit paid by the Group to acquire derivatives.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments

RMB

Investee	Note	1 January 2025	Changes for the year: Increase in investment	Decrease in investment	Investment income recognised under equity method	Cash dividends or profit declared	Provision for impairment losses	Translation differences arising from translation denominated in foreign currencies	Others	31 December 2025
I. Joint venture										
Huan Yu	Note 1	519,782,813.30	-	-	95,482,344.32	-	-	-	-	**615,265,157.62**
USHAKA CARGO TERMINAL PROPRIETARY LIMITED ("USHAKA")	Note 2	2,186,953.18	-	-	(2,386,841.46)	-	-	199,888.28	-	**-**
PHOENIX COMMODITIES LLC ("PHOENIX")	Note 3	7,475,936.00	-	-	49,763.97	-	-	(175,716.84)	-	**7,349,983.13**
Sub-total		529,445,702.48	-	-	93,145,266.83	-	-	24,171.44	-	**622,615,140.75**
II. Associates										
Yulu Mining	Note 4	86,863,113.55	-	-	61,231,450.09	(86,050,000.00)	-	-	-	**62,044,563.64**
Caly Nanomoly Development, Inc. ("Nanomoly Development")	Note 5	-	-	-	-	-	-	-	-	**-**
Luoyang Shenyu Molybdenum Co., Ltd ("Luoyang Shenyu")	Note 6	6,025,607.07	-	-	1,319,411.19	-	-	-	-	**7,345,018.26**
You Qing Trade	Note 7	8,228,449.96	-	-	6,681,053.44	-	-	-	-	**14,909,503.40**
Walvis Bay Cargo Terminal Pty. Ltd ("Walvis Bay")	Note 8	14,663,836.60	-	-	(3,303,847.26)	(9,940,746.50)	-	591,157.52	-	**2,010,400.36**
PT.Huayue Nickel Cobalt ("Huayue Nickel Cobalt ")	Note 9	2,086,426,952.19	-	-	548,314,603.10	-	-	(52,751,868.53)	24,302,241.84	**2,606,291,928.60**
Tongxiang Huaang	Note 10	6,749,912.54	-	-	316,377.58	-	-	-	-	**7,066,290.12**
ENERLOG SA	Note 11	244,405.62	-	-	-	-	-	(5,426.39)	-	**238,979.23**
Guochuang Intelligent Mining Equipment Research Institute (Luoyang) Co., Ltd. ("Guochuang Intelligent")	Note 12	3,954,903.63	-	-	329,856.98	(96,000.00)	-	-	-	**4,188,760.61**
Ningbo Bangya Trading Co., Ltd. ("Ningbo Bangya")	Note 13	1,809,199.31	-	-	(74,944.88)	-	-	-	(1,734,254.43)	**-**
LUALABA POWER SA ("LUALABA")	Note 14	538,439,269.74	-	-	7,791,662.32	-	-	(12,042,132.06)	-	**534,188,800.00**
RESOURCE SUSTAINABLE TECHNOLOGIES B.V. ("RESOURCE")	Note 15	7,773.52	-	-	(7,687.24)	-	-	(86.28)	-	**-**
Ascend Resources Pty Limited ("Ascend Resources")	Note 16	-	37,533,408.00	-	-	-	-	(421,344.00)	-	**37,112,064.00**
Sub-total		2,753,413,423.73	37,533,408.00	-	622,597,935.32	(96,086,746.50)	-	(64,629,699.74)	22,567,987.41	**3,275,396,308.22**
Total		3,282,859,126.21	37,533,408.00	-	715,743,202.15	(96,086,746.50)	-	(64,605,528.30)	22,567,987.41	**3,898,011,448.97**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments (Continued)

Note 1: Huan Yu, a joint venture where the Group holds 50% equity, holds 90% equity in Fu Chuan. Meanwhile, the Group directly holds 10% equity in Fu Chuan.

According to the agreement with local government, the local government is entitled to 8% of the dividend rights of Fu Chuan.

Note 2: In April 2023, USHAKA was incorporated and in October 2023, the Group, as a shareholder with a 50% equity therein, made a cash contribution of ZAR5,000,000, while the Company assigned two directors to USHAKA, accounting for it as a joint venture.

Note 3: In December 2024, the Group, as a shareholder with a 50% equity therein, made a cash contribution of USD1,040,000 to incorporate PHOENIX, which is accounted for as a joint venture.

Note 4: The Group holds a 40% equity interest in Yulu Mining. According to the resolution of Yulu Mining's 2007 annual general meeting of shareholders, both investors would share the net profit at 50% respectively since year 2008.

Note 5: The Group holds 40% of Nanomoly Development's equity and accounts investment therein based on equity method. In accordance with Articles of Association of Nanomoly Development, the Group does not assume any additional liabilities for additional loss. As at the end of the current year, the Group has written down its investment in Nanomoly Development to zero.

Note 6: In April 2016, the Company entered into a collaboration agreement with a third party, and the Company invested RMB1.5 million by way of intangible assets and the counterparty invested RMB8.5 million of cash to incorporate Luoyang Shenyu. Meanwhile, the Company appointed a director and a supervisor to Luoyang Shenyu. Therefore, Luoyang Shenyu is accounted for as an associate due to the Company's significant influence.

Note 7: In October 2019, the Company signed an equity transfer agreement with a third party, purchasing 30% of equity in You Qing held by a third party at a cash consideration price of RMB1.5 million. In 2022, in accordance with the Articles of Association, the Company supplemented its capital by RMB1.5 million, and the shareholding ratio remained unchanged. At the same time, the Company assigned two directors and one supervisor. Therefore, it is accounted for as a joint venture due to the Company's significant influence.

Note 8: Walvis Bay is an associate of IXM Holding SA, which is a wholly-owned subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments (Continued)

Note 9: In November 2019, the Group's wholly-owned subsidiary CMOC Limited signed an equity transfer agreement with Newstride Limited, acquiring 100% of equity in W-Source Holding Limited ("W-Source Holding") at a consideration price of USD1,125.87, and indirectly acquiring 21% share of PT.Huayue Nickel Cobalt held by W-Source Holding. On 25 July 2020, CMOC Limited increased its equity held in PT.Huayue Nickel Cobalt to 30% in the way of subscribing the registered capital newly increased by PT.Huayue Nickel Cobalt through W-Source Holding. W-Source Holding assigned a director and a supervisor to PT.Huayue Nickel Cobalt. Therefore, it is accounted for as an associate due to the Company's significant influence.

Note 10: Tongxiang Huaang was incorporated in August 2019 and the Company, as a shareholder with 30% equity therein, contributed RMB600,000 in cash. In 2022, in accordance with the Articles of Association, the Company supplemented its capital by RMB900,000, and the shareholding ratio remained unchanged. The Company assigned one director and one supervisor. Therefore, Tongxiang Huaang is accounted for as an associate due to the Company's significant influence.

Note 11: In July 2021, the Company, as a shareholder with 34% equity therein, contributed USD34,000. Therefore, ENERLOG SA is accounted for as an associate due to the Company's significant influence.

Note 12: In February 2023, the Company contributed RMB4 million in cash to Guochuang Intelligent, accounting for 20% equity therein, and assigned one director. Therefore, Guochuang Intelligent Mining Equipment Research Institute (Luoyang) Co., Ltd. is accounted for as an associate due to the Company's significant influence.

Note 13: Ningbo Bangya was incorporated in March 2023 and the Company, as a shareholder with 34% equity therein, contributed RMB6.8 million in cash in April 2023. The Company assigned one director and one supervisor. Therefore, Ningbo Bangya is accounted for as an associate due to the Company's significant influence. In 2025, the Group sold all of its shares in Ningbo Bangya for RMB2.65 million.

Note 14: In May 2024, the Group entered into an equity transfer agreement with a third party to purchase 44% equity interest in LUALABA held by the third party at a cash consideration of USD65 million with two directors, which is accounted for as an associate due to the significant influence over it. In the same year, the Company and other shareholders increased their capital in proportion to their shareholdings, and the Company increased its capital by USD11 million, with no change in its shareholding proportion.

Note 15: In April 2024, the Group, as a shareholder with a 33% equity therein, made a cash contribution of USD1,080 and assigned one director. Therefore, RESOURCE is accounted for as an associate due to the Company's significant influence.

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments (Continued)

Note 16: In December 2025, the Group, as a shareholder with a 15% equity therein, made a cash contribution of AUD8 million and assigned one director. Therefore, Ascend Resources is accounted for as an associate due to the Company's significant influence.

There are no circumstances relating to the Group's long-term equity investments that restrict the ability to transfer funds to the investees.

The enterprises in which the Group has long-term equity investments are all unlisted companies.

12. Investment in other equity instruments

RMB

		Changes for the period					
Item	**1 January 2025**	**Increase in investment**	**Changes in fair value for the period**	**Translation differences of financial statements denominated in foreign currencies**	**Others**	**31 December 2025**	**Accumulated losses recognised in other comprehensive income**
Z company equity	1,343,606.00	–	3,969,998.00	–	–	**5,313,604.00**	(94,687,396.00)
AA company equity	5,795,576.24	–	–	–	–	**5,795,576.24**	–
AB company equity	–	35,670,954.80	–	(400,436.40)	–	**35,270,518.40**	–
Total	7,139,182.24	35,670,954.80	3,969,998.00	(400,436.40)	–	**46,379,698.64**	(94,687,396.00)

Note: As the investments in equity instruments of the Group and its subsidiaries are the investments that the Group and its subsidiaries plan to hold for a long term, they are designated as financial assets at FVTOCI.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Other non-current financial assets

The Group's financial assets at FVTPL are as follows:

RMB

Item	1 January 2025	Increase	Changes in fair value	Disposal	Translation differences of financial statements denominated in foreign currencies	Reclassification to held-for-trading financial assets	31 December 2025	Dividends
Entrusted wealth management products of banking financial institutions *(Note 1)*	42,506,986.88	–	17,237,433.12	(29,049,820.00)	–	(30,694,600.00)	**–**	–
AC Partnership shares *(Note 2)*	257,683,769.00	–	67,090,478.00	(2,224,497.00)	–	–	**322,549,750.00**	14,610,280.28
AD Partnership shares	164,605,195.00	–	40,113,958.00	–	–	–	**204,719,153.00**	3,127,751.50
AE Partnership shares	66,380,503.45	–	(4,875,063.66)	–	(1,419,082.28)	–	**60,086,357.51**	1,364,884.33
AF Fund shares	237,920,024.24	1,919,322.00	(32,491,546.94)	(5,249,944.00)	(4,880,270.50)	–	**197,217,584.80**	–
Target asset management plan *(Note 3)*	967,995,694.76	–	49,041,271.74	–	(22,042,393.15)	–	**994,994,573.35**	–
AJ company equity	128,959,802.55	–	16,915,837.82	–	(3,053,116.40)	–	**142,822,523.97**	–
AK Fund shares	540,779,673.11	–	55,540,252.42	–	(12,630,112.71)	–	**583,689,812.82**	–
AL Partnership	289,399,413.00	100,000,000.00	1,384,823.00	–	–	–	**390,784,236.00**	1,775,662.54
AM company equity	492,514.67	–	615,053.06	–	(17,839.45)	–	**1,089,728.28**	–
AN fund investment *(Note 4)*	69,993,634.10	–	(852,022.29)	–	(1,544,457.58)	–	**67,597,154.23**	–
Others	38,143,977.79	–	117,745,081.52	(241.70)	(2.73)	–	**155,888,814.88**	–
Total	2,804,861,188.55	101,919,322.00	327,465,555.79	(36,524,502.70)	(45,587,274.80)	(30,694,600.00)	**3,121,439,688.84**	20,878,578.65

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Other non-current financial assets (Continued)

Note 1: It is the non-principle preservation wealth management products with floating yield purchased by the Group from banks and financial institutions in China, with an expected yield of 5.00% over an initial period of 5 years.

Note 2: It is the Group's partnership share. According to the partnership agreement, the Group recovered the investment cost of RMB2,224,497.00 and investment income of RMB14,610,280.28 from the partnership in the current year.

Note 3: It is the Group's target asset management plan, which mainly include shares and fund investments.

Note 4: It is the investment in Fund by IXM, a wholly-owned subsidiary of the Company. The Fund mainly invests in commodities and related derivative instruments.

14. Fixed assets

(1) Fixed assets

RMB

Item	Buildings and mining projects	Machinery and equipment	Electronic equipment, fixture and furniture	Transportation equipment	Total
I. Total original carrying amount:					
1. Balance at 1 January 2025	31,351,732,067.81	34,428,062,355.74	283,244,909.48	180,269,881.42	66,243,309,214.45
2. Increase	1,722,994,899.46	1,921,083,364.99	35,959,816.82	31,461,986.57	3,711,500,067.84
(1) Purchase *(Note 1)*	1,139,885,754.39	7,074,307.98	7,369,422.80	4,869,611.31	1,159,199,096.48
(2) Transfer from CIP	855,726,869.81	1,914,009,057.01	28,590,394.02	26,592,375.26	2,824,918,696.10
(3) Revaluation of rehabilitation and asset disposal cost *(Note 2)*	(272,617,724.74)	–	–	–	(272,617,724.74)
3. Decrease	226,248,764.58	352,513,676.20	50,657,133.69	15,170,424.69	644,589,999.16
(1) Disposal or retirement	226,248,764.58	352,513,676.20	50,657,133.69	15,170,424.69	644,589,999.16
4. Translation differences of financial statements denominated in foreign currencies	(614,792,071.37)	(772,813,243.19)	(2,218,945.58)	(2,495,731.43)	(1,392,319,991.57)
5. Balance at 31 December 2025	32,233,686,131.32	35,223,818,801.34	266,328,647.03	194,065,711.87	67,917,899,291.56

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Fixed assets (Continued)

(1) Fixed assets (Continued)

Item	Buildings and mining projects	Machinery and equipment	Electronic equipment, fixture and furniture	Transportation equipment	Total
II. Accumulated depreciation					
1. Balance at 1 January 2025	9,023,686,539.89	12,457,312,027.48	212,893,047.92	72,866,592.22	21,766,758,207.51
2. Increase	2,161,056,274.49	2,704,009,063.18	50,064,900.74	27,373,338.22	4,942,503,576.63
(1) Provision	2,161,056,274.49	2,704,009,063.18	50,064,900.74	27,373,338.22	4,942,503,576.63
3. Decrease	58,684,302.90	304,692,179.59	48,634,627.52	13,833,802.80	425,844,912.81
(1) Disposal or retirement	58,684,302.90	304,692,179.59	48,634,627.52	13,833,802.80	425,844,912.81
4. Translation differences of financial statements denominated in foreign currencies	(156,815,644.59)	(282,036,451.01)	(1,236,936.32)	(776,058.67)	(440,865,090.59)
5. Balance at 31 December 2025	10,969,242,866.89	14,574,592,460.06	213,086,384.82	85,630,068.97	25,842,551,780.74
III. Impairment provision					
1. Balance at 1 January 2025	29,059,237.92	23,930,090.51	1,253,728.72	45,246.59	54,288,303.74
2. Increase	1,795,665.28	1,172,153.00	–	–	2,967,818.28
(1) Provision	1,795,665.28	1,172,153.00	–	–	2,967,818.28
3. Decrease	11,845,334.18	9,306,888.48	46,385.10	31,928.04	21,230,535.80
(1) Disposal or retirement	11,845,334.18	9,306,888.48	46,385.10	31,928.04	21,230,535.80
4. Translation differences of financial statements denominated in foreign currencies	(16,935.34)	(323,573.25)	(4,772.18)	–	(345,280.77)
5. Balance at 31 December 2025	18,992,633.68	15,471,781.78	1,202,571.44	13,318.55	35,680,305.45
IV. Carrying amount					
1. Closing carrying amount	21,245,450,630.75	20,633,754,559.50	52,039,690.77	108,422,324.35	42,039,667,205.37
2. Opening carrying amount	22,298,986,290.00	21,946,820,237.75	69,098,132.84	107,358,042.61	44,422,262,703.20

Note 1: It includes the assets acquired by the Group on 24 June 2025 through the acquisition of 100% equity interest in Lumina Gold Corp., please refer to Note (VI) 1.(1) for details.

Note 2: At the end of the year, the Group reviewed the future rehabilitation and asset disposal cost in the Congo (DRC), and adjusted the carrying amount of rehabilitation and asset disposal cost according to the updated rehabilitation plan.

As at the 31 December 2025, no fixed assets are used as collateral.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Fixed assets (Continued)

(2) At the end and the beginning of the year, the Group has no fixed assets leased out under operating leases.

(3) *Details of the fixed assets without certificate of titles*

RMB

Item	Carrying amount	Reason for not completing the certificate of title
High-pressure roller mill workshop	18,575,271.54	Completed and settled, with asset title in progress
High-pressure roller mill slope support	5,604,815.75	Completed and settled, with asset title in progress
Tungsten and molybdenum extraction and separation workshop	4,677,873.64	Completed and settled, with asset title in progress
Main decomposition workshop	4,565,569.10	Completed and settled, with asset title in progress
Main extraction workshop	4,481,112.49	Completed and settled, with asset title in progress
Office staff dining hall	4,316,363.42	Completed and settled, with asset title in progress
Main crystallisation workshop	3,759,554.61	Completed and settled, with asset title in progress
Sandaogou tailing pond pressurised pumping station	2,548,249.82	Completed and settled, with asset title in progress
Quality control building	2,534,937.77	Completed and settled, with asset title in progress
Others	9,396,770.15	Completed and settled, with asset title in progress
Total	60,460,518.29	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Construction in progress

(1) Construction in progress:

RMB

	31 December 2025			31 December 2024		
Item	Gross carrying amount	Provision for impairment	Net book value	Gross carrying amount	Provision for impairment	Net book value
House acquisition and decoration project	1,047,557,030.45	-	1,047,557,030.45	1,011,608,864.77	–	1,011,608,864.77
Copebras phosphorus production plant maintenance project	398,311,583.37	-	398,311,583.37	403,371,430.72	–	403,371,430.72
Niobras Niobium production plant maintenance project	192,341,642.27	-	192,341,642.27	276,889,897.72	–	276,889,897.72
Project replacing Xuansan Tailing	2,476,532.34	-	2,476,532.34	237,350,724.54	–	237,350,724.54
Main body and supporting engineering of KFM Phase I project	-	-	-	118,968,358.94	–	118,968,358.94
TFM dehydration equipment installation project	6,660,428.46	-	6,660,428.46	84,736,674.25	–	84,736,674.25
Xinjiang Hami Donggobi Molybdenum Project	104,185,067.41	31,615,388.19	72,569,679.22	101,688,279.82	31,615,388.19	70,072,891.63
Copebras phosphorus production process improvement project	63,695,134.11	-	63,695,134.11	69,720,817.86	–	69,720,817.86
TFM copper-cobalt mixed ore project	-	-	-	49,268,027.66	–	49,268,027.66
Niobras tailings dam heightening project	46,741,030.30	-	46,741,030.30	38,512,914.36	–	38,512,914.36
TFM mine power distribution project	11,025,431.48	-	11,025,431.48	37,740,026.79	–	37,740,026.79
TFM production process modeling and evaluation project	-	-	-	17,457,217.23	–	17,457,217.23
KFM phase II construction project	433,942,927.79	-	433,942,927.79	–	–	–
T3, T4 and T5 tailing pond phase II construction project	150,232,785.24	-	150,232,785.24	–	–	–
Optimisation of the 15K grinding system and 10K beneficiation system	133,450,053.13	-	133,450,053.13	1,108,944.55	–	1,108,944.55
Others	1,494,646,861.40	-	1,494,646,861.40	1,637,743,590.24	–	1,637,743,590.24
Total	4,085,266,507.75	31,615,388.19	4,053,651,119.56	4,086,165,769.45	31,615,388.19	4,054,550,381.26

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Construction in progress (Continued)

(2) Changes in significant construction in progress

RMB

Item	Budget amount	1 January 2025	Increase	Transferred to fixed assets	Other decreases	Translation differences of financial statements denominated in foreign currencies	31 December 2025	Proportion of project investment to budget amount (%)	Project progress (%)	Accumulated interest capitalisation	Including: interest capitalisation for the year	Source of fund
House acquisition and decoration project	1,256,218,038.64	1,011,608,864.77	36,003,122.80	(54,957.12)	-	-	1,047,557,030.45	83	83	-	-	Funds in hand
Copebras phosphorus production plant maintenance project	1,625,411,194.47	403,371,430.72	486,112,186.92	(480,140,294.99)	(2,031,678.19)	(9,000,061.09)	398,311,583.37	61	61	-	-	Funds in hand
Niobras Niobium production plant maintenance project	565,650,141.42	276,889,897.72	87,721,949.20	(166,425,829.85)	(586,849.19)	(5,257,525.61)	192,341,642.27	95	95	-	-	Funds in hand
Project replacing Xuansan Tailing	582,291,721.00	237,350,724.54	270,008,534.54	(504,882,726.74)	-	-	2,476,532.34	87	87	-	-	Funds in hand
Main body and supporting engineering of KFM Phase I project	12,069,611,952.66	118,968,358.94	13,509,657.73	(129,985,976.99)	-	(2,492,039.68)	-	100	100	-	-	Funds in hand
TFM dehydration equipment installation project	173,406,119.04	84,736,674.25	14,795,154.20	(91,855,101.86)	-	(1,016,298.13)	6,660,428.46	84	84	-	-	Funds in hand
Xinjiang Hami Donggobi Molybdenum Project	2,849,000,000.00	70,072,891.63	2,496,787.59	-	-	-	72,569,679.22	3	3	-	-	Funds in hand
Copebras phosphorus production process improvement project	385,874,354.99	69,720,817.86	96,303,383.95	(99,994,866.28)	(837,066.08)	(1,497,135.34)	63,695,134.11	84	84	-	-	Funds in hand
TFM copper-cobalt mixed ore project	17,642,288,000.00	49,268,027.66	-	-	(44,221,558.34)	(5,046,469.32)	-	100	100	312,080,675.99	-	Funds in hand/raised
Niobras tailings dam heightening project	201,113,049.36	38,512,914.36	67,406,772.82	(58,220,452.16)	-	(958,204.72)	46,741,030.30	71	71	-	-	Funds in hand
TFM mine power distribution project	100,202,572.80	37,740,026.79	-	(26,170,460.11)	-	(544,135.20)	11,025,431.48	100	98	-	-	Funds in hand
TFM production process modeling and evaluation project	2,160,653,120.00	17,457,217.23	5,777,364.94	(23,040,785.79)	-	(193,796.38)	-	100	100	-	-	Funds in hand
Optimisation of the 15K grinding system and 10K beneficiation system	380,960,960.00	1,108,944.55	330,857,220.56	(196,988,704.28)	-	(1,527,407.70)	133,450,053.13	86	86			Funds in hand
T3, T4 and T5 tailing pond phase II construction project	491,432,609.60	-	183,091,337.61	(31,152,916.09)	-	(1,705,636.28)	150,232,785.24	27	27			Funds in hand
KFM phase II construction project	7,619,219,200.00	-	444,296,078.77	-	-	(10,353,150.98)	433,942,927.79	12	50			Funds in hand

As at 31 December 2025, the management of the Group does not identify any indication of impairment in construction in progress, therefore, no impairment test is performed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Right-of-use assets

RMB

Item	Buildings	Machinery and equipment	Total
I. Total original carrying amount:			
1. Balance at 1 January 2025	370,784,068.86	244,777,669.28	615,561,738.14
2. Increase	80,357,861.51	22,619,717.40	102,977,578.91
(1) Leasehold *(Note)*	80,357,861.51	22,619,717.40	102,977,578.91
3. Decrease	107,636,840.21	50,341,058.49	157,977,898.70
(1) Disposal	107,636,840.21	50,341,058.49	157,977,898.70
4. Translation differences of financial statements denominated in foreign currencies	(3,719,919.13)	(5,113,534.73)	(8,833,453.86)
5. Balance at 31 December 2025	339,785,171.03	211,942,793.46	551,727,964.49
II. Accumulated depreciation			
1. Balance at 1 January 2025	234,034,947.16	123,540,828.39	357,575,775.55
2. Increase	63,286,229.51	75,284,108.34	138,570,337.85
(1) Provision	63,286,229.51	75,284,108.34	138,570,337.85
3. Decrease	73,602,736.68	46,176,495.99	119,779,232.67
(1) Disposal	73,602,736.68	46,176,495.99	119,779,232.67
4. Translation differences of financial statements denominated in foreign currencies	(2,123,765.87)	(3,059,734.06)	(5,183,499.93)
5. Balance at 31 December 2025	221,594,674.12	149,588,706.68	371,183,380.80
III. Impairment provision			
1. Balance at 1 January 2025	–	–	–
2. Balance at 31 December 2025	–	–	–
IV. Carrying amount			
1. Closing carrying amount	118,190,496.91	62,354,086.78	180,544,583.69
2. Opening carrying amount	136,749,121.70	121,236,840.89	257,985,962.59

Note: It includes the assets acquired by the Group on 24 June 2025 through the acquisition of 100% equity interest in Lumina Gold Corp., please refer to Note (VI) 1.(1) for details.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Right-of-use assets (Continued)

The Group's lease liabilities and interest expense on lease liabilities are set out in Note (V) 35, and Note (V) 52 respectively. As at 31 December 2025, except for the Group's payment of deposit to the lessor as guarantee for leasehold assets, lease agreements have no other additional guarantee terms.

As at 31 December 2025, the Group has no leases that have been entered into but not yet incepted.

As at 31 December 2025, the management of the Group does not identify any indication of impairment in right-of-use assets, therefore, no impairment test is performed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Intangible assets

Details of intangible assets

RMB

Item	Land use rights and land ownership rights	Exploration and mining rights	Copper supply concessions *(Note 1)*	Supplier relationship *(Note 1)*	Others	Total
I. Total original carrying amount:						
1. Balance at 1 January 2025	347,274,367.76	31,909,767,990.83	137,870,785.94	294,724,400.00	445,805,119.18	33,135,442,663.71
2. Increase	217,541,454.62	4,804,288,209.65	–	–	60,186,942.52	5,082,016,606.79
(1) Purchase (Note 2)	217,541,454.62	4,804,288,209.65	–	–	46,645,103.12	5,068,474,767.39
(2) Transfer from CIP	–	–	–	–	13,541,839.40	13,541,839.40
3. Decrease	–	–	–	–	1,326,741.00	1,326,741.00
(1) Disposal	–	–	–	–	1,326,741.00	1,326,741.00
4. Translation differences of financial statements denominated in foreign currencies	(2,072,759.58)	(762,849,429.65)	(3,061,067.47)	(6,543,600.00)	(9,010,936.63)	(783,537,793.33)
5. Balance at 31 December 2025	562,743,062.80	35,951,206,770.83	134,809,718.47	288,180,800.00	495,654,384.07	37,432,594,736.17
II. Accumulated amortisation						
1. Balance at 1 January 2025	106,634,635.87	10,910,925,079.35	95,993,023.16	98,312,118.04	251,807,745.08	11,463,672,601.50
2. Increase	8,928,284.79	2,095,795,298.76	14,126,184.47	9,038,389.70	44,073,098.29	2,171,961,256.01
(1) Provision	8,928,284.79	2,095,795,298.76	14,126,184.47	9,038,389.70	44,073,098.29	2,171,961,256.01
3. Decrease	–	–	–	–	1,326,741.00	1,326,741.00
(1) Disposal	–	–	–	–	1,326,741.00	1,326,741.00
4. Translation differences of financial statements denominated in foreign currencies	–	(256,574,430.56)	(2,289,857.35)	(2,284,232.13)	(5,131,691.17)	(266,280,211.21)
5. Balance at 31 December 2025	115,562,920.66	12,750,145,947.55	107,829,350.28	105,066,275.61	289,422,411.20	13,368,026,905.30

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Intangible assets (Continued)

Details of intangible assets (Continued)

Item	Land use rights and land ownership rights	Exploration and mining rights	Copper supply concessions *(Note 1)*	Supplier relationship *(Note 1)*	Others	Total
III. Impairment provision						
1. Balance at 1 January 2025	–	20,484,319.60	–	–	2,397.12	20,486,716.72
2. Translation differences of financial statements denominated in foreign currencies	–	–	–	–	(53.22)	(53.22)
3. Balance at 31 December 2025	–	20,484,319.60	–	–	2,343.90	20,486,663.50
IV. Carrying amount						
1. Closing carrying amount	447,180,142.14	23,180,576,503.68	26,980,368.19	183,114,524.39	206,229,628.97	24,044,081,167.37
2. Opening carrying amount	240,639,731.89	20,978,358,591.88	41,877,762.78	196,412,281.96	193,994,976.98	21,651,283,345.49

As at 31 December 2025, the Group has no intangible assets formed through internal research and development.

As at 31 December 2025, there are no land use rights or mining rights used as collateral.

As at 31 December 2025, the Group has no land use rights without certificate of titles.

The land use rights in Chinese mainland are acquired with the lease period of 50 years.

Note 1: Copper supply concessions and supplier relationship are acquired through acquisition of IXM.

Note 2: It includes the assets acquired by the Group on 24 June 2025 through the acquisition of 100% equity interest in Lumina Gold Corp., see Note (VI) 1.(1) for details.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Goodwill

(1) Original carrying amount of goodwill

RMB

Investee	1 January 2025	Translation differences of financial statements denominated in foreign currencies	31 December 2025
Brazil phosphorus business	679,527,548.87	(15,087,167.77)	**664,440,381.10**

(2) Provision for impairment of goodwill

RMB

Investee	1 January 2025	Translation differences of financial statements denominated in foreign currencies	31 December 2025
Brazil phosphorus business	242,967,116.26	(5,394,462.15)	**237,572,654.11**

(3) Information of the asset group or portfolio of asset groups with goodwill

Name	Composition of the asset group or a set of asset groups and its basis	Operating segment and its basis	Consistent with prior years or not?
Brazil phosphorus business	Major cash inflows from Brazil phosphorus business of CMOC Brasil are independent of other assets or asset groups	Niobium-and-phosphorus-related products segment classified according to product types	Yes

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Goodwill (Continued)

(4) Specific method of determining the recoverable amount

Recoverable amount is determined according to the present value of expected future cash flows

RMB

Item	Carrying amount	Recoverable amount	Impairment amount	Length of the expected period	Key parameters in the expected period	Basis of parameters in the expected period	Key parameters in the stable period	Basis of key parameters in the stable period
Brazil phosphorus business	5,442,833,199.75	5,601,843,972.58	–	5 years	Budgeted gross profit, discount rate	Market price of metal, remaining years of mining rights	Budgeted gross profit, discount rate	Market price of metal, remaining years of mining rights

The recoverable amount of the asset group of Brazil phosphorus business is determined according to the present value of the expected future cash flows. Future cash flows are determined based on the financial budget of the next five years approved by the management and based on the production life of available reserves and future mining plans, and discount rate of 8.47% is used. As the sale of the products in phosphorus business is priced in USD and settled in BRL, the management believes that the inflation risk faced with by the relevant business in the operation process mainly comes from the inflation risk in the environment denominated in USD. Therefore, the inflation rate used to infer the cash flow from the asset group after 5 years is 2.50% (based on the USD environment).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Long-term prepaid expenses

RMB

Item	1 January 2025	Increase	Amortisation	Other decreases	Translation differences of financial statements denominated in foreign currencies	31 December 2025
Relocation compensation *(Note 1)*	33,785,526.17	-	3,006,746.14	-	-	30,778,780.03
Geological Museum project *(Note 2)*	22,800,000.00	-	600,000.00	-	-	22,200,000.00
Tailing pond maintenance fee *(Note 3)*	124,073,117.25	-	17,633,255.33	-	-	106,439,861.92
Others	99,256,269.13	38,474,844.36	22,642,697.71	36,366,532.87	(206,712.90)	78,515,170.01
Total	279,914,912.55	38,474,844.36	43,882,699.18	36,366,532.87	(206,712.90)	237,933,811.96

Note 1: The Company paid relocation compensation to the villagers around the areas of tailing dams and the industrial park.

Note 2: According to the Geological Museum use right agreement signed by Luanchuan Finance Bureau and the Company on 18 December 2012, the Company would be allocated with 2,000 square meters showroom area in the Geological Museum for promoting the Company's product for 50 years from 1 January 2013.

Note 3: The Company paid the maintenance fee for the Secao Lake tailing pond seepage prevention project.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Deferred tax assets/Deferred tax liabilities

(1) Deferred tax assets before offsetting

RMB

	31 December 2025		31 December 2024	
Item	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for impairment of assets	2,726,037,811.32	815,320,448.23	1,145,671,082.56	338,188,792.08
Deductible losses	222,184,604.42	56,918,694.93	196,016,701.70	41,461,089.51
Unrealised gross profit	10,508,747,728.06	2,244,666,106.14	5,844,640,003.43	1,321,911,136.53
Deferred income from government grants	21,111,872.33	3,750,519.95	28,502,327.90	5,559,575.27
Gains or losses on changes in fair value	–	–	64,711,249.12	16,177,812.28
Outstanding expenses – net	2,195,319,827.87	501,201,107.58	2,229,765,876.93	479,193,388.59
Equity incentives not yet unlocked	184,269,506.40	46,067,376.60	44,252,574.28	11,063,143.57
Differences in depreciation of fixed assets	23,529,731.63	6,935,324.97	23,058,105.08	6,639,525.32
Lease liabilities	186,400,589.09	56,402,961.41	273,423,229.29	84,220,390.83
Differences in inventory costs	328,956,007.47	98,686,802.24	60,541,826.19	18,162,547.86
Others	163,375,767.86	47,098,927.52	224,112,027.88	61,499,896.54
Total	16,559,933,446.45	3,877,048,269.57	10,134,695,004.36	2,384,077,298.38

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Deferred tax assets/Deferred tax liabilities (Continued)

(2) Deferred tax liabilities before offsetting

RMB

Item	31 December 2025 Taxable temporary differences	31 December 2025 Deferred tax liabilities	31 December 2024 Taxable temporary differences	31 December 2024 Deferred tax liabilities
Accrued interest income	**224,748,490.39**	**33,712,273.56**	362,329,067.59	55,709,360.42
Effect of exchange rate of non-monetary items *(Note 1)*	**1,330,405,071.39**	**456,341,581.87**	2,377,914,086.47	735,009,313.80
Differences in depreciation of fixed assets	**11,822,520,850.29**	**3,554,627,643.74**	9,656,560,166.00	2,900,762,297.06
Gains or losses on changes in fair value	**599,959,734.39**	**92,374,154.94**	260,224,669.09	46,308,148.92
Additional provision under Switzerland tax laws *(Note 2)*	**4,349,077,816.17**	**640,711,794.93**	3,936,464,429.81	579,399,385.03
Adjustment to the fair value of assets in business combination not involving enterprises under common control *(Note 3)*	**9,100,226,990.58**	**2,705,939,333.37**	9,862,208,954.73	2,937,577,899.41
Right-of-use assets	**175,272,986.41**	**49,430,114.41**	254,737,170.72	74,612,587.53
Others	**1,535,595,969.75**	**384,472,009.89**	140,706,943.96	34,490,455.09
Total	**29,137,807,909.37**	**7,917,608,906.71**	26,851,145,488.37	7,363,869,447.26

Note 1: Certain enterprises of the Group's business in Brazil adopt USD as functional currency, while make tax declaration and annual filing in BRL for the operating activities in Brazil in accordance with local tax regulations in Brazil. Non-monetary items including inventories and fixed assets of such enterprises on the balance sheet are recognised and subsequently measured at historical exchange rate, resulting temporary difference between their tax bases and carrying amounts upon tax accounting, the Company accordingly recognise the relevant temporary difference as a deferred tax asset/liability.

Note 2: It represents the taxable temporary differences arising from additional provision made to certain extent based on the carrying amount of inventories under Switzerland tax laws.

Note 3: It mainly represents the deferred tax liabilities arising from the adjustments on fair values of assets in the acquisitions of Congo (DRC) business in 2016, Brazil business in 2016 and Switzerland metal trading platform business in 2019. The Group made structural reorganisation in 2020 to consolidate the three legal entities of the niobium phosphorus business in Brazil, redetermine the tax basis of their carrying assets and liabilities and adjust the deferred income tax liabilities mentioned above.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Deferred tax assets/Deferred tax liabilities (Continued)

(3) *Deferred tax assets or liabilities that are presented at the net amount after offsetting*

RMB

Item	Year-end offsetting amount for deferred tax assets and liabilities	Closing balance of deferred tax assets or liabilities after offsetting	Year-beginning offsetting amount for deferred tax assets and liabilities	Opening balance of deferred tax assets or liabilities after offsetting
Deferred tax assets	1,515,165,890.35	2,361,882,379.22	791,115,476.71	1,592,961,821.67
Deferred tax liabilities	1,515,165,890.35	6,402,443,016.36	791,115,476.71	6,572,753,970.55

The decrease in deferred tax assets this year due to the translation of financial statements denominated in foreign currencies was RMB1,220,559.25, and the decrease in deferred tax liabilities this year due to the translation of financial statements denominated in foreign currencies was RMB119,412,165.68.

(4) *Details of unrecognised deferred tax assets*

RMB

Item	31 December 2025	31 December 2024
Deductible losses	**114,365,302.88**	122,925,940.87
Deductible temporary differences	**100,289,334.92**	84,358,506.56
Sub-total	**214,654,637.80**	207,284,447.43

Note: Due to the uncertainty in availability of sufficient taxable income in the future, deferred tax assets are not recognised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Deferred tax assets/Deferred tax liabilities (Continued)

(5) Deductible losses, for which no deferred tax assets are recognised, will expire in the following years:

RMB

Year	31 December 2025	31 December 2024
2025	–	20,550,465.97
2026	11,877,615.21	19,019,006.62
2027	46,027,062.29	47,401,866.63
2028	12,640,889.44	12,859,602.78
2029	23,012,276.20	23,094,998.87
2030	20,807,459.74	–
Sub-total	114,365,302.88	122,925,940.87

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Other non-current assets

RMB

Item	31 December 2025	31 December 2024
Borrowings due from SNEL *(Note 1)*	**1,786,337,037.53**	1,806,825,178.96
Deductible Brazil social contribution tax *(Note 2)*	**144,557,546.98**	115,574,213.83
Prepayments for water charges *(Note 3)*	**91,115,200.00**	63,000,000.00
Compensatory assets *(Note 4)*	**202,880,204.04**	147,885,987.65
Litigation guarantee *(Note 5)*	**182,982,683.25**	105,171,941.79
Loans to suppliers *(Note 6)*	**14,672,620.00**	30,796,194.00
Borrowings to associates *(Note 7)*	**422,804,101.27**	410,702,756.25
Certificates of deposit *(Note 8)*	**1,201,330,013.33**	1,595,177,096.63
Prepayments for construction and equipment	**490,023,876.92**	1,430,877,919.40
Others	**4,980,179.29**	9,902,379.59
Less: Non-current assets due within one year *(Note (V), 9)*	**1,421,675,981.00**	669,085,195.47
Total	**3,120,007,481.61**	5,046,828,472.63

The Group recognises ECL allowance of relevant financial assets in the other non-current assets on the basis of ECL. At 31 December 2025, the management of the Group believes that the credit risk of the relevant financial assets has not increased significantly since its initial recognition, and there is no significant ECL.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Other non-current assets (Continued)

Note 1: It represents Congo (DRC) subsidiary's loan due from SNEL. The applicable interest rate for the loan is determined by 6-months Libor interest rate plus 3%, which will be settled by electricity charges payable in the future. Therein, the portion expected to be deductible within one year is detailed in Note (V) 9.

Note 2: It represents Brazil social contribution tax applicable to CMOC Brasil, of which the tax base is the balance of income from the sales of goods and rendering of services in Brazil after deducting deductible cost. As it is not required to pay the social contribution tax and goods circulation tax for export goods, the company has no tax retained at the end of the year. The social contribution tax is levied by the Brazil's federal government, so the tax credit can be used to deduct the enterprise income tax levied by the federal government without expiry date. The portion of deductible balance within one year is accounted for as other receivables by the Group. See Note (V) 7 for details.

Note 3: It represents prepayments for water charges of Xinjiang Luomu Mining Co., Ltd ("Xin Kuang Luo Mu").

Note 4: Based on the agreement between the Group and Anglo American in the course of the acquisition of the Brazilian Niobium Phosphorus business, if CMOC Brasil subsidiary has incurred cash outflows in the course of the business due to tax-related contingencies, compensation will be provided by Anglo American. The Group recognised a liability for CMOC Brasil subsidiary related contingencies at fair value (Note (V) 37), accordingly recognises the right of relevant tax related compensation as non-current assets.

Note 5: It represents CMOC Brasil's disputes and litigation arising from some of the tax, labour and civil related legal proceedings in the course of business. Some of these proceedings require the submission of litigation collateral at the request of the court. The deposit is restricted for use and the interest is calculated at the Brazilian benchmark interest rate during this period. After the end of the litigation, according to the results, the Company can call back the deposit or settle the litigation by the deposit.

Note 6: It represents loans that IXM provided to its suppliers. As at 31 December 2025, balance of loans to suppliers includes USD2,087,500.00 (equivalent to RMB14,672,620.00) provided by the Group to the third party supplier B and supplier C at the annual interest rate of 8%. Therein, the portion due within one year is detailed in Note (V) 9.

Note 7: It represents the shareholder borrowings provided by the Group to Huayue Nickel Cobalt and RESOURCE.

Note 8: As at 31 December 2025, among the Group's large certificates of deposit, the certificate of deposit with carrying amount of RMB660,000,000.00 (due within one year) is pledged to obtain short-term borrowings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Assets with restricted ownership or right to use

RMB

Item	31 December 2025		31 December 2024	
	Gross carrying amount	Reason for restriction	Gross carrying amount	Reason for restriction
Cash and bank balances	**1,341,354,428.30**	**Collateral, deposits for short-term borrowings**	2,387,807,946.81	Collateral, deposits for short-term borrowings
Held-for-trading financial assets	**2,493,103,760.53**	**Collateral for short-term borrowings**	–	/
Inventories	**11,666,765,279.47**	**Collateral for short-term borrowings**	8,284,041,551.20	Collateral for short-term borrowings
Non-current assets due within one year	**660,000,000.00**	**Collateral for short-term borrowings**	250,000,000.00	Collateral for short-term borrowings
Other non-current assets	**–**	**/**	660,000,000.00	Collateral for short-term borrowings
Total	**16,161,223,468.30**	**/**	11,581,849,498.01	/

23. Short-term borrowings

(1) Categories of short-term borrowings:

RMB

Item	31 December 2025	31 December 2024
Credit borrowings	**10,424,498,347.02**	4,813,270,876.12
Secured borrowings *(Note)*	**16,704,387,481.21**	9,146,966,209.16
Total	**27,128,885,828.23**	13,960,237,085.28

Note: Details for secured borrowings are set out in Note (V) 1, 2, 8 and 21.

(2) At the end of this year, there are no outstanding short-term borrowings of the Group that are overdue.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Held-for-trading financial liabilities

RMB

Item	Fair value at the end of the year	Fair value at the beginning of the year
Payables at FVTPL *(Note)*	**8,184,442,794.65**	2,835,872,062.19
Total	**8,184,442,794.65**	2,835,872,062.19

Note: The major products of the Group are copper, lead and zinc concentrates and cobaltous hydroxide etc., purchasing price of which is provisionally determined according to the market price upon delivery. Generally, the price is finally determined according to the monthly average spot price quoted by the London Metals Exchange (LME) or other agreed pricing methods within a specified period or a period subsequent to the delivery. The Group classifies the accounts payables generated from relevant business as financial liabilities at FVTPL.

25. Derivative financial liabilities

RMB

Item	31 December 2025	31 December 2024
Derivatives of which hedging relationship is not designated *(Note 1)*		
Commodity futures contracts	**7,445,631,181.17**	737,115,667.79
Commodity option contracts *(Note 2)*	**1,522,779,755.59**	–
Forward exchange contract	**83,454,007.66**	141,410,570.72
Forward commodity contracts	**1,373,935,967.01**	576,212,014.85
Total	**10,425,800,911.43**	1,454,738,253.36

Note 1: See Note (V) 3 note 1 for details.

Note 2: See Note (VI) 1 note 1 for details.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Notes payable

RMB

Category	31 December 2025	31 December 2024
Bank acceptances	**472,133,125.45**	606,097,172.74
Commercial acceptances	**–**	212,868.31
Total	**472,133,125.45**	606,310,041.05

27. Accounts payable

RMB

Item	31 December 2025	31 December 2024
Payables for purchase of goods	**3,286,364,347.87**	3,221,000,014.62
Others	**1,855,431,408.27**	1,586,065,036.89
Total	**5,141,795,756.14**	4,807,065,051.51

Aging analysis on accounts payable is set out as follows:

RMB

Item	31 December 2025	31 December 2024
Within 1 year	**4,722,180,401.28**	4,406,631,087.70
1-2 years	**247,800,544.60**	350,725,275.80
Over 2 years	**171,814,810.26**	49,708,688.01
Total	**5,141,795,756.14**	4,807,065,051.51

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Contract liabilities

RMB

Item	31 December 2025	31 December 2024
Receipts in advance for sales of goods *(Note)*	**1,382,222,971.59**	2,345,405,271.54
Metal flow transaction contract liabilities *(Note (V) 39 Note 1)*	**130,118,348.79**	275,950,257.75
Total	**1,512,341,320.38**	2,621,355,529.29

Note: The Group recognises the receipts in advance collected on a basis of commodity sales contract as contract liabilities, and relevant contract liabilities are recognised as sales income when the control over the goods were transferred to the customers.

The receipts in advance for sales of goods at the beginning of year have been recognised as revenue in the current year. At the end of year, the contract liabilities with carrying amount of RMB1,382,222,971.59 are expected to be recognised as revenue in 2026, and the contract liabilities with carrying amount of RMB10,754,059,230.05 (including contract liabilities in other non-current liabilities) are expected to be recognised as revenue in 2027 or subsequent years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Employee benefits payable

(1) Details of employee benefits payable

RMB

Item	1 January 2025	Increase	Decrease	Translation differences of financial statements denominated in foreign currencies	31 December 2025
1. Short-term employee benefits	1,433,854,847.94	4,500,011,047.21	3,898,318,995.50	(4,137,030.30)	**2,031,409,869.35**
2. Post-employment benefits-defined contribution plans	3,287,295.07	112,499,846.39	111,740,082.34	–	**4,047,059.12**
3. Others	5,966,057.72	16,425,028.58	17,160,365.81	(28,149.12)	**5,202,571.37**
Total	1,443,108,200.73	4,628,935,922.18	4,027,219,443.65	(4,165,179.42)	**2,040,659,499.84**

(2) Details of short-term benefits

RMB

Item	1 January 2025	Increase	Decrease	Translation differences of financial statements denominated in foreign currencies	31 December 2025
I. Wages or salaries, bonuses, allowances and subsidies	1,358,037,210.14	4,055,760,432.57	3,496,908,679.17	(3,539,035.49)	**1,913,349,928.05**
II. Employee welfare	493,176.59	44,906,936.45	45,266,114.95	(2,960.78)	**131,037.31**
III. Social security contributions	61,668,669.36	267,202,113.52	226,233,321.19	(594,221.79)	**102,043,239.90**
Including: Medical insurance	52,057,945.31	179,121,013.86	138,466,075.55	(1,551,975.79)	**91,160,907.83**
Work injury insurance	9,610,724.05	88,081,099.66	87,767,245.64	957,754.00	**10,882,332.07**
IV. Housing funds	1,707,867.65	88,304,465.58	87,783,347.23	–	**2,228,986.00**
V. Union running costs and employee education costs	11,947,924.20	43,837,099.09	42,127,532.96	(812.24)	**13,656,678.09**
Total	1,433,854,847.94	4,500,011,047.21	3,898,318,995.50	(4,137,030.30)	**2,031,409,869.35**

All employee benefits payable are not overdue and not related to non-monetary benefits, which are expected to be paid out within 12 months.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Employee benefits payable (Continued)

(3) Post-employment benefits – defined contribution plan

RMB

Item	1 January 2025	Increase	Decrease	Translation differences of financial statements denominated in foreign currencies	31 December 2025
1. Basic pension insurance	3,203,809.96	108,230,575.55	107,493,135.56	–	**3,941,249.95**
2. Unemployment insurance	83,485.11	4,269,270.84	4,246,946.78	–	**105,809.17**
Total	3,287,295.07	112,499,846.39	111,740,082.34	–	**4,047,059.12**

The Group participates, as required, in the pension insurance and unemployment insurance plan established by government institutions. According to such plans, the Group contributes monthly to such plans based the employee's basic salary. Except for above monthly contributions, the Group does not assume further payment obligations. The related expenditures are either included in cost of related assets or charged to profit or loss in the period when they are incurred.

In this year, the Group should contribute RMB108,230,575.55 and RMB4,269,270.84 (2024: RMB101,806,330.89 and RMB4,040,833.32) to pension insurance and unemployment insurance plans respectively. As at 31 December 2025, the Group has contributions payable of RMB3,941,249.95 and RMB105,809.17 (31 December 2024: RMB3,203,809.96 and RMB83,485.11) which are due in this reporting period but not yet paid to pension insurance and unemployment plans respectively. The relevant contributions have been paid after the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Taxes payable

RMB

Item	31 December 2025	31 December 2024
PRC enterprise income tax	**422,421,424.32**	284,024,506.07
Overseas enterprise income tax	**7,198,675,700.42**	4,506,311,625.44
Urban maintenance and construction tax	**3,894,838.81**	3,485,596.46
Value added tax ("VAT")	**182,445,736.03**	190,862,470.05
Resource tax and royalties of mineral rights	**222,408,622.55**	393,119,665.20
Education surcharge	**3,769,130.69**	3,332,101.24
Individual income tax	**48,612,247.52**	53,201,387.45
Consumption tax	**56,164,881.95**	–
Congo (DRC) exchange tax	**–**	4,036,154.91
Others	**96,473,560.07**	91,402,661.51
Total	**8,234,866,142.36**	5,529,776,168.33

31. Other payables

(1) Summary of other payables

RMB

Item	31 December 2025	31 December 2024
Dividends payable	**34,063,210.06**	34,063,210.06
Other payables	**3,464,278,179.62**	5,126,757,103.99
Total	**3,498,341,389.68**	5,160,820,314.05

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Other payables (Continued)

(2) Dividends payable

RMB

Name of entity	31 December 2025	31 December 2024
Luanchuan Hongji Mining Co., Ltd. *(Note)*	**15,943,017.89**	15,943,017.89
Luanchuan Chengzhi Industrial Co., Ltd. *(Note)*	**11,497,082.93**	11,497,082.93
Luanchuan Taifeng Industry and Trading Co., Ltd. *(Note)*	**6,623,109.24**	6,623,109.24
Total	**34,063,210.06**	34,063,210.06

Note: Minority shareholders of subsidiaries of the Group.

(3) Other payables

(a) Other payables by nature:

RMB

Item	31 December 2025	31 December 2024
Project and equipment funds	**1,134,010,008.03**	3,017,258,105.48
Royalties payable	**206,502,479.11**	135,898,663.21
Service and transportation expenses	**114,852,422.00**	107,106,078.11
Deposits, guarantees and advances	**584,464,645.32**	421,832,761.34
Service fees payable	**188,270,072.39**	319,468,958.76
Resource expenses payable	**13,886,480.84**	12,072,743.91
Obligations to repurchase restricted stock	**39,210,628.85**	39,210,628.85
Earnest money for equity transfer *(Note 1)*	**500,000,000.00**	500,000,000.00
Amount due to LUALABA for equity *(Note (V) 11 Note 14)*	**140,576,000.00**	222,840,400.00
Others	**542,505,443.08**	351,068,764.33
Total	**3,464,278,179.62**	5,126,757,103.99

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Other payables (Continued)

(3) Other payables (Continued)

(a) Other payables by nature (Continued):

Note 1: On 19 June 2024, the Company entered into an equity transfer agreement with a third party, intending to sell its 65.1% equity interest in Xin Kuang Luo Mu at a price of RMB2.9 billion to the third party. As at the end of 2024, the Company had received an earnest money of RMB500 million from the third party. However, the effectiveness of the agreement is subject to substantial conditions that had not been met by year-end.

32. Non-current liabilities due within one year

RMB

Item	31 December 2025	31 December 2024
Long-term borrowings due within one year *(Note (V) 34)*	**2,626,388,218.41**	3,309,172,093.10
Bonds payable due within one year	**–**	2,058,515,068.46
Lease liabilities due within one year *(Note (V) 35)*	**122,594,615.07**	138,308,953.05
Other liabilities due within one year *(Note (V) 39)*	**739,031,450.82**	704,962,821.28
Total	**3,488,014,284.30**	6,210,958,935.89

33. Other current liabilities

RMB

Item	31 December 2025	31 December 2024
Accrued expenses	**969,249,337.52**	830,355,325.34
Total	**969,249,337.52**	830,355,325.34

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Long-term borrowings

(1) *Categories of long-term borrowings*

RMB

Item	31 December 2025	31 December 2024
Secured borrowings *(Note)*	**213,050,940.83**	4,305,368,475.33
Credit borrowings	**3,579,537,277.58**	8,337,643,733.50
Less: long-term borrowings due within one year *(Note (V) 32)*	**2,626,388,218.41**	3,309,172,093.10
Total	**1,166,200,000.00**	9,333,840,115.73

Note: This represents the borrowings obtained by the Group through pledge of equities of subsidiaries. The Group pledges 100% equity interest in CMOC DRC Limited ("CMOC DRC") to the bank and provides a joint guarantee.

(2) *Maturity analysis of long-term borrowings due over one year:*

RMB

Maturity date	31 December 2025	31 December 2024
No more than 2 years	**1,166,200,000.00**	8,013,040,115.73
More than 2 years but no more than 5 years	**–**	1,320,800,000.00
Total	**1,166,200,000.00**	9,333,840,115.73

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Long-term borrowings (Continued)

(3) Other explanations

As at 31 December 2025, the annual interest rate for the above borrowings ranges from 2.0000% to 6.8073% (31 December 2024: 2.1000% to 7.8214%).

According to the borrowing agreement entered into between the Group and some banks, the Group is required to satisfy a series of specified financial indicators and requirements. Where the Group violates relevant terms, the banks may request for early repayment from the Company. As of 31 December 2025, the Group has no breach of relevant terms.

35. Lease liabilities

RMB

Item	31 December 2025	31 December 2024
Operating lease payables	**214,031,926.99**	275,179,629.85
Less: Lease liabilities included in non-current liabilities due within one year *(Note (V) 32)*	**122,594,615.07**	138,308,953.05
Total	**91,437,311.92**	136,870,676.80

The Group is not exposed to significant liquidity risk related to lease liabilities.

(1) Maturity analysis of lease liabilities due over one year:

RMB

Maturity date	31 December 2025	31 December 2024
No more than 2 years	**23,093,974.24**	43,276,877.72
More than 2 years but no more than 5 years	**58,099,473.63**	67,641,464.70
Over 5 years	**10,243,864.05**	25,952,334.38
Total	**91,437,311.92**	136,870,676.80

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Long-term employee benefits payable

RMB

Item	31 December 2025	31 December 2024
1. Post-employment benefits-net liability from defined benefit plans	**582,943,098.62**	521,266,904.86
2. Other long-term benefits		
– Long service leave *(Note)*	**7,691,304.82**	7,125,486.33
– Others	**2,213,664.33**	2,263,929.07
Total	**592,848,067.77**	530,656,320.26

Note: It represents liabilities relating to annual leave and long service leave accrued for employees by overseas companies of the Group, in which the portion expected to be paid within 12 months is accounted for in employee benefits payable.

37. Provisions

RMB

Item	31 December 2025	31 December 2024
Rehabilitation and asset disposal cost *(Note 1)*	**2,424,110,303.80**	2,583,716,971.60
Litigation *(Note 2)*	**331,781,251.83**	246,814,224.09
Total	**2,755,891,555.63**	2,830,531,195.69

Note 1: The Group has the obligation of rehabilitation, environmental restoration and dismantling of related assets due to the environmental impact caused by mineral production and development activities. The management's best estimate of future economic benefits outflow generated from the above obligations is recognised as provision upon discounting. The above estimate is determined based on the industry practices and the current local laws and regulations, and significant changes in related laws and regulations may have a significant impact on the Group's estimate.

Note 2: The Group's Niobium-Phosphorus business in Brazil is facing with a series of local litigations and disputes related to tax matters, labours and other civil cases. When the relevant litigations are likely to lose and result in economic benefits outflow, the management of the Group estimates the amount of potential economic benefits outflow and make corresponding provisions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Deferred income

RMB

Item	31 December 2025	31 December 2024
Refunds of land-transferring fees *(Note 1)*	**12,274,481.30**	12,660,067.10
Demonstration base project subsidies *(Note 2)*	**5,837,391.00**	12,842,260.80
Exemption from land transfer payments *(Note 3)*	**107,638,940.55**	25,491,118.68
Others	**3,000,000.00**	3,000,000.00
Total	**128,750,812.85**	53,993,446.58

Note 1: It represents the refunds of land-transferring fees received by the Group, which is included in deferred revenue, and amortised in the period of land use with the straight-line method.

Note 2: It represents the special funds for major science and technology of Henan Province, the special funds for mineral resources conservation and comprehensive utilisation and the subsidies for the central mineral resources comprehensive utilisation demonstration base received by the Group, which are to be used for the study of key technologies for molybdenum-tungsten dressing and deep processing, included in deferred income, and recognised as an other income when related technology research costs are incurred.

Note 3: It represents the land use rights granted by the government with exemption from land transfer payments, which is included in deferred income, and amortised on a straight-line basis over the useful life of the land.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Other non-current liabilities

RMB

Item	31 December 2025	31 December 2024
Contract liabilities	**10,754,059,230.05**	10,721,380,489.63
Metal flow transaction contract liabilities *(Note 1)*	**6,523,650,368.65**	6,235,069,968.83
Royalty payable *(Note 2)*	**1,631,631,548.01**	2,414,447,111.21
Others	**2,195,269.05**	4,055,284.75
Total	**18,911,536,415.76**	19,374,952,854.42

Note 1: On 9 December 2022, the Group and a third party signed a metal flow agreement. In accordance with the agreement, the third party is required to pay a prepayment of USD830 million in cash to the Group, and for mineral products delivered under the metal flow agreement, the third party shall pay an additional payment to the Group at a certain proportion of the spot price of the mineral products upon actual delivery. In accordance with the metal purchase and sale agreement, the Group is required to deliver a certain proportion of its own mineral products sold in its own mining area to a third party based on the metal purchase and sale agreement. The metal purchase and sale agreement does not stipulate a minimum delivery quantity. As at 31 December 2025, the liabilities under the above metal flow business (including the portion due within one year) are RMB6,653,768,717.44 (31 December 2024: RMB6,511,020,226.58).

Note 2: It represents the additional royalty for additional reserves of copper metal (hereinafter referred to as the "additional royalty") calculated and paid by the Group to Gécamines (minority shareholder of the Group) in accordance with the Amended and Restated Mining Convention signed on 28 September 2005 and the Addendum No. 1 to the Amended and Restated Mining Convention signed on 11 December 2010 by and between the DRC government, Gécamines, Lundin Holdings Limited (subsequently renamed as TF Holdings Limited) and TFM (hereinafter referred to as the "Mining Convention"), and the Amended and Restated Shareholders Agreement signed on 28 September 2005 and the Addendum No. 1 to the Amended and Restated Shareholders Agreement signed on 11 December 2010 by and between TFM, Lundin Holdings Limited (subsequently renamed as TF Holdings Limited), Chui LTD, Faru LTD, Mboko LTD, Mofia LTD, Tembo LTD and Gécamines (together referred to as the "Shareholders Agreement"). Since the third quarter of 2021, the management teams of the Group and its TFM copper and cobalt business have been conducting continuous meetings and communications with relevant Congolese parties to discuss the intended increase of mineral reserves for the TFM Mixed Ore Development Project under implementation belonging to the TFM copper and cobalt business in the DRC, as well as the corresponding additional royalty payable to the minority shareholder, Gécamines, based on such reserves.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Other non-current liabilities (Continued)

Note 2: (Continued)

On 18 April 2023, the Group and Gécamines reached a consensus on the above-mentioned royalty. According to the settlement agreement signed with Gécamines, TFM shall pay Gécamines a total settlement of USD800 million, which will be paid in instalments within six years from 2023 to 2028. The Group recognised the present value of the relevant settlement of USD701,982,485.00 (equivalent to RMB4,930,479,277.46) as an intangible asset. Meanwhile, the Group presented the relevant amount as other non-current liabilities and non-current liabilities due within one year according to the payment progress.

40. Share capital

As at 31 December 2025, the Company has issued a total of 21,394,310,176 shares, with par value of RMB0.2 per share and the total share capital of RMB4,278,862,035.20. The structures and types of shares are shown as follow:

Unit: Shares

		Changes for the year		
	1 January 2025	**Increase**	**Decrease**	**31 December 2025**
I. Shares restricted for trading				
1. Shareholding of state-owned legal person	–	–	–	**–**
2. Other domestic-owned shares	–	–	–	**–**
Total shares restricted for trading	–	–	–	**–**
II. Unrestricted trading shares				
1. RMB ordinary shares *(Note)*	17,665,772,583	–	204,930,407	**17,460,842,176**
2. Foreign-owned shares listed overseas	3,933,468,000	–	–	**3,933,468,000**
Total unrestricted trading shares	21,599,240,583	–	204,930,407	**21,394,310,176**
III. Total shares	21,599,240,583	–	204,930,407	**21,394,310,176**

Note: On 10 December 2024, the Company held its 2024 First Extraordinary General Meeting, where it approved the resolution titled "Proposal on Cancellation of Certain Repurchased Shares and Reduction of Registered Capital". The resolution agreed to cancel the second tranche of treasury shares totalling 99,999,964 shares, which were repurchased under the 2021 Phase I Employee Stock Ownership Plan, and accordingly reduce the registered capital. After the completion of this cancellation, the Company's total share capital will decrease from 21,599,240,583 shares to 21,499,240,619 shares, and the Company's registered capital will decrease from RMB4,319,848,116.60 to RMB4,299,848,123.80. The aforementioned treasury shares were cancelled on 6 February 2025.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Share capital (Continued)

Note 2: *(Continued)*

On 21 March 2025, the Company held the fourth meeting of the seventh Board of Directors and the fifth meeting of the seventh Board of Supervisors, where it approved the resolution titled "Proposal on Cancellation of Repurchased Shares and Reduction of Registered Capital". Subsequently, on 30 May 2025, the Company held the 2024 Annual General Meeting, the first A-share Class Meeting of 2025, and the first H-share Class Meeting of 2025, at which the aforementioned proposal was approved. The Company intends to cancel 104,930,443 shares held in its special securities account for share repurchases. After the completion of the cancellation, the Company's total share capital will decrease from 21,499,240,619 shares to 21,394,310,176 shares, and the Company's registered capital will decrease from RMB4,299,848,123.80 to RMB4,278,862,035.20. The aforementioned treasury shares were cancelled on 16 July 2025.

41. Other equity instruments

RMB

Item	**31 December 2025**	31 December 2024
Renewable corporate bonds – phase I *(Note)*	–	1,000,000,000.00

Note: In December 2022, the Company publicly offered renewable corporate bonds – phase I to professional investors on the Shanghai Stock Exchange, with a total principal of RMB1 billion. According to the issuing terms of the bond, the Group has no contractual obligation to deliver cash or other financial assets. The Company believes that the bond fails to meet the definition of financial liabilities and includes it in other equity instruments instead. During the year, the Company has distributed dividends of RMB56,200,000.00 to bond investors. In December 2025, the Company redeemed the aforementioned matured renewable bonds.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Capital reserve

RMB

Item	1 January 2025	Increase	Decrease	31 December 2025
2025:				
Total capital premium	**27,602,242,178.42**	**–**	**1,143,131,406.87**	**26,459,110,771.55**
Including: Capital contribution from investors *(Note)*	**27,603,120,138.42**	**–**	**1,143,131,406.87**	**26,459,988,731.55**
Others	**(877,960.00)**	**–**	**–**	**(877,960.00)**
Other capital reserve	**106,692,028.51**	**27,103,634.31**	**–**	**133,795,662.82**
Total	**27,708,934,206.93**	**27,103,634.31**	**1,143,131,406.87**	**26,592,906,434.37**

Item	1 January 2024	Increase	Decrease	31 December 2024
2024:				
Total capital premium	27,602,242,178.42	–	–	27,602,242,178.42
Including: Capital contribution from investors	27,603,120,138.42	–	–	27,603,120,138.42
Others	(877,960.00)	–	–	(877,960.00)
Other capital reserve	92,583,097.59	14,108,930.92	–	106,692,028.51
Total	27,694,825,276.01	14,108,930.92	–	27,708,934,206.93

Note: See Note (V) 40 for details.

43. Treasury shares

RMB

Item	1 January 2025	Increase	Decrease	31 December 2025
Treasury shares *(Note)*	1,266,543,810.15	–	1,184,117,488.27	**82,426,321.88**
Total	1,266,543,810.15	–	1,184,117,488.27	**82,426,321.88**

Note: See Note (V) 40 for details.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Other comprehensive income

RMB

Item	1 January 2025	Amount incurred in the year						31 December 2025
		Amount incurred for current year before tax	Less: Amount previously included in other comprehensive income and transferred to profit or loss for the period	Less: Income tax expenses	Attributable to shareholders of the parent company after tax	Attributable to minority interests after tax	Less: Amount included in other comprehensive income in prior period and transferred to the cost of long-term assets in the current period	
I. Other comprehensive income that cannot be reclassified subsequently to profit or loss	(71,767,009.81)	17,456,458.57	–	832,053.21	12,872,670.90	3,751,734.46	–	**(58,894,338.91)**
Including: Changes in fair value of investments in other equity instruments	(82,486,641.75)	3,969,998.00	–	992,499.50	2,977,498.50	–	–	**(79,509,143.25)**
Remeasurement of changes in net liabilities or net assets of defined benefit plans	10,719,631.94	13,486,460.57	–	(160,446.29)	9,895,172.40	3,751,734.46	–	**20,614,804.34**
II. Other comprehensive income that will be reclassified subsequently to profit or loss	2,811,696,818.03	(2,897,982,577.43)	26,902,958.76	–	(2,564,430,497.89)	(360,455,038.30)	–	**247,266,320.14**
Including: Cash flow hedge reserve	77,380,124.15	(50,477,165.39)	26,902,958.76	–	(77,380,124.15)	–	–	**-**
Translation differences of financial statements denominated in foreign currencies	2,734,316,693.88	(2,847,505,412.04)	–	–	(2,487,050,373.74)	(360,455,038.30)	–	**247,266,320.14**
Total other comprehensive income	2,739,929,808.22	(2,880,526,118.86)	26,902,958.76	832,053.21	(2,551,557,826.99)	(356,703,303.84)	–	**188,371,981.23**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Special reserve

RMB

Item	1 January 2025	Increase	Decrease	31 December 2025
2025:				
Work safety expenses	**267,497,082.63**	**197,538,491.64**	**87,737,432.05**	**377,298,142.22**
Total	**267,497,082.63**	**197,538,491.64**	**87,737,432.05**	**377,298,142.22**

Item	1 January 2024	Increase	Decrease	31 December 2024
2024:				
Work safety expenses	140,310,748.25	206,058,997.45	78,872,663.07	267,497,082.63
Total	140,310,748.25	206,058,997.45	78,872,663.07	267,497,082.63

46. Surplus reserve

RMB

Item	1 January 2025	Increase	Decrease	31 December 2025
2025:				
Statutory surplus reserve (Note)	**2,159,924,058.30**	**–**	**–**	**2,159,924,058.30**

Item	1 January 2024	Increase	Decrease	31 December 2024
2024:				
Statutory surplus reserve (Note)	2,099,837,960.76	60,086,097.54	–	2,159,924,058.30

Note: In accordance with the related laws and regulations of the PRC, the transfer to statutory surplus reserve may be ceased when the accumulated amount has reached 50% of the paid-in capital. The relevant balance of the Company in 2025 has reached 50% of the paid-in capital.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

47. Retained profits

RMB

Item	2025	2024
Retained profits at the beginning of current year	**34,093,404,253.98**	23,977,727,693.23
Add: Net profit attributable to shareholders of the parent company	**20,338,750,797.53**	13,532,035,002.94
Less: Appropriation to statutory surplus reserve *(Note 1)*	**–**	60,086,097.54
Ordinary stock dividends payable *(Note 2)*	**5,455,549,094.88**	3,300,072,344.65
Perpetual bonds dividends payable *(Note (V) 41)*	**56,200,000.00**	56,200,000.00
Retained profits at the end of current year	**48,920,405,956.63**	34,093,404,253.98

Note 1: See Note (V) 46 for details.

Note 2: Cash dividend has been approved in Annual General Meeting of the current year.

As resolved at the Company's 2024 Annual General Meeting on 30 May 2025, the Company distributed to all shareholders cash dividends at RMB2.55 per 10 shares, totalling RMB5,455,549,094.88 (2024: RMB3,300,072,344.65).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Operating income and operating costs

(1) Operating income (by business type)

RMB

	2025		2024	
Item	**Income**	**Cost**	Income	Cost
Principal operating activities	**206,443,009,158.63**	**157,073,312,090.25**	212,846,413,390.40	177,690,380,675.16
Other operating activities	**240,639,891.80**	**156,067,715.10**	182,251,444.39	83,605,616.75
Total	**206,683,649,050.43**	**157,229,379,805.35**	213,028,664,834.79	177,773,986,291.91

Refer to Note (XV) 2 for details of income by business segment.

(2) Principal operating activities (by products)

RMB

	2025		2024	
Name of products	**Operating income**	**Operating costs**	Operating income	Operating costs
Molybdenum, tungsten and related products	**8,752,603,232.69**	**4,634,169,881.93**	8,119,300,885.56	4,724,079,253.61
Niobium, phosphorus and related products	**7,692,739,252.13**	**5,054,649,605.22**	6,540,617,623.77	4,517,055,235.70
Copper, cobalt and related products	**61,267,618,404.20**	**26,949,251,954.03**	50,599,672,668.95	26,562,593,268.27
Concentrates metal trading	**76,834,796,944.87**	**68,522,727,106.43**	64,627,956,322.98	61,205,023,496.33
Refined metal trading	**103,244,438,301.29**	**99,960,963,475.16**	123,727,783,903.48	122,209,778,951.32
Others	**760,832.05**	**732,218.71**	440,592.86	407,135.60
Internal transaction offsetting	**(51,349,947,808.60)**	**(48,049,182,151.23)**	(40,769,358,607.20)	(41,528,556,665.67)
Total	**206,443,009,158.63**	**157,073,312,090.25**	212,846,413,390.40	177,690,380,675.16

(3) Performance obligation

Refer to Note (III) 29 for details of accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Taxes and levies

RMB

Item	2025	2024	Basis of calculation
Urban maintenance and construction tax	**37,803,431.21**	30,923,149.70	*Note (IV)*
Education surcharge	**37,072,344.82**	30,709,798.37	*Note (IV)*
Resource tax and royalties of mineral rights	**2,893,734,828.07**	3,673,839,235.89	*Note (IV)*
Others	**397,173,673.21**	399,728,760.78	
Total	**3,365,784,277.31**	4,135,200,944.74	

50. Selling expenses

RMB

Item	2025	2024
Wages or salaries, bonus and allowances	**53,338,457.96**	41,147,256.33
Business entertainment expenses	**2,123,225.49**	1,971,880.95
Travel expenses	**3,086,941.68**	2,840,374.93
Market consulting fees	**17,387,161.10**	29,374,696.77
Others	**28,910,323.38**	17,498,443.78
Total	**104,846,109.61**	92,832,652.76

51. Administrative expenses

RMB

Item	2025	2024
Wages or salaries, bonus and allowances	**1,814,335,511.70**	1,196,111,654.69
Depreciation and amortisation	**167,099,016.97**	187,772,001.77
Consulting and agency fees	**238,167,028.06**	207,723,589.00
Business entertainment expenses	**67,647,673.88**	32,792,720.67
Insurance premiums	**15,952,956.91**	73,247,480.95
Travel expenses	**81,836,249.45**	76,128,840.93
Rental expenses	**22,387,215.85**	21,184,223.55
Others	**399,072,264.23**	332,576,627.97
Total	**2,806,497,917.05**	2,127,537,139.53

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

52. Financial expenses

RMB

Item	2025	2024
Interest expenses on bonds	**21,484,931.54**	83,360,547.83
Interest expenses on lease liabilities	**21,976,960.85**	30,415,730.81
Interest expenses on bank borrowings and others	**2,285,930,459.05**	3,647,053,586.81
Metal flow project financing expenses	**301,321,669.20**	282,471,778.02
Total interest expenses	**2,630,714,020.64**	4,043,301,643.47
Less: Interest income	**1,644,470,637.14**	1,649,638,853.86
Exchange differences	**(913,718,247.50)**	163,952,950.55
Gold lease charges	**–**	1,104,264.00
Others	**440,301,021.74**	320,140,560.92
Total	**512,826,157.74**	2,878,860,565.08

53. Other income

RMB

Classified by nature	2025	2024
Government grants related to assets	**8,879,462.53**	10,401,536.92
Government grants related to income	**81,602,522.84**	140,600,398.46
Total	**90,481,985.37**	151,001,935.38

54. Investment income

RMB

Item	2025	2024
Income from long-term equity investments under equity method	**715,743,202.15**	788,496,777.95
Investment income from other non-current financial assets during the holding period *(Note (V), 13)*	**20,878,578.65**	192,270,445.96
Others	**15,167,863.74**	(21,962,025.83)
Total	**751,789,644.54**	958,805,198.08

There are no significant restrictions on remittance of investment income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Gains (Losses) from changes in fair value

RMB

	2025	2024
Sources resulting in fair value change losses:		
Losses from changes in fair value of derivative financial instruments	**(8,141,800,993.80)**	(1,405,947,577.50)
Losses from changes in fair values of gold lease and forward contract measured at fair value	**–**	(1,400,610.31)
Losses from changes in fair value of consumable biological assets *(Note (V) 8)*	**(1,280,014.75)**	(16,889,178.25)
Gains (Losses) from changes in fair value of other non-current financial assets at FVTPL *(Note (V) 13)*	**327,465,555.79**	3,228,014.10
Gains from changes in fair value of structured deposits	**12,443,495.51**	64,197,750.89
Gains (Losses) from changes in fair value of other held-for-trading financial assets	**115,047,035.24**	(18,787,537.42)
Total	**(7,688,124,922.01)**	(1,375,599,138.49)

56. Gains (Losses) from credit impairment

RMB

Sources of credit impairment	**2025**	2024
Gains from credit impairment of receivables financing	**200,000.00**	2,250,000.00
Gains from credit impairment of accounts receivable	**31,513.82**	10,119,404.19
Gains (losses) from credit impairment of other receivables	**1,053,668.03**	(18,232,083.64)
Total	**1,285,181.85**	(5,862,679.45)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

57. Losses from assets impairment

RMB

Item	2025	2024
Losses on decline in value of inventories	**(12,681,921.92)**	(194,115,926.91)
Impairment losses on fixed assets	**(2,967,818.28)**	(940,841.11)
Impairment losses on intangible assets	**–**	(2,379.49)
Impairment losses on prepayments	**(26,310,851.69)**	–
Total	**(41,960,591.89)**	(195,059,147.51)

58. Non-operating income

RMB

Item	2025	2024
Fines, liquidated damages and insurance claims	**15,988,742.44**	36,488,629.24
Gains on disposal of waste materials	**21,819.29**	193,908.82
Total	**16,010,561.73**	36,682,538.06

59. Non-operating expenses

RMB

Item	2025	2024
Donations	**34,835,027.92**	46,542,561.51
Losses on retirement of non-current assets	**42,748,130.11**	26,910,512.46
Others	**104,726,912.11**	105,226,653.66
Total	**182,310,070.14**	178,679,727.63

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

60. Income tax expenses

RMB

Item	2025	2024
Current tax expenses calculated according to tax laws and relevant requirements	**12,024,102,079.91**	8,244,200,153.69
Differences arising on settlement of prior-year income tax	**(97,922,400.56)**	934,551,833.87
Adjustments to deferred income tax	**(792,196,432.63)**	485,842,753.24
Total	**11,133,983,246.72**	9,664,594,740.80

Reconciliation of income tax expenses to accounting profit is as follows:

RMB

	2025	2024
Accounting profit	**35,161,390,554.31**	25,124,037,230.75
Income tax expenses calculated at 15% (2024: 15%)	**5,274,208,583.15**	3,768,605,584.61
Effect of non-deductible expenses and other items	**1,408,871,444.53**	1,148,132,191.04
Effect of tax-free income/additional deduction items	**(291,646,154.32)**	(650,130,122.16)
Effect of using previously unrecognised deductible losses and deductible temporary differences	**(5,917,291.42)**	(6,070,909.01)
Effect of unrecognised deductible losses and deductible temporary differences	**10,105,389.87**	4,543,550.27
Effect of exchange rate of non-monetary items-attributable tax effect (Note) *(Note (V) 20 (2) Note 1)*	**(115,120,101.00)**	257,210,347.28
Effect of different tax rates of subsidiaries operating in other jurisdictions	**4,951,403,776.47**	4,207,752,264.90
Differences arising on settlement of prior-year income tax	**(97,922,400.56)**	934,551,833.87
Total	**11,133,983,246.72**	9,664,594,740.80

Note: The effect of exchange rate of non-monetary items represents the effect of the difference between the carrying amount and the tax basis of non-monetary assets held by CMOC Brasil due to the difference between the U.S. dollar, the functional currency, and the Brazilian real, the tax return currency.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

61. Notes to items in the cash flow statement

(1) Cash relating to operating activities

Other cash receipts relating to operating activities

RMB

Item	2025	2024
Receipts of interest income	**1,140,569,062.84**	1,059,154,654.28
Receipt of subsidy income	**81,602,522.84**	140,600,398.46
Others	**151,797,284.24**	100,902,538.05
Total	**1,373,968,869.92**	1,300,657,590.79

Other cash payments relating to operating activities

RMB

Item	2025	2024
Payments of consulting fee, technology development fee and transportation fee, etc.	**673,518,068.36**	561,936,768.78
Payments of bank charges, etc	**12,777,974.46**	60,075,359.91
Payments of donations and penalty, etc.	**76,767,721.85**	69,599,706.79
Payments of net investment settlement amount from derivative financial instruments	**7,974,251,255.51**	220,681,103.62
Payments of metal stream repurchase amount	**719,436,947.43**	
Others	**58,633,460.15**	48,619,849.20
Total	**9,515,385,427.76**	960,912,788.30

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

61. Notes to items in the cash flow statement (Continued)

(2) Cash relating to investing activities

Cash receipts relating to significant investing activities

RMB

Item	2025	2024
Cash receipts from withdrawal of bank structured deposits and wealth management products of other financial institutions	**7,409,525,778.52**	13,527,447,834.40
Cash receipts from withdrawal of other non-current financial assets	**88,097,681.36**	671,251,796.04

Cash payments relating to significant investing activities

RMB

Item	2025	2024
Cash payments for purchase of bank structured deposits and wealth management products of other financial institutions	**9,014,320,000.00**	12,558,327,866.99
Purchase of non-current financial assets	**101,919,322.00**	50,000,000.00
Investments in associates or joint ventures	**115,728,008.00**	326,890,088.38
Purchase of investments in other equity instruments	**35,670,954.80**	–

Other cash receipts relating to investing activities

RMB

Item	2025	2024
Cash receipts of repayments from third parties and related parties	**223,962,287.11**	387,890,907.81
Receipts of earnest money for equity transfer	**–**	500,000,000.00
Deposits for derivatives	**145,926,438.16**	–
Total	**369,888,725.27**	887,890,907.81

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

61. Notes to items in the cash flow statement (Continued)

(2) Cash relating to investing activities (Continued)

Other cash payments relating to investing activities

RMB

Item	2025	2024
Loans to third parties	78,344,544.11	216,219,493.37
Deposits for derivatives	–	609,939.69
Total	78,344,544.11	216,829,433.06

(3) Cash relating to financing activities

Other cash receipts relating to financing activities

RMB

Item	2025	2024
Cash receipts from discharge of pledged certificates of deposits	1,150,000,000.00	1,725,000,000.00
Deposits for borrowing	559,522,374.06	–
Total	1,709,522,374.06	1,725,000,000.00

Other cash payments relating to financing activities

RMB

Item	2025	2024
Cash repayments for gold leasing business	–	419,654,148.01
Commission charge related to gold leasing business and loans	–	1,104,264.00
Deposits for borrowing and arrangement fee	21,721,453.84	348,499,821.01
Payments of lease liabilities	149,012,965.74	259,226,282.52
Cash payments for pledged certificates of deposit	1,100,000,000.00	2,800,000,000.00
Payments of royalty	865,860,000.00	1,582,110,000.00
Redemption of perpetual bonds	1,000,000,000.00	–
Total	3,136,594,419.58	5,410,594,515.54

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Supplementary information to the cash flow statement

(1) Supplementary information to the cash flow statement

RMB

Supplementary information	2025	2024
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	**24,027,407,307.59**	15,459,442,489.95
Add: Provision for impairment of assets (gains are indicated with "-")	**41,960,591.89**	195,059,147.51
Provision for credit impairment (gains are indicated with "-")	**(1,285,181.85)**	5,862,679.45
Depreciation of fixed assets	**4,942,503,576.63**	4,265,654,727.24
Depreciation of right-of-use assets	**138,570,337.85**	152,198,653.30
Amortisation of intangible assets	**2,171,961,256.01**	1,683,248,103.13
Amortisation of long-term prepaid expenses	**43,882,699.18**	53,847,517.69
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are indicated with "-")	**18,416,593.97**	(66,475,010.13)
Losses on changes in fair values	**7,688,124,922.01**	1,375,599,138.49
Financial expenses	**2,122,797,366.57**	4,468,424,059.03
Investment income	**(751,789,644.54)**	(958,805,198.08)
Changes in deferred tax assets/liabilities	**(777,330,465.42)**	554,284,638.49
(Increase) Decrease in inventories	**(11,209,532,239.58)**	1,366,646,288.45
Decrease in operating receivables (increase is indicated with "-")	**(15,378,352,208.55)**	235,820,968.06
Increase in operating payables (decrease is indicated with "-")	**7,723,598,668.67**	3,122,136,342.14
(Decrease) Increase in provisions	**(74,639,640.06)**	93,451,386.18
Amortisation of deferred income	**(8,879,462.53)**	(10,401,536.92)
Increase in special reserve	**109,801,059.59**	127,186,334.38
Losses on retirement of fixed assets	**42,748,130.11**	26,910,512.46
Transfer from OCI to profit or loss for the period	**(26,902,958.76)**	236,564,300.90
Net Cash Flow from Operating Activities	**20,843,060,708.78**	32,386,655,541.72
2. Significant investing and financing activities that do not involve cash receipts and payments:		
Conversion of debt into capital	**–**	988,405,000.00
3. Net changes in cash and cash equivalents:		
Closing balance of cash	**30,682,025,424.15**	27,280,717,697.81
Less: Opening balance of cash	**27,280,717,697.81**	26,118,763,976.52
Net increase in cash and cash equivalents	**3,401,307,726.34**	1,161,953,721.29

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Supplementary information to the cash flow statement (Continued)

(2) Composition of cash and cash equivalents

RMB

Item	31 December 2025	31 December 2024
I. Cash	**30,682,025,424.15**	27,280,717,697.81
Including: Cash on hand	**6,328,994.71**	3,062,041.30
Bank deposits that are readily available for payment	**30,675,696,429.44**	27,277,655,656.51
II. Cash equivalents	**–**	–
III. Closing balance of cash and cash equivalents	**30,682,025,424.15**	27,280,717,697.81

Cash and cash equivalents exclude restricted cash and cash equivalents of the Company and subsidiaries as well as cash and bank balances due over 3 months.

(3) Monetary funds that are not cash and cash equivalents

RMB

Item	31 December 2025	31 December 2024	Reason
Bank deposits	**1,540,576,000.00**	758,732,744.64	Time deposits with maturities over 3 months
Other monetary funds	**1,341,354,428.30**	2,387,807,946.81	Pledged certificates of deposit and deposits
Total	**2,881,930,428.30**	3,146,540,691.45	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Foreign currency monetary items

(1) Foreign currency monetary items

RMB

Item	Balance in original currencies at 31 December 2025	Exchange rate	Balance in RMB at 31 December 2025
Cash and bank balances			
Including: RMB	1,782,835.93	1.0000	1,782,835.93
USD	106,970,259.92	7.0288	751,872,562.96
EUR	699,109.02	8.2355	5,757,512.33
HKD	2,333,593.76	0.9032	2,107,701.88
CAD	2.86	5.1141	14.63
AUD	972.78	4.6892	4,561.56
BRL	222,362,425.98	1.2749	283,489,856.88
GBP	197,285.32	9.4346	1,861,308.08
SGD	965,056.39	5.4586	5,267,856.81
CDF	3,426,150,806.45	0.0031	10,621,067.50
ZAR	8,492,977.06	0.4224	3,587,433.51
AED	401,557.43	1.9071	765,810.17
CHF	56,344.07	8.8510	498,701.36
CLP	45,462,277.92	0.0077	350,059.54
MXP	453,317.03	0.3899	176,748.31
PEN	721,861.52	2.0869	1,506,452.80
TRY	7,979.03	0.1631	1,301.38
IDR	266,487,650.00	0.0004	106,595.06
JPY	93,610,746,614.29	0.0448	4,193,761,448.32
KRW	21,639,151.02	0.0049	106,031.84
Short-term borrowings			
Including: RMB	1,566,275,627.94	1.0000	1,566,275,627.94
MXP	287,862,793.95	0.3899	112,237,703.36
PEN	320,217,544.71	2.0869	668,261,994.06
Non-current liabilities due within one year			
Including: RMB	316,770,904.10	1.0000	316,770,904.10

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Foreign currency monetary items (Continued)

(2) Description of significant overseas operating entities

Name of subsidiaries	Main place of operation	Functional currency	Basis of selection
COMC Brazil	Brazil	USD	Determined based on the primary economic environment in which it operates
TFM and KFM	Congo (DRC)	USD	Determined based on the primary economic environment in which it operates
IXM Holding SA	Switzerland	USD	Determined based on the primary economic environment in which it operates

64. Leases

(1) As a lessee

The Group has leased multiple assets, including leases of buildings and machinery and equipment, with lease terms of 1-11 years and 1-5 years, respectively. The above mentioned right-of-use assets cannot be used for purposes such as loan pledge and guarantee. Lease terms are negotiated on an individual basis, including variable terms and conditions. In determining lease terms and assessing the lengths of the irrevocable period, the Group applies the definition of contract and determines the enforceable period of contract.

The Group’s lease payments are fixed payments.

Short-term lease expenses under simplified approach recognised in profit or loss for the year amount to RMB22,387,215.85 (2024: RMB21,184,223.55), without lease of low-value assets.

The total cash outflows relating to lease for the current year amount to RMB173,658,719.32 (2024: RMB280,410,506.07).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Hedges

Cash flow hedges

Commodity futures contracts

The Group engages in the business of mining and selling copper products and is exposed to cash flow risk arising from changes in the copper price for the copper products it expects to sell. Therefore, the Group uses copper futures contracts to reduce the cash flow risk arising from changes in the commodity prices of copper products expected to be sold. The refined copper produced and sold by the Group is the same as the refined copper corresponding to the copper futures contracts. Through qualitative analysis, the Group determines that the quantitative ratio between hedging instrument and the hedged items is 1:1, and considers the hedge to be highly effective.

As at the balance sheet date, the gain or loss arising from the changes in fair value of cash flow hedging instruments recognised in other comprehensive income amounted to RMB-50,477,165.39 (2024: RMB-93,797,155.39).

During the year, the amount reclassified from other comprehensive income to profit or loss is RMB26,902,958.76 (2024: RMB-236,564,300.90).

Fair value hedges

Refined copper futures contracts

The Group adopts refined copper futures contracts to hedge its exposure to price fluctuations in refined copper inventories. Through qualitative analysis, the Group determines that the quantitative ratio between hedging instrument and the hedged items is 1:1, and considers the hedge to be highly effective. As at the balance sheet date, inventories include fair value changes of RMB558,756,656.00 (2024: RMB-11,078,337.96) accounted for as hedged items.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Hedges (Continued)

Hedging instruments

Key information on the Group's hedging instruments is as follows:

	31 December 2025 **Carrying amount of the hedging instruments**	**Items including hedging instruments as presented on the balance sheet**
Cash flow hedges		
Commodity price risk – Commodity futures contracts	–	Derivative financial assets
Fair value hedges		
Commodity price risk – Commodity futures contracts	558,756,656.00	Derivative financial liabilities

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VI). CHANGES IN SCOPE OF CONSOLIDATION

1. Acquisition of subsidiaries

(1) Acquisition of assets incurred in 2025

RMB

Name of acquiree	Timing of equity acquisition	Acquisition cost	Proportion acquired (%)	Acquisition approach	Determination basis of acquisition date	Revenue of the acquiree from the acquisition date to the end of the period	Net loss of the acquiree from the acquisition date to the end of the period	Cash flows of the acquiree from the acquisition date to the end of the period
Lumina Gold Corp.	24 June 2025	2,986,753,415.82	100	Cash	Control has been transferred	–	(645,594,827.56)	(140,211,318.80)

On 21 April 2025, the Company announced the acquisition of all issued and unissued ordinary shares of Canadian publicly listed company, Lumina Gold Corp, through an overseas entity in an all-cash transaction, with a total transaction value of approximately CAD581 million. On 24 June 2025, the Group completed the acquisition of 100% equity in Lumina Gold Corp., thereby securing 100% interest in the Odin Mining. The mine is currently ongoing within the mining concession and at depth within the ore body. The Company's management considers that the aforementioned transaction does not constitute a business acquisition and treats it as an asset acquisition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VI). CHANGES IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Acquisition of subsidiaries (Continued)

(1) Acquisition of assets incurred in 2025 (Continued)

Identifiable assets and liabilities of the acquiree at the date of acquisition

RMB

Item	**Fair value at the acquisition date**
Cash and bank balances	144,079,655.29
Other receivables	5,243,894.12
Other current assets	577,226.84
Fixed assets	6,037,365.88
Intangible assets	4,913,995,742.09
Right-of-use assets	1,380,854.35
Long-term prepaid expenses	33,348.13
Sub-total of assets	**5,071,348,086.70**
Derivative financial liabilities *(Note 1)*	946,084,927.09
Other payables	1,135,781,069.51
Interest payable	1,317,966.91
Lease liabilities	1,410,707.37
Sub-total of liabilities	**2,084,594,670.88**
Net assets	**2,986,753,415.82**
Net assets acquired	2,986,753,415.82
Considerations – Cash *(Note 2)*	2,842,673,760.53

Note 1: It mainly refers to written options linked to forward metal prices included in the metal flow transaction agreement entered into by Lumina Gold Corp with third parties.

Note 2: The net amount paid for the acquisition of the aforementioned assets is presented in the consolidated cash flow statement under "cash payments to acquire or construct fixed assets, intangible assets and other long-term assets".

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VI). CHANGES IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Acquisition of subsidiaries (Continued)

(2) Business combinations not involving enterprises under common control incurred in 2024

RMB

Name of acquiree	Timing of equity acquisition	Acquisition cost	Proportion acquired (%)	Acquisition approach	Acquisition date	Determination basis of acquisition date	Revenue of the acquiree from the acquisition date to the end of the period	Net profit of the acquiree from the acquisition date to period end	Cash flows of the acquiree from the acquisition date to the end of the period
Zhonghe Metallurgical	29 May 2024	20,000,000.00	51	Cash	29 May 2024	Control has been transferred	110,364,301.72	15,483,857.20	13,854,554.26

On 16 January 2024, the Company entered into an equity transfer agreement with third parties, Luanchuan Zhongcheng Industry and Trade Co., Ltd., Luanchuan Xingtai Industry and Trade Co., Ltd. and Zhonghe Metallurgical to transfer 24.48% of the shares of Zhonghe Metallurgical held by Luanchuan Zhongcheng Industry and Trade Co., Ltd. and 26.52% of the shares of Zhonghe Metallurgical held by Luanchuan Xingtai Industry and Trade Co., Ltd. at a consideration of RMB20,000,000.00. The equity transfer was completed on 29 May 2024 for settlement.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VI). CHANGES IN SCOPE OF CONSOLIDATION (CONTINUED)

2. Changes in the consolidation scope due to other reasons

On 29 April 2025, the Group completed the deregistration of Molybdenum Industry Group Metal Materials Co., Ltd. ("Metal Materials").

On 17 October 2025, the Group completed the deregistration of Shanghai Moju Engineering Technology Consulting Co., Ltd. ("Shanghai Moju").

On 7 November 2025, the Group completed the deregistration of Shanghai Fuyi Engineering Technology Consulting Co., Ltd. ("Shanghai Fuyi").

On 7 June 2025, the Group established a third-tier subsidiary, 1536188 B.C. LTD, in Canada. It mainly engages in investment holding.

On 19 November 2025, the Group established a fourth-tier subsidiary, CMOC Prosperity PTE.LTD, in Singapore. It mainly engages in investment holding.

On 19 November 2025, the Group established a fourth-tier subsidiary, Nova Energy Capital Limited, in Hong Kong. It mainly engages in investment holding.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VII). INTERESTS IN OTHER ENTITIES

1. Interests in subsidiaries

(1) Composition of the Group

Name of significant subsidiaries	Principal operation place	Paid-in capital	Place of registration	Nature of business	Shareholding ratio (%) Direct	Indirect	Acquisition method
China Molybdenum Tungsten Co., Ltd. ("Wu Ye")	China	RMB300,000,000.00	Luanchuan, Henan	Refining and sales of mineral products	100	–	Investment establishment
Luanchuan Fu Kai Trading Co., Ltd. ("Fu Kai")	China	RMB100,000.00	Luanchuan, Henan	Trading of molybdenum and tungstenic products	100	–	Investment establishment
China Molybdenum (Hong Kong) Company Limited ("CMOC HK")	Hong Kong, China	HKD2,148,552,236.38	Hong Kong, China	Sales of mineral products	100	–	Investment establishment
Luoyang Mudu International Hotel Co., Ltd. ("Luoyang International")	China	RMB290,000,000.00	Luoyang, Henan	Hotel	100	–	Investment establishment
Xin Kuang Luo Mu	China	RMB1,400,000,000.00	Hami	Selection and sales of mineral products	65.1	–	Investment establishment
Luanchuan County Jiuyang Mining Co., Ltd. ("Jiu Yang")	China	RMB33,390,000.00	Luanchuan, Henan	Refining and sales of mineral products	51	–	Investment establishment
Luanchuan County Sanqiang Molybdenum Tungsten Co., Ltd. ("San Qiang")	China	RMB55,480,000.00	Luanchuan, Henan	Refining and sales of mineral products	51	–	Investment establishment
Luanchuan County Dadongpo Tungsten Molybdenum Co., Ltd. ("Da Dong Po")	China	RMB65,654,411.50	Luanchuan, Henan	Refining and sales of mineral products	51	–	Investment establishment
China Molybdenum Sales Co., Ltd. ("Sales Company")	China	RMB50,000,000.00	Luanchuan, Henan	Sales of mineral products	100	–	Investment establishment
CMOC Limited	Hong Kong, China	USD4,747,349,273.10	Hong Kong, China	Investment holding	100	–	Investment establishment
Schmoke (Shanghai) International Trading Co., Ltd. ("Schmocke")	China	RMB660,000,000.00	Shanghai	Import and export of goods and technology	100	–	Investment establishment
Beijing Yongbo Resources Investment Holding Co., Ltd. ("Beijing Yongbo")	China	RMB267,800,000.00	Beijing	Consulting, asset management and sales	100	–	Investment establishment
CMOC DRC	Hong Kong, China	–	Hong Kong, China	Mining services	–	100	Investment establishment
CMOC UK	UK	USD1.30	UK	Mining services and sales	–	100	Investment establishment
CMOC Luxembourg S.A.R.L ("CMOC Luxembourg")	Luxembourg	USD600,020,000.00	Luxembourg	Investment holding	–	100	Investment establishment

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VII). INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of significant subsidiaries	Principal operation place	Paid-in capital	Place of registration	Nature of business	Shareholding ratio (%) Direct	Shareholding ratio (%) Indirect	Acquisition method
CMOC Capital Limited ("CMOC Capital")	BVI	–	BVI	Investment holding	–	100	Investment establishment
Shanghai Ruichao Investment Co., Ltd. ("Ruichao")	China	RMB250,000,000.00	Shanghai	Consulting, enterprise operating and management	–	100	Investment establishment
TibetSchmocke	China	RMB10,000,000.00	Tibet	Consulting, asset management and sales	–	100	Investment establishment
Shanghai Donghe Trading Co., Ltd. ("Dong He")	China	RMB50,000,000.00	Shanghai	Sales of metal materials, and mineral products	–	100	Investment establishment
Shanghai Hongmu Technology Services Co., Ltd.	China	–	Shanghai	Technology services	–	100	Investment establishment
Natural Resource Elite Investment Limited ("NREIL")	Hong Kong, China	USD212,400,000.00	Hong Kong, China	Investment holding	–	100	Investment establishment
W-Source Holding Limited	Hong Kong, China	USD1,125.87	Hong Kong, China	Investment holding	–	100	Business combinations not involving enterprises under common control
Ridgeway CommoditiesS.A.	Switzerland	USD99,108.42	Switzerland	Metal trading	–	100	Investment establishment
IXM Holding SA	Switzerland	USD102,818.49	Switzerland	Investment holding	–	100	Business combinations not involving enterprises under common control
IXM B.V. and its subsidiaries	Switzerland	USD0.05	Netherland	Metal trading	–	100	Business combinations not involving enterprises under common control
Luoyang Dinghong Trading Co., Ltd. ("Dinghong")	China	RMB425,683,000.00	Luoyang, Henan	Sales of metal materials, and mineral products	–	100	Investment establishment
CMOC Singapore Pte. Ltd.	Singapore	USD417,225,912.27	Singapore	Metal trading	–	100	Investment establishment
KFM Holding Limited.	Hong Kong, China	USD550,020,000.00	Hong Kong, China	Investment holding	–	75	Investment establishment
CMOC Brasil Mineração, Indústria e Participações Ltda. ("CMOC Brasil")	Brazil	USD830,000,000.00	Brazil	Mining, processing and sales of mineral products	–	100	Investment establishment

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VII). INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of significant subsidiaries	Principal operation place	Paid-in capital	Place of registration	Nature of business	Shareholding ratio (%) Direct	Indirect	Acquisition method
Ningbo Baiya Investment Co., Ltd. ("Ningbo Baiya")	China	RMB11,000,000.00	Ningbo, Zhejiang	Investment management	–	100	Investment establishment
Hainan Muxing Trading Co., Ltd. ("Hainan Muxing")	China	RMB200,000,000.00	Haikou, Hainan	Import and export trading	–	100	Investment establishment
Purveyors South Africa Mine Services CMOC ("CMOC South Africa")	Republic of South Africa	–	Republic of South Africa	Logistics transportation	–	100	Business combinations not involving enterprises under common control
CMOC International DRC Holdings Limited ("CIDHL")	Bermuda	–	Bermuda	Investment holding	–	100	Business combinations not involving enterprises under common control
BHR Newwood Investment Management Limited ("BHR")	BVI	USD470,000,000.00	BVI	Investment holding	–	100	Business combinations not involving enterprises under common control
Congo Construction Company SARL	Congo (DRC)	USD100,000.00	Congo (DRC)	Refining and sales of mineral products	–	100	Business combinations not involving enterprises under common control
TF Holdings Limited ("TFHL")	Bermuda	USD8,400.00	Bermuda	Investment holding	–	100	Business combinations not involving enterprises under common control

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VII). INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of significant subsidiaries	Principal operation place	Paid-in capital	Place of registration	Nature of business	Shareholding ratio (%) Direct	Indirect	Acquisition method
Shanghai Aoyide Trading Co., Ltd. ("Shanghai Aoyide")	China	RMB60,000,000.00	Shanghai	Domestic non-ferrous trading	–	100	Investment establishment
Kisanfu Holding Ltd.	Bermuda	USD97,876,162.00	Bermuda	Investment holding	–	75	Acquisition of assets
Tenke Fungurume Mining S.A. ("TFM")	Congo (DRC)	–	Congo (DRC)	Mining and processing	–	80	Business combinations not involving enterprises under common control
CMOC Kisanfu Mining S.A.R.L.	Congo (DRC)	USD102,132,800.00	Congo (DRC)	Mining and processing	–	71.25	Acquisition of assets
CMOC Commodity	Hong Kong, China	–	Hong Kong, China	Investment holding	–	100	Investment establishment
Shanghai Muchao Enterprise Management Co., Ltd.	China	–	Shanghai	Consulting service	–	100	Investment establishment
Artemida Limited	Hong Kong, China	–	Hong Kong, China	Metal trading	–	100	Investment establishment
CMOC Zeta Limited	Hong Kong, China	–	Hong Kong, China	Investment holding		100	Investment establishment
CMOC Fortune Limited	Hong Kong, China	USD1,000,000.00	Hong Kong, China	Investment holding		100	Investment establishment
CMOC New Resources Limited	Hong Kong, China	–	Hong Kong, China	Investment holding	–	100	Investment establishment
CMOC ZIMBABWE (PRIVATE) LIMITED	Zimbabwe	USD1,000,000.00	Harare	Mining development and sales		100	Investment establishment
Hongde Kuangxin	China	RMB60,000,000.00	Shanghai	Technical services and software development	–	100	Investment establishment

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VII). INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Composition of the Group (Continued)

Name of significant subsidiaries	Principal operation place	Paid-in capital	Place of registration	Nature of business	Shareholding ratio (%) Direct	Indirect	Acquisition method
Zhonghe Metallurgical	China	RMB20,000,000,000.00	Luanchuan, Henan	Selection and sales of mineral products	51	–	Business combinations not involving enterprises under common control
Lumina Gold Corp. *(Note 1)*	Canada	USD229,232,162,29	Canada	Investment holding		100	Acquisition of assets
Lumina Trading (Cayman) Ltd. *(Note 1)*	Cayman Islands	USD1.00	Cayman Islands	Metal trading		100	Acquisition of assets
Odin Mining *(Note 1)*	Ecuador	USD9,300,000.00	Ecuador	Mining and processing		100	Acquisition of assets

Note 1: On 24 June 2025, the Group acquired Lumina Gold Corp. and its subsidiaries, which primarily engage in mining and processing.

The subsidiaries of the Group incorporated in China are all limited liability companies.

As at 31 December 2025, the Company's subsidiaries had no bonds in issue.

2. Interests in joint ventures or associates

(1) Significant joint ventures or associates

Name	Principal operation place	Place of registration	Nature of business	Shareholding ratio (%) Direct	Indirect	Accounting treatments for investments in joint ventures or associates
Huan Yu	Luoyang, Henan	Luoyang, Henan	Investment	50	–	Equity method
Huayue Nickel Cobalt	Indonesia	Indonesia	Refining and sales of mineral products	–	30	Equity method
LUALABA	Congo (DRC)	Congo (DRC)	Power generation	–	44	Equity method

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VII). INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint ventures or associates (Continued)

(2) Key financial information of significant joint ventures

RMB

Joint ventures	**31 December 2025/ 2025 Huan Yu** *(Note 1)*	31 December 2024/ 2024 Huan Yu *(Note 1)*
Current assets	**239,244,817.58**	308,888,985.38
Including: Cash and cash equivalents	**57,117,521.57**	200,489,987.01
Non-current assets	**1,840,909,179.36**	1,824,785,814.07
Total assets	**2,080,153,996.94**	2,133,674,799.45
Current liabilities	**352,289,206.76**	760,749,906.73
Non-current liabilities	**266,622,058.68**	176,008,938.74
Total liabilities	**618,911,265.44**	936,758,845.47
Minority interests	**46,542,790.09**	19,020,851.18
Equity attributable to equity holders of the Company	**1,414,699,941.41**	1,177,895,102.80
Share of net assets calculated based on shareholding proportion	**707,349,970.71**	588,947,551.40
Adjusting events *(Note 2)*	**(92,084,813.09)**	(69,164,738.10)
Carrying amount of equity investments in joint ventures	**615,265,157.62**	519,782,813.30
Fair value of equity investments in joint ventures where there is quoted price	**N/A**	N/A
Operating income	**861,938,909.00**	1,377,968,752.41
Financial expenses	**18,982,086.35**	34,252,081.44
Income tax expenses	**98,740,376.51**	235,037,351.80
Net profit	**286,500,286.67**	507,246,704.17
Total comprehensive income	**286,500,286.67**	507,246,704.17
Dividends received from joint ventures in the current period	**–**	210,000,000.00

Note 1: The joint venture of the Group, Huan Yu, has 90% equity interest in Fu Chuan; meanwhile, the Company directly holds the remaining 10% interest in Fu Chuan.

Note 2: According to the agreement with local government, the local government is entitled to 8% of the dividend rights of Fu Chuan. Thus, the Group actually holds 47% of the profit or loss of Fu Chuan under equity method.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VII). INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint ventures or associates (Continued)

(3) Key financial information of significant associates

RMB

	31 December 2025/2025		31 December 2024/2024	
Associate	**Huayue Nickel Cobalt**	**LUALABA**	Huayue Nickel Cobalt	LUALABA
Current assets	**4,363,898,340.11**	**99,208,965.24**	3,995,250,293.56	79,870,415.34
Including: Cash and cash equivalents	**570,331,919.81**	**68,706,446.13**	771,714,725.55	15,653,554.37
Non-current assets	**8,016,989,993.20**	**1,235,063,404.84**	8,660,054,436.37	1,162,458,059.86
Total assets	**12,380,888,333.31**	**1,334,272,370.08**	12,655,304,729.93	1,242,328,475.20
Current liabilities	**860,188,378.49**	**120,206,915.51**	675,095,364.23	1,925,774.16
Non-current liabilities	**2,871,468,629.37**	**–**	5,075,957,787.82	16,677,088.00
Total liabilities	**3,731,657,007.86**	**120,206,915.51**	5,751,053,152.05	18,602,862.16
Minority interests	**–**	**–**	–	–
Equity attributable to equity holders of the Company	**8,649,231,325.45**	**1,214,065,454.57**	6,904,251,577.88	1,223,725,613.04
Share of net assets calculated based on shareholding proportion	**2,594,769,397.64**	**534,188,800.00**	2,071,275,473.36	538,439,269.74
Adjusting events	**11,522,530.96**	**–**	15,151,478.83	–
Carrying amount of equity investments in associates	**2,606,291,928.60**	**534,188,800.00**	2,086,426,952.19	538,439,269.74
Fair value of equity investments in associates where there is quoted price	**N/A**	**N/A**	N/A	N/A
Operating income	**8,004,924,711.27**	**–**	6,974,755,425.87	–
Financial expenses	**(232,664,753.74)**	**–**	(363,131,104.32)	–
Income tax expenses	**(20,112,032.00)**	**–**	(637,596.71)	–
Net profit (loss)	**1,827,715,343.70**	**17,708,323.45**	1,462,287,506.57	(17,775,458.93)
Other comprehensive income (loss)	**(175,839,561.77)**	**(27,368,481.93)**	91,504,447.50	8,996,981.07
Total comprehensive income (loss)	**1,651,875,781.93**	**(9,660,158.48)**	1,553,791,954.07	(8,778,477.86)
Dividends received from associates in the current period	**–**	**–**	–	–

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Group's major financial instruments are included in accounts such as cash and bank balances, held-for-trading financial assets, derivative financial assets, accounts receivable, receivables financing, other receivables, non-current assets due within one year, other current assets, investments in other equity instruments, other non-current financial assets, other non-current assets, held-for-trading financial liabilities, derivative financial liabilities, notes payable, accounts payable, other payables, borrowings, non-current liabilities due within one year and other non-current liabilities. Details of these financial instruments are disclosed in Note (V). The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure the risks are monitored within a certain range.

RMB'000

	31 December 2025	31 December 2024
Financial assets		
Measured at FVTPL		
Held-for-trading financial assets	**13,642,642**	6,509,906
Derivative financial assets	**1,845,993**	1,393,128
Other non-current financial assets	**3,121,440**	2,804,861
Measured at FVTOCI		
Receivables financing	**59,224**	80,435
Investment in other equity instruments	**46,380**	7,139
Measured at amortised cost		
Cash and bank balances	**33,563,956**	30,427,258
Accounts receivable	**1,210,025**	647,879
Other receivables	**786,283**	842,924
Other current assets	**8,671,855**	1,764,513
Non-current assets due within one year	**1,208,974**	437,586
Other non-current assets	**815,696**	1,852,148
Financial liabilities		
Measured at FVTPL		
Held-for-trading financial liabilities	**8,184,443**	2,835,872
Derivative financial liabilities	**10,425,801**	1,454,738
Measured at amortised cost		
Short-term borrowings	**27,128,886**	13,960,237
Notes payable	**472,133**	606,310
Accounts payable	**5,141,796**	4,807,065
Other payables	**3,498,341**	5,160,820
Non-current liabilities due within one year	**3,365,420**	6,072,650
Long-term borrowings	**1,166,200**	9,333,840
Other non-current liabilities	**1,631,632**	2,414,447

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The Group adopts sensitivity analysis technique to analyse how the profit or loss for the period and shareholders' equity would have been affected by reasonably possible changes in the relevant risk variables. As it is unlikely that risk variables will change in an isolated manner, and the interdependence among risk variables will have significant effect on the amount ultimately influenced by the changes in a single risk variable, the following are based on the assumption that the change in each risk variable is on a stand-alone basis.

1. Risk management objectives, policies and procedures, and changes for the period

The Group's risk management objectives are to achieve a proper balance between risks and yield, minimise the adverse impacts of risks on the Group's operation performance, and maximise the benefits of the shareholders and other equity investors. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyse the Group's exposure to various risks, establish an appropriate maximum tolerance to risk, implement risk management, and monitors regularly and effectively these exposures to ensure the risks are monitored at a certain level.

1.1. Market risk

1.1.1. Currency risk

Currency risk refers to the risk of loss due to exchange rate changes. The Group is subject to foreign exchange risk mainly related to USD, RMB, BRL, CDF, JPY, MXN and PEN. The principal business activities of the subsidiaries in the PRC are denominated and settled in RMB. The Group's Niobium and Phosphorus businesses in Brazil are principally denominated and settled in USD and BRL and the Group's Copper-Cobalt business in Congo (DRC) is principally denominated and settled in USD and CDF. Foreign currency transactions are mainly domestic financing activities settled in USD, operating activities of subsidiaries in Brazil of which the functional currency is USD settled in BRL, and operating activities of subsidiaries in Congo (DRC) of which the functional currency is USD settled in CDF. The Group pays close attention to the influence of exchange rate changes on the currency risk, and manages currency risk by purchasing forward exchange contracts and exchange rate option contracts. For details, refer to Note (V) 3 & 25.

As at 31 December 2025, the Group's financial assets and financial liabilities denominated in foreign currencies are presented as follows. The currency risk arising from the assets and liabilities of such foreign currency balances may have an impact on the Group's operating results.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.1. Currency risk (Continued)

RMB'000

	31 December 2025	31 December 2024
USD		
Cash and bank balances	**751,873**	2,980,567
Sub-total	**751,873**	2,980,567
RMB		
Cash and bank balances	**1,783**	402,946
Non-current liabilities due within one year	**(316,771)**	(32,134)
Long-term borrowings	**–**	(315,000)
Short-term borrowings	**(1,566,276)**	–
Sub-total	**(1,881,264)**	55,812
BRL		
Cash and bank balances	**283,490**	186,812
Sub-total	**283,490**	186,812
CDF		
Cash and bank balances	**10,621**	6,021
Sub-total	**10,621**	6,021
JPY		
Cash and bank balances	**4,193,761**	1,294,562
Sub-total	**4,193,761**	1,294,562
MXP		
Cash and bank balances	**177**	995
Short-term borrowings	**(112,238)**	(59,095)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.1. Currency risk (Continued)

	31 December 2025	31 December 2024
Sub-total	**(112,061)**	(58,100)
PEN		
Cash and bank balances	**1,506**	260
Short-term borrowings	**(668,262)**	(209,479)
Sub-total	**(666,756)**	(209,219)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.1. Currency risk (Continued)

The following table is a sensitivity analysis on exchange rate risk, which reflects that, where all other variables are held constant, the reasonably possible changes in the foreign exchange rate of foreign currencies (USD, RMB, BRL, JPY, etc.) may have the following pre-tax effect on the profit or loss for the period and shareholders' equity. The Group does not consider the effect of current forward foreign exchange contracts and foreign exchange option contracts in the sensitivity analysis as below.

RMB'000

		2025		2024	
Item	**Changes in exchange rate**	**Effect on profits**	**Effect on shareholders' equity**	Effect on profits	Effect on shareholders' equity
Entities which are denominated in RMB					
Profit and equity	Depreciation by 10% of USD against RMB	**(75,187)**	**(75,187)**	(298,057)	(298,057)
Entities which are denominated in USD					
Profit and equity	Depreciation by 10% of RMB against USD	**188,126**	**188,126**	(5,581)	(5,581)
	Depreciation by 10% of BRL against USD	**(28,349)**	**(28,349)**	(18,681)	(18,681)
	Depreciation by 10% of JPY against USD	**(419,376)**	**(419,376)**	(129,456)	(129,456)
	Depreciation by 10% of CDF against USD	**(1,062)**	**(1,062)**	(602)	(602)
	Depreciation by 10% of PEN against USD	**66,676**	**66,676**	20,922	20,922
	Depreciation by 10% of MXN against USD	**11,206**	**11,206**	5,810	5,810

The management of the Group believes that the year-end currency risk cannot reflect the foreign currency risk of the year, and the sensitivity analysis cannot reflect the inherent currency risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.2. Interest rate risk

The Group's interest rate risk mainly arises from interest-bearing debts such as long-term bank borrowings and short-term bank borrowings. Financial liabilities with floating interest rate expose the Group to cash flow interest rate risk, while financial liabilities with fixed interest rate expose the Group to fair value interest rate risk. The Group determines the relative proportion of fixed interest rate and floating interest rate contracts according to the market environment at that time. See Note (V) 23 and 34 for details of the Group's bank borrowings, among which the balance of the Group's borrowings with floating interest rate at the end of the year is RMB22,615,621,000.

Sensitivity analysis on interest rate risk assumes: Changes in market interest rates affect the interest income or expenses of floating-rate financial instruments.

On the basis of the above assumption, where all other variables are held constantly, the reasonably possible changes in the interest rate may have the following pre-tax effect on the profit or loss for the year and shareholders' equity:

RMB'000

		2025		2024	
Item	**Changes in interest rate**	**Effect on profits**	**Effect on shareholders' equity**	Effect on profits	Effect on shareholders' equity
Floating interest rate	Increase 50 base points of interest rate	**(113,078)**	**(113,078)**	(111,147)	(111,147)
Floating interest rate	Decrease 50 base points of interest rate	**113,078**	**113,078**	111,147	111,147

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.3. Commodity price risk

International copper prices have a significant impact on the operating results of the Group's subsidiaries in Congo (DRC). Copper prices fluctuated in the past and the factors causing the fluctuation were beyond the control of the Group. The Group does not hedge against the fluctuation risk of copper prices. In addition, IXM engages in business related to metal trading platform, of which the operating result is significantly affected by the international price fluctuation of metals such as aluminum and nickel. IXM hedges the risk of the metal price fluctuation through commodity futures contract and commodity option contract. Details are set out in Note (V) 3 and 25.

The table below shows the sensitivity analysis of the Copper price on the balance sheet date, which reflects the pre-tax effect of unpriced accounts receivable of the Group at the end of the year on the total profit and shareholders' equity when the market price of Copper is changed reasonably and possibly under the assumption that other variables remain unchanged.

RMB'000

		2025		2024	
Item	**Increase/(Decrease) percentage**	**Effect on profits**	**Effect on shareholders' equity**	Effect on profits	Effect on shareholders' equity
Market price of copper	5%	**14,065**	**14,065**	27,783	27,783
Market price of copper	(5%)	**(14,065)**	**(14,065)**	(27,783)	(27,783)

1.1.4. Other price risk

The equity instrument investments held by the Group, including other non-current financial assets and investment in other equity instruments measured at fair value, are measured at fair value at each balance sheet date. As at the end of the reporting period, the equity instrument investments held by the Group mainly comprise listed securities and assets management plans, therefore, the Group is directly or indirectly exposed to the risk of fluctuation of securities market price. If the equity price of the equity instrument investments held by the Group increases or decreases by 5% while other variables remain unchanged, the shareholders' equity and profit or loss of the Group will increase or decrease by RMB85,737,000 at the end of the year (excluding the impact of income tax) (2024: RMB75,846,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.2. Credit risk

As at 31 December 2025, the Group's maximum exposure to credit risk which will cause a financial loss to the Group is due to the failure of counterparties to fulfil an obligation, including the carrying amount of the financial assets recognised in the balance sheet of the Group.

In order to minimise the credit risk, the Group has specific personnel of the credit management department responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of financial assets at each balance sheet date to ensure that adequate allowances for ECLs are made for irrecoverable amounts. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

The Group's policies on assessment of significant increase in credit risk since initial recognition, basis for determination of credit impairment on financial assets, classification of financial instruments on expected credit loss on a portfolio basis, and direct written-down of financial instruments are set out in Note (III) 11.2.1, Note (III) 11.2.2, Note (III) 11.2.3, and Note (III) 11.2.4.

The credit risk on cash and bank balances is low because they are deposited with banks with high credit ratings.

The Group holds bank acceptances, of which most bank acceptances are issued by banks with higher credit rating, therefore, the management of the Group believes relevant credit risk on bank acceptances is low. Details are set out in Note (V) 5.

The Group only trades with recognised, creditworthy customers. Total amount of top five entities with the largest balances of accounts receivable as at 31 December 2025 accounts for 57.84% of the amount of total accounts receivable (31 December 2024: 63.45%). Accounts receivable balances are monitored on an ongoing basis with the result that the Group's exposure to credit risk is controlled. Products are sold only to companies whose credit information is in an acceptable range. Credit limits have been set for most of the customers and they are monitored systematically. For overseas sales, letters of credit are generally used. Details of analysis on related credit risk are set out in Note (V) 4.

For credit risk arising from other receivables, other current assets and other non-current assets, the Group's exposure to credit risk arising from default of counterparties is limited as most of the counterparties are entities with good credit standing and the Group does not expect any significant loss for uncollected advances to these entities, except for those items for which provision for impairment has been made. Details of analysis on related credit risk are set out in Note (V) 7, 10 and 21.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.3. Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The following is the maturity analysis for financial liabilities held by the Group which is based on undiscounted remaining contractual obligations:

RMB'000

2025	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Non-derivative financial liabilities					
Short-term borrowings	28,373,559	–	–	–	28,373,559
Long-term borrowings	2,705,261	1,245,073	–	–	3,950,334
Held-for-trading financial liabilities	8,184,443	–	–	–	8,184,443
Notes payable	472,133	–	–	–	472,133
Accounts payable	5,141,796	–	–	–	5,141,796
Other payables	3,498,341	–	–	–	3,498,341
Lease liabilities	126,885	24,739	66,348	12,592	230,564
Other non-current liabilities	857,880	857,880	857,880	–	2,573,640
Derivatives					
Derivative financial liabilities	10,425,801	–	–	–	10,425,801
Total	59,786,099	2,127,692	924,228	12,592	62,850,611

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.3. Liquidity risk (Continued)

RMB'000

2024	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Non-derivative financial liabilities					
Short-term borrowings	14,600,733	–	–	–	14,600,733
Long-term borrowings	3,555,622	8,259,490	1,353,762	–	13,168,874
Held-for-trading financial liabilities	2,835,872	–	–	–	2,835,872
Notes payable	606,310	–	–	–	606,310
Accounts payable	4,807,065	–	–	–	4,807,065
Other payables	5,160,820	–	–	–	5,160,820
Bonds payable	2,080,743	–	–	–	2,080,743
Lease liabilities	144,118	46,988	78,985	33,219	303,310
Other non-current liabilities	873,840	873,840	1,747,680	–	3,495,360
Derivatives					
Derivative financial liabilities	1,454,738	–	–	–	1,454,738
Total	36,119,861	9,180,318	3,180,427	33,219	48,513,825

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(IX). GOVERNMENT GRANTS

1. Items of liabilities related to government grants

RMB

Item of liabilities	1 January 2025	Increase	Included in other income	31 December 2025	Related to assets/income
Low-grade scheelite demonstration project	12,842,260.80	–	(7,004,869.80)	**5,837,391.00**	Related to assets
Nannihu land transfer compensation	12,660,067.10	–	(385,585.80)	**12,274,481.30**	Related to assets
Exemption from industrial land transfer fees in Nanhu, Xinjiang	25,491,118.68	83,636,828.80	(1,489,006.93)	**107,638,940.55**	Related to assets
Others	3,000,000.00	–	–	**3,000,000.00**	Related to assets
Total	53,993,446.58	83,636,828.80	(8,879,462.53)	**128,750,812.85**	

2. Government grants included in profit or loss for the period

RMB

Item	2025	2024
Government subsidies for stabilising job posts	**13,522,891.33**	10,638,271.02
Nannihu land transfer compensation	**385,585.80**	385,585.80
Low-grade scheelite demonstration project	**7,004,869.80**	7,004,869.80
R&D rewards	**–**	219,000.00
Special manufacturing development fund	**3,950,000.00**	4,180,000.00
Tax refunds	**34,242,633.86**	107,698,178.35
Incentive payout by the government	**1,930,000.00**	2,000,000.00
Sinosure fiscal support fund	**2,590,923.50**	6,000,000.00
Services charges for individual income tax refunded by tax authorities	**1,611,645.38**	991,127.98
Special awards and subsidies	**16,343,900.00**	1,154,000.00
Award for research on comprehensive utilisation of associated resources of molybdenum and tungsten ore	**–**	1,200,000.00
Exemption from industrial land transfer fees in Nanhu, Xinjiang	**1,489,006.93**	171,081.62
Others	**7,410,528.77**	9,359,820.81
Total	**90,481,985.37**	151,001,935.38

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(X). DISCLOSURE OF FAIR VALUE

1. Fair value of assets and liabilities measured at fair value at the end of the year

RMB'000

Item	Fair value at 31 December 2025 Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
I. Continuous fair value measurement				
(1) Held-for-trading financial assets:				
1. Financial assets at FVTPL	–	12,591,866	1,050,776	13,642,642
– Accounts receivable	–	11,533,126	–	11,533,126
– Structured deposits	–	–	300,011	300,011
– Wealth management products	–	–	581,676	581,676
– Others	–	1,058,740	169,089	1,227,829
(2) Other equity instruments:				
– Equity instrument investments	–	35,271	11,109	46,380
(3) Inventories:				
– Trading inventories	–	14,097,857	–	14,097,857
– Consumable biological assets	–	–	93,325	93,325
(4) Receivables financing:	–	–	59,224	59,224
(5) Other non-current financial assets:				
– Share of partnership	–	–	978,139	978,139
– Share of funds	–	–	848,505	848,505
– Directional capital management plan	–	–	994,995	994,995
– Equity in unlisted companies	–	–	142,823	142,823
– Equity in listed companies	1,090	–	–	1,090
– Others	–	–	155,889	155,889
(6) Derivative financial assets:				
– Commodity futures contracts	326,117	–	–	326,117
– Forward exchange contract	–	78,537	–	78,537
– Forward commodity contract	–	1,441,339	–	1,441,339
Total assets measured continuously at fair value	327,207	28,244,870	4,334,785	32,906,862
(7) Held-for-trading financial liabilities:				
– Accounts payable	–	8,184,443	–	8,184,443
(8) Derivative financial liabilities:				
– Commodity futures contracts	7,445,631	–	–	7,445,631
– Forward exchange contract	–	83,454	–	83,454
– Forward commodity contract	–	1,373,936	–	1,373,936
– Commodity option contract	–	–	1,522,780	1,522,780
Total liabilities measured continuously at fair value	7,445,631	9,641,833	1,522,780	18,610,244

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(X). DISCLOSURE OF FAIR VALUE (CONTINUED)

1. Fair value of assets and liabilities measured at fair value at the end of the year (Continued)

RMB'000

Item	Fair value at 31 December 2024			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
I. Continuous fair value measurement				
(1) Held-for-trading financial assets:				
1. Financial assets at FVTPL	–	5,745,721	764,184	6,509,905
– Accounts receivable	–	5,724,553	–	5,724,553
– Structured deposits	–	–	750,400	750,400
– Others	–	21,168	13,784	34,952
(2) Other equity instruments:				
– Equity instrument investments	–	–	7,139	7,139
(3) Inventories:				
– Trading inventories	–	7,874,347	–	7,874,347
– Consumable biological assets	–	–	100,096	100,096
(4) Receivables financing:	–	–	80,435	80,435
(5) Other non-current financial assets:				
– Wealth management products entrusted by banks	–	–	42,507	42,507
– Share of partnership	–	–	778,069	778,069
– Share of funds	–	–	848,693	848,693
– Directional capital management plan	–	–	967,996	967,996
– Equity in unlisted companies	–	–	128,960	128,960
– Equity in listed companies	493	–	–	493
– Others	–	–	38,144	38,144
(6) Derivative financial assets:				
– Commodity futures contracts	842,945	–	–	842,945
– Forward exchange contract	–	162,071	–	162,071
– Forward commodity contract	–	388,113	–	388,113
Total assets measured continuously at fair value	843,438	14,170,252	3,756,223	18,769,913

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(X). DISCLOSURE OF FAIR VALUE (CONTINUED)

1. Fair value of assets and liabilities measured at fair value at the end of the year (Continued)

Item	Fair value at 31 December 2024 Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
(7) Held-for-trading financial liabilities:				
– Accounts payable	–	2,835,872	–	2,835,872
(8) Derivative financial liabilities:				
– Commodity futures contracts	737,116	–	–	737,116
– Forward exchange contract	–	141,411	–	141,411
– Forward commodity contract	–	576,212	–	576,212
Total liabilities measured continuously at fair value	737,116	3,553,495	–	4,290,611

2. Determination basis of market price for items under continuous Level 2 fair value measurement

Items under continuous Level 2 fair value measurement include accounts receivable, fund products of financial institutions, trading inventories, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities at FVTPL, and the related fair value is determined with reference to the quoted price of similar assets or liabilities in active market or other inputs other than the quoted price, the premium/discount prices in the place of origin or nearby regions in the industry research report, long-term offer and the yield rate of similar debt instruments in open market.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(X). DISCLOSURE OF FAIR VALUE (CONTINUED)

3. Determination basis of market price for items under continuous Level 3 fair value measurement

Items that are continuously measured at Level 3 fair value include held-for-trading financial assets, receivables financing, consumable biological assets, investments in other equity instruments, other non-current financial assets and derivative financial liabilities. The fair value of wealth management products included in held-for-trading financial assets is measured based on the expected yield rate provided by the third-party financial institution and discounting of the future cash flow. The fair value of consumable biological assets is measured based on the prices of the same kind of wood, the growth period of tree and the discounting of the subsequent input and maintenance fee. The fair value of receivables financing is based on the note discount rate provided by the third-party financial institution and discounting of the future cash flow. The fair value of contingent consideration measured at fair value is based on the commodity forward prices and discounting of the future cash flows. The fair values of share of partnership, share of funds, directional capital management plan and equity in unlisted companies included in other equity instruments and other non-current financial assets are determined based on the comparable company analysis, the agreed price for transfer or the valuation report provided by third-party financial institutions, or the financial statements provided by the investee with appropriate adjustments. The fair value of derivative financial liabilities is calculated using a Monte Carlo model based on the commodity forward prices and discounting of the future cash flows.

RMB'000

Assets/liabilities measured at fair value	Fair value at 31 December 2025	Valuation techniques	Inputs	Significant input data that cannot be observed	Relationship between the input data that cannot be observed and the fair value
Held-for-trading financial assets	**881,687**	Discounted cash flow method	Expected cash flows of the products, yield of similar financial products in private market	Yield of similar financial products in private market	Higher yield of similar financial products in private market, lower fair value
Investments in other equity instruments/other non-current financial assets	**2,975,576**	Comparable companies analysis/Net asset adjustment method	Price-to-sales/price-to-book ratio, industry index, DLOM-discount of lack of marketability	DLOM-discount of lack of marketability	Higher discount rate, lower fair value
Consumable biological assets	**93,325**	Discounted cash flow method	Wood price, growth cycle, and follow-up estimated investment	Follow-up estimated investment	Higher follow-up estimated investment, lower fair value
Contingent consideration at fair value	**324,973**	Discounted cash flow method	Commodity forward prices, discount rate	Discount rate	Higher discount rate, lower fair value
Receivables financing	**59,224**	Discounted cash flow method	Expected cash flow of notes, note discount rate in private market	Note discount rate in private market	Higher note discount rate in private market, lower fair value
Derivative financial liabilities	**1,522,780**	Monte Carlo model	Commodity forward prices, discount rate	Commodity forward prices	Higher commodity forward prices, higher fair value

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(X). DISCLOSURE OF FAIR VALUE (CONTINUED)

4. Financial instruments subsequently not measured at fair value

The management of the Group has assessed cash and bank balances, accounts receivable, other receivables, other current assets, non-current assets due within one year, short-term borrowings, notes payable, accounts payable, other payables, non-current liabilities due within one year, other current liabilities, etc. As the remaining term is not long, fair values are approximate to the carrying amounts.

The Group's financial assets and financial liabilities which are subsequently not measured at fair value include other non-current assets, and long-term borrowings, bonds payable and other non-current liabilities respectively. The floating interest rate of the Group's long-term borrowings is linked to the market interest rate.

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. Parent of the Company

Name of the parent company	Place of registration	Nature of business	Registered capital	Proportion of the Company's ownership interest held by the parent	Proportion of the Company's voting power held by the parent
CFC	Shanghai	Investment management	RMB181,818,200	24.69%	24.69%

As at 31 December 2025, CFC actually holds 5,333,220,000 shares of the Company, accounting for 24.93% of the total share capital of the Company.

CFC is the actual controller of the Company.

2. Subsidiaries of the Company

Details of subsidiaries of the Company are set out in Note (VII) 1.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates of the Company

Details of joint ventures and associates of the Company are set out in Note (V) 11.

Other joint ventures or associates which have transactions with the Group in the current year or in previous years are as follows:

Joint ventures or associates	Relationship with the Company
Fu Chuan	Subsidiary of the joint venture
Luanchuan Fuxing Mining Company Limited ("Fu Xing")	Subsidiary of the joint venture
Luanchuan Qixing Mining Company Limited ("Qi Xing")	Subsidiary of the joint venture
Luoyang Shenyu	Associate
Yulu Mining	Associate
Guochuang Intelligent	Associate
LUALABA	Associate
Huayue Nickel Cobalt	Associate
RESOURCE	Associate

4. Other related parties

Other related parties	Relationship between other related parties and the Company
LMG	Shareholder of the Company
Contemporary Amperex Technology Co., Limited and its subsidiaries ("CATL")	Shareholder of the Company and it's Subsidiaries
Shanghai Shangju Industrial Co., Ltd. ("Shangju")	Subsidiary of the shareholder
Shanghai Yunsheng International Trade Co., Ltd. ("Yunsheng")	Subsidiary of the shareholder
Shanghai Yun'an Property Management Service Co., Ltd. ("Yun'an")	Subsidiary of the shareholder

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions

(1) Purchase and sales of goods, rendering and receipt of services

RMB

Related party	Details of related party transactions	2025	2024
Luoyang Shenyu	Sales of goods	14,164,482.16	44,303,032.98
Yulu Mining	Rendering of services	40,463,586.88	40,463,586.91
Yulu Mining	Purchase of products	127,211,707.31	159,129,456.97
Yulu Mining	Sales of goods	–	486,287.85
Fu Chuan	Purchase of products	529,170,193.79	1,138,452,705.59
Fu Chuan	Sales of goods	11,160,652.58	13,401,145.51
Fu Chuan	Rendering of services	22,992,945.96	14,397,345.78
Fu Chuan	Receipt of services	8,127,089.22	6,627,223.99
Qi Xing	Receipt of services	260,779.65	229,902.55
Huayue Nickel Cobalt	Purchase of products	1,978,366,890.03	2,004,273,322.36
Huayue Nickel Cobalt	Interest income	56,215,453.69	24,528,009.79
Fu Xing	Sales of goods	340,340.66	9,968.76
Fu Xing	Rendering of services	239,932.38	657,613.15
Fu Xing	Purchase of products	2,960,327.87	–
Fu Xing	Receipt of services	326,419.50	839,189.27
CATL	Sales of goods	2,553,515,666.76	5,615,991,396.91
CATL	Rendering of services	–	1,756,844.00
CATL	Purchase of products	820,375,604.19	288,198,127.33
CATL	Interest expenses	586,508,485.15	730,322,227.99
Guochuang Intelligent	Purchase of products	477,876.11	–
Guochuang Intelligent	Rendering of services	329,203.54	–
Guochuang Intelligent	Purchase of technical support	7,547.17	128,410.42
Yun'an	Receipt of services	4,368,548.88	4,268,921.32
RESOURCE	Interest income	906,005.15	–
LUALABA	Rendering of services	41,465,438.46	–
LUALABA	Interest income	1,295,344.87	323,478.24

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(2) Related party leases

The Group as lessee

RMB

		Rent paid		Interest expenses on ease liabilities		Increase in right-of-use assets	
Lessor	**Type of leased assets**	**2025**	2024	**2025**	2024	**2025**	2024
Shangju	Buildings	**28,037,621.16**	25,911,496.08	**1,251,629.21**	1,174,658.48	**51,806,944.13**	47,860,422.17
Shangju	Buildings, structures, or auxiliary facilities	**475,200.00**	475,200.00	**-**	–	**-**	–
Yunsheng	Buildings	**10,257,857.86**	10,257,857.88	**151,737.61**	546,637.50	**-**	–
Yunsheng	Buildings, structures, or auxiliary facilities	**172,800.00**	172,800.00	**-**	–	**-**	–

(3) Compensation for key management personnel

RMB'000

Item	**2025**	2024
Compensation for key management personnel	**33,473**	35,514

(4) Other related-party transactions

On 1 December 2025, the wholly-owned subsidiary, Tibet Schmocke Trading Co., Ltd. ("Tibet Schmocke"), entered into the "Limited Partnership Agreement of Boyu Xinzhi Xinchang (Ningbo) Equity Investment Partnership (Limited Partnership)" with partners including Boyu Tianshu (Ningbo) Proprietary Capital Investment Co., Ltd. Under the agreement, Tibet Schmocke subscribed for RMB500 million in fund shares. The shareholder CATL also participated in the fund subscription.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Unsettled items receivable from/payable to related parties

RMB

Item	Related party	**31 December 2025** Gross carrying amount	Allowances for bad debts	31 December 2024 Gross carrying amount	Allowances for bad debts
Accounts receivable	Yulu Mining	**9,798.66**	**89.55**	24,691.18	55.18
Accounts payable	Yulu Mining	**1,051,912.30**	**–**	15,224,987.08	–
Contract liabilities	Luoyang Shenyu	**–**	**–**	119,388.87	–
Other payables	Luoyang Shenyu	**14,966.65**	**–**	14,966.65	–
Accounts receivable	Fu Chuan	**9,249,446.50**	**46,691.50**	4,353,610.55	152,987.58
Other receivables	Fu Chuan	**576,696.43**	**–**	394,557.34	–
Accounts payable	Fu Chuan	**59,871,804.06**	**–**	12,902,165.43	–
Other payables	Fu Chuan	**1,638,173.04**	**–**	3,096,786.31	–
Other receivables	Shangju	**7,009,405.29**	**–**	6,477,874.02	–
Non-current liabilities due within one year	Shangju	**26,356,076.94**	**–**	24,357,465.29	–
Other receivables	Yunsheng	**2,564,464.47**	**–**	2,564,464.47	–
Non-current liabilities due within one year	Yunsheng	**–**	**–**	9,617,650.22	–
Other receivables	Yun'an	**385,888.48**	**–**	363,588.48	–
Accounts receivable	Fu Xing	**32,307.11**	**7,013.65**	–	–
Other receivables	Fu Xing	**12,932.21**	**–**	176,709.13	–
Other payables	Fu Xing	**–**	**–**	147,993.62	–
Contract liabilities	Fu Xing	**–**	**–**	6,801.79	–
Interest receivable	Huayue Nickel Cobalt	**200,261,280.89**	**–**	147,962,010.09	–
Other non-current assets	Huayue Nickel Cobalt	**401,584,154.07**	**–**	410,702,756.25	–
Prepayments	Huayue Nickel Cobalt	**6,146,313.64**	**–**	23,432,640.65	–
Other non-current liabilities	CATL	**10,754,059,227.94**	**–**	10,721,380,489.63	–
Contract liabilities	CATL	**845,420,216.09**	**–**	1,719,955,344.50	–
Other payables	CATL	**54,191.37**	**–**	–	–
Accounts receivable	CATL	**317,890.42**	**–**	92,423,435.81	–
Other receivables	Qi Xing	**–**	**–**	131,521.14	–
Other payables	Qi Xing	**74,035.63**	**–**	81,483.55	–
Accounts payable	Guochuang Intelligent	**–**	**–**	142,000.00	–
Other payables	Guochuang Intelligent	**246,000.00**	**–**	–	–
Other non-current assets	RESOURCE	**21,219,947.20**	**–**	7,324,979.60	–
Interest receivable	RESOURCE	**895,834.48**	**–**	–	–
Prepayments	LUALABA	**28,115,200.00**	**–**	14,376,800.00	–
Other payables	LUALABA	**140,576,000.00**	**–**	222,840,400.00	–
Interest receivable	LUALABA	**1,280,803.54**	**–**	–	–
Accounts receivable	LUALABA	**34,339,592.64**	**–**	–	–
Contract liabilities	LUALABA	**–**	**–**	1,917,721.35	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

7. Emoluments of directors and supervisors

Emoluments of each director for the year 2025 are as follows:

RMB'000

	Remuneration of directors	Salary and allowances	Bonus	Pension	Social insurance and housing funds other than pension	Share-based payments	Total
Executive directors:							
Liu Jianfeng *(Note 5)*	–	2,054.79	1,438.36	53.53	73.00	–	3,619.68
Que Chaoyang *(Note 5)*	–	2,054.79	1,438.36	–	–	–	3,493.15
Peng Xuhui *(Note 7)*	–	745.20	596.16	11.94	16.49	–	1,369.79
Li Chaochun *(Note 1, 3, 4)*	–	1,002.58	–	23.63	32.17	–	1,058.38
Sun Ruiwen *(Note 1, 3, 6)*	–	2,838.36	–	59.32	80.84	–	2,978.52
Non-executive directors:							
Yuan Honglin *(Note 1, 3, 4)*	–	1,306.30	–	29.54	40.23	–	1,376.07
Lin Jiuxin *(Note 2, 3)*	–	–	–	–	–	–	–
Jiang Li *(Note 2, 3)*	–	–	–	–	–	–	–
Ma Fei *(Note 8)*	–	–	–	–	–	–	–
Independent non-executive directors:							
Wang Kaiguo *(Note 3)*	300.00	–	–	–	–	–	300.00
Gu Hongyu *(Note 3)*	300.00	–	–	–	–	–	300.00
Cheng Yu *(Note 3)*	300.00	–	–	–	–	–	300.00
Total	900.00	10,002.02	3,472.88	177.96	242.73	–	14,795.59

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

7. Emoluments of directors and supervisors (Continued)

Emoluments of each director for the year 2024 are as follows:

RMB'000

	Remuneration of directors	Salary and allowances	Bonus	Pension	Social insurance and housing funds other than pension	Share-based payments	Total
Executive directors:							
Li Chaochun *(Note 1, 3, 4)*	–	3,109.00	2,680.00	70.53	96.99	1,591.67	7,548.19
Sun Ruiwen *(Note 1, 3, 6)*	–	3,500.40	3,460.00	86.91	96.99	3,820.00	10,964.30
Non-executive directors:							
Yuan Honglin *(Note 1, 3, 4)*	–	3,094.40	2,800.00	70.53	96.99	1,700.60	7,762.52
Lin Jiuxin *(Note 2, 3)*	–	–	–	–	–	–	–
Jiang Li *(Note 2, 3)*	–	–	–	–	–	–	–
Independent non-executive directors:							
Wang Kaiguo *(Note 3)*	169.17	–	–	–	–	–	169.17
Gu Hongyu *(Note 3)*	169.17	–	–	–	–	–	169.17
Cheng Yu *(Note 3)*	169.17	–	–	–	–	–	169.17
Wang Yougui *(Note 1)*	130.83	–	–	–	–	–	130.83
Yan Ye *(Note 1)*	130.83	–	–	–	–	–	130.83
Li Shuhua *(Note 1)*	130.83	–	–	–	–	–	130.83
Total	900.00	9,703.80	8,940.00	227.97	290.97	7,112.27	27,175.01

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

7. Emoluments of directors and supervisors (Continued)

Emoluments of each supervisor for the year 2025 are as follows:

RMB'000

	Salary and allowances	Bonus	Pension	Social insurance and housing funds other than pension	Total
Zheng Shu *(Note 2, 3, 9)*	–	–	–	–	–
Zhang Zhenhao *(Note 1, 3, 9)*	90.00	–	–	–	90.00
Li Hongwei *(Note 9)*	–	–	–	–	–
Luo Yunxiang *(Note 9)*	2,242.19	1,569.53	71.26	97.12	3,980.10
Xu Wenhui *(Note 9)*	–	–	–	–	–
Total	2,332.19	1,569.53	71.26	97.12	4,070.10

Emoluments of each supervisor for the year 2024 are as follows:

RMB'000

	Salary and allowances	Bonus	Pension	Social insurance and housing funds other than pension	Total
Zheng Shu *(Note 2, 3)*	–	–	–	–	–
Zhang Zhenhao *(Note 1, 3)*	90.00	–	–	–	90.00
Li Hongwei	558.64	416.86	37.00	50.30	1,062.80
Luo Yunxiang	109.09	122.61	–	–	231.70
Xu Wenhui	555.00	351.21	14.32	20.04	940.57
Total	1,312.73	890.68	51.32	70.34	2,325.07

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

7. Emoluments of directors and supervisors (Continued)

Note 1: On 21 May 2021, the Company held the 2020 Annual General Meeting, and completed the election of the Board of Directors and Board of Supervisors. The sixth session of the Board of Directors of the Company includes Mr. Yuan Honglin, Mr. Guo Yimin, Mr. Li Chaochun, Mr. Sun Ruiwen, Mr. Cheng Yunlei, Mr. Wang Yougui, Ms. Yan Ye and Mr. Li Shuhua. The tenure of Mr. Li Faben as an executive director and executive vice president was ended in June 2021. The sixth session of the Board of Supervisors of the Company includes Ms. Kou Youmin, Mr. Zhang Zhenhao, and Mr. Xu Wenhui, the employee representative. The tenure of Ms. Wang Zhengyan as an employee representative supervisor was ended in June 2021. The tenure of relevant directors will be ended on the date of the Company's 2023 Annual General Meeting.

Note 2: On 9 June 2023, the Company's 2022 Annual General Meeting reviewed and approved the proposals on Recruiting Mr. Jiang Li as a Non-executive Director of the Sixth Session of the Board of Directors of the Company, Recruiting Mr. Lin Jiuxin as a Non-executive Director of the Sixth Session of the Board of Directors of the Company and Recruiting A Non-employee Representative Supervisor of the Sixth Session of the Board of Supervisors of the Company, respectively, and elected Mr. Jiang Li, Mr. Lin Jiuxin as non-executive directors of the Company, and Mr. Zheng Shu as a non-employee representative supervisor of the Company.

Note 3: On 7 June 2024, the Company held the 2023 Annual General Meeting, and completed the election of the Board of Directors and Board of Supervisors. The seventh session of the Board of Directors of the Company includes Mr. Yuan Honglin, Mr. Sun Ruiwen, Mr. Li Chaochun, Mr. Lin Jiuxin, Mr. Jiang Li, Mr. Wang Kaiguo, Ms. Gu Hongyu and Mr. Cheng Yu. The sixth session of the Board of Supervisors of the Company includes Mr. Zhang Zhenhao, and Mr. Zheng Shu, the employee representative. The tenure of Mr. Xu Wenhui as an employee representative supervisor was ended. The tenure of relevant directors will be ended on the date of the Company's 2026 Annual General Meeting.

Note 4: On 25 April 2025, Mr. Yuan Honglin, the former Chairman and Non-Executive Director, applied to the Board of Directors to resign his post as Chairman, Non-Executive Director, and the member of relevant Board committees, and Mr. Li Chaochun, the former Vice Chairman and Executive Director, applied to the Board of Directors to resign his post as Vice Chairman, Executive Director, member of the Strategy and Sustainability Committee, and Chief Investment Officer. Mr. Yuan Honglin's resignation takes effect upon the adoption of the resolution to appoint replacement directors at the Company's shareholders' meeting, while Mr. Li Chaochun's resignation takes effect on the date it is received by the Board of Directors.

Note 5: The Company held its 2024 Annual General Meeting on 30 May 2025, during which the Resolution on Appointing Additional Executive Directors to the Seventh Session of the Board of Directors was approved. It was agreed to appoint Mr. Liu Jianfeng and Mr. Que Chaoyang as executive directors of the seventh session of the Board of Directors.

Note 6: On 24 October 2025, the Company announced that Mr. Sun Ruiwen, the former President and Executive Director, applied to the Board of Directors to resign his post as President, Executive Director, member of the Strategy and Sustainability Committee, and member of the Investment Committee. His resignation became effective upon the Board's receipt of the resignation letter.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

7. Emoluments of directors and supervisors (Continued)

Note 7: On 24 October 2025, the seventh meeting of the Nominating and Governance Committee of the seventh session of the Board of Directors and the seventh meeting of the seventh session of the Board of Directors of the Company respectively approved the proposal regarding the addition of a candidate for an executive director of the seventh session of the Board of Directors and the appointment of senior management personnel: Mr. Peng Xuhui was approved as the additional candidate for an executive director of the seventh session of the Board of Directors, with his term proposed to run from the date of approval by the shareholders' meeting to the date of the 2026 Annual General Meeting. On 8 December 2025, the Company held its second extraordinary general meeting of 2025, which approved the Proposal on Electing Executive Directors of the Seventh Session of the Board of Directors of the Company, agreeing to appoint Mr. Peng Xuhui as an executive director of the seventh session of Board of Directors, with his term effective from the date of approval by the shareholders' meeting to the date of the 2026 Annual General Meeting.

Note 8: On 17 November 2025, the Company held the eighth meeting of the Nomination and Governance Committee of the seventh session of the Board of Directors and the fifth extraordinary meeting of the seventh session of the Board of Directors. Both meetings approved the proposal regarding the nomination of a non-executive director candidate for the Seventh Board of Directors. Mr. Ma Fei was nominated as a candidate for non-executive director of the seventh session of the Board of Directors, with his term effective from the date of approval by the shareholders' meeting to the date of the 2026 Annual General Meeting.

Note 9: On 17 November 2025, the Company held its fifth extraordinary meeting of the Seventh Board of Directors, which approved the Proposal to Abolish the Board of Supervisors, Amend the <Articles of Association>, and Concurrently Revise and Introduce New Internal Control Systems. The compensation statistics for supervisors disclosed in this report cover the period up to the effective date of this proposal.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

7. Emoluments of directors and supervisors (Continued)

None of the top five of 2025 remunerations are directors of the Company (2024: nil), and the emoluments of the top five staffs that are not directors are as follows:

RMB'000

	2025	2024
Salaries, bonus and allowances	**260,021.01**	154,998.09
Pension	**3,580.45**	3,781.28
Total	**263,601.46**	158,779.37

The range of emoluments of the top five staffs that are not directors is as follows:

Range of emoluments	**Number of the current year**	**Number of the prior year**
HKD17,000,001 to HKD17,500,000 (equivalent to RMB15,276,000 to RMB15,726,000)	–	1
HKD24,500,001 to HKD25,000,000 (equivalent to RMB22,016,000 to RMB22,465,000)	1	–
HKD27,500,001 to HKD28,000,000 (equivalent to RMB24,712,000 to RMB25,161,000)	1	1
HKD30,500,001 to HKD31,000,000 (equivalent to RMB27,408,000 to RMB27,857,000)	–	1
HKD35,000,001 to HKD35,500,000 (equivalent to RMB31,451,000 to RMB31,901,000)	–	1
HKD54,500,001 to HKD55,000,000 (equivalent to RMB48,974,000 to RMB49,424,000)	1	–
HKD57,500,001 to HKD58,000,000 (equivalent to RMB51,670,000 to RMB52,119,000)	–	1
HKD65,000,001 to HKD65,500,000 (equivalent to RMB58,410,000 to RMB58,859,000)	1	–
HKD118,500,001 to HKD119,000,000 (equivalent to RMB106,485,000 to RMB106,935,000)	1	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XII). SHARE-BASED PAYMENTS

2021 Phase I Employee Stock Ownership Plan

As approved by the General Meeting of Shareholders of CMOC held on 21 May 2021, CMOC intends to grant the Employee Stock Ownership Plan to five incentive recipients ("Holders"). The grant date of the Employee Stock Ownership Plan is 21 May 2021, and the source of the shares is the A-share ordinary shares of CMOC repurchased by the Company's dedicated repurchase account. The total number of shares granted to the incentive recipients is 48,513,287 shares, and the grant price is RMB2 per share.

According to the Employee Stock Ownership Plan, the term of the plan shall not exceed 48 months and the lock-up period of the underlying shares acquired shall be 12 months, which is calculated from the date when the Employee Stock Ownership Plan is approved by the General Meeting of Shareholders of the Company and the Company announces the last transfer of the underlying shares into the dedicated repurchase account (17 June 2021). After the expiration of the lock-up period of the underlying shares, the interests of the Employee Stock Ownership Plan shall be allocated to the holders in three installments based on the results of the performance assessment, with the allocation ratio of 30%, 30% and 40% respectively. If the performance assessment criteria are not met in any of the assessment periods, the interests corresponding to the allocation period shall not be allocated, and the relevant interests shall be mandatorily withdrawn by the Management Committee at the grant price and transferred to other eligible employees of the Employee Stock Ownership Plan at the price decided by the Management Committee.

On 10 June 2022, the second holders' meeting of the 2021 Phase I Employee Stock Ownership Plan, the fifth extraordinary meeting of the sixth session of board of directors and the ninth meeting of the sixth session of board of supervisors reviewed and approved the Proposal on Adjusting the 2021 Phase I Employee Stock Ownership Plan of China Molybdenum Co., Ltd., the Proposal on Amending the 2021 Phase I Employee Stock Ownership Plan of China Molybdenum Co., Ltd. and the Proposal on Amending the Management Measures for the 2021 Phase I Employee Stock Ownership Plan of China Molybdenum Co., Ltd. Since an employee who participated in the Company's employee stock ownership plan resigned, the Company recovered the unvested shares of the employee stock ownership plan held by the resigned employee and awarded it to a new employee determined by the Company, who meets the requirement of the Company's employee stock ownership plan. The new employee received the relevant shares held by the resigned employee, totalling 7,500,000 shares.

The equity-settled share-based payments of the Group are subsequently measured.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XII). SHARE-BASED PAYMENTS (CONTINUED)

1. Equity instruments

RMB

Category of grant recipient	Grant during the period		Unlocked during the period		Lapsed during the period	
	Quantity	Amount	Quantity (shares)	Amount	Quantity	Amount
Directors	–	–	–	–	–	–
Management	–	–	–	–	–	–
Total	–	–	–	–	–	–

Share options outstanding at the end of the period

Category of grant recipient	Share options outstanding at the end of the period	
	Range of exercise prices	Remaining contractual life
Directors	RMB2	–
Management	RMB2	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XII). SHARE-BASED PAYMENTS (CONTINUED)

2. Equity-settled share-based payments

RMB

	2021 Phase I Employee Stock Ownership Plan
The method of determining the fair value of equity instruments at the grant date	Based on the closing price of A shares of the Company at the grant date
The basis of determining the number of equity instruments expected to be vested	If the holders meet the requirements stipulated in the "Disposal of the holders' interests" of the stock ownership plan and satisfies the assessment criteria for the Company's performance and personal performance, the corresponding equity instruments are exercisable.
Reasons for the significant difference between the estimate in the current period and that in the prior period	N/A
Cumulative amount of equity-settled share-based payments included in capital reserve	133,795,662.82
Total expenses recognised arising from equity-settled share-based payments	1,533,333.35

3. Share-based payments in the current period

RMB

Category of grant recipient	Equity-settled share-based payments
Directors	–
Management	1,533,333.35
Total	1,533,333.35

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XIII). COMMITMENTS AND CONTINGENCIES

1. Significant commitments

(1) *Capital commitments*

RMB'000

	2025	2024
Contracted but not recognised in the financial statements:		
– Commitment for acquisition and construction of long-term assets	**3,034,090**	2,269,299
– Commitment for investment *(Note)*	**55,156**	155,273
Total	**3,089,246**	2,424,572

Note: The above commitment for investment represents the Group's investment in other non-current financial assets.

As at 31 December 2025, the Group has no other commitments that need to be disclosed.

2. Contingencies

(1) *Pending litigation*

Copper-Cobalt business of the Group in Congo (DRC)

The Group's Copper-Cobalt business in Congo (DRC) may be involved in some litigations, claims and liability claims in the daily operation. The management considers that the results of such contingencies will not have a material adverse effect on the financial position, operating performance or cash flows of the business based on the information currently available.

The Group's Niobium-Phosphorus business in Brazil

The Group's Niobium-Phosphorus business in Brazil may be involved in various litigations and disputes in its daily operation. The management determines the possibility of losing the litigations and consequent economic benefits outflow in accordance with the information available and the professional advice of external legal experts. If the possibility of economic benefits outflow is low, the management would determine them as contingencies. The results of such contingencies will not have a material adverse effect on the financial position, operating performance or cash flows of the business based on the information currently available.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XIV). EVENTS AFTER THE BALANCE SHEET DATE

1. Dividend distribution plan of 2025

According to a proposal of the board of directors, calculating on the basis of 21,394,310,176 shares of issued shares (net of the number of shares in the Company's dedicated repurchase account) (with par value of RMB0.2 per share), the Company proposed to distribute cash dividends to all the shareholders at RMB2.86 (tax included) per 10 shares in 2025 (2024: RMB2.55 per 10 shares (tax included)).

2. Acquisition of Brazilian gold mine project

On 24 December 2025, the Group entered into an agreement with Canadian publicly listed company, Equinox Gold Corp., (hereinafter referred to as "EQX") and its wholly-owned subsidiary Leagold Mining Corporation, under which the Group intends to acquire 100% equity interests in Leagold LatAm Holdings B.V. (hereinafter referred to as "LatAm") and Luna Gold Corp. (hereinafter referred to as "LGC"), both subsidiaries of EQX, for a total consideration of USD1,015 million (comprising an initial cash payment of USD900 million upon completion and a contingent cash payment of up to USD115 million payable one year after completion, linked to production volumes). Through this transaction, the Group will obtain 100% interests in the Aurizona gold mine, the RDM gold mine, and the Bahia complex. As all conditions precedent specified in the agreement have been fulfilled or waived, the acquisition was completed on 23 January 2026, Beijing time.

3. Issuance of USD1.2 billion zero-coupon secured convertible bonds due 2027

CMOC Capital Limited, an indirectly controlled overseas subsidiary of the Company, has issued USD1.2 billion of zero-coupon convertible bonds due 2027, which are unconditionally and irrevocably guaranteed by the Company. All conditions precedent under the subscription agreement have been satisfied, and the bonds were successfully issued on 26 January 2026. The Company has obtained approval from The Hong Kong Stock Exchange Limited for the listing and trading of the converted H-shares, as well as approval from the Vienna Stock Exchange for the listing of the bonds.

4. Please refer to respective notes for other events subsequent to the balance sheet date other than those disclosed above

(XV). OTHER SIGNIFICANT EVENTS

1. Discontinued operations

Both CMOC Mining Pty Ltd ("CMOC Mining") and CMOC Metals Holding Limited ("CMOC Metals") operate the business of copper and gold-related products, which can represent a principal independent business. Both have disposed of the business in 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XV). OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Discontinued operations (Continued)

(1) Gains or losses from discontinued operations

The Group has presented CMOC Mining and CMOC Metals as discontinued enterprises in the consolidated income statement. Gains or losses from discontinued operations of CMOC Mining and CMOC Metals are as follows:

RMB

Item	2025	2024
Net gains or losses from disposal *(Note)*	**273,049,887.06**	51,923,064.82
Gains or losses from discontinued operations	**273,049,887.06**	51,923,064.82

Note: During the year, the Group recognised a contingent consideration gain on the above disposal of the equity interests of RMB273,049,887.06 (2024: the Group recognised a contingent consideration gain of RMB51,923,064.82 on the above disposal of the equity interests).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XV). OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Discontinued operations (Continued)

(2) The profit or loss from continuing operations and the profit or loss from discontinued operations attributable to owners of the Company

RMB

Item	2025	2024
The profit or loss from continuing operations attributable to owners of the Company	**20,065,700,910.47**	13,480,111,938.12
The profit or loss from discontinued operations attributable to owners of the Company	**273,049,887.06**	51,923,064.82
Net profit attributable to owners of the Company	**20,338,750,797.53**	13,532,035,002.94

2. Segment reporting

(1) Reporting segment's determination basis and accounting policies

The management divided the Group's business into five operating segments, namely Molybdenum Tungsten related products, Niobium and Phosphorus related products, Copper and Cobalt related products, metal trading and others on the basis of the Group's internal organisation structure, management requirements and internal reporting system. The Group's management evaluates the operating results of these segments regularly in order to determine the allocation of resources and assess their performance.

These reporting segments are determined on the basis of internal management and reporting system. Segment information is disclosed in accordance with the accounting policies and measurement criteria adopted by each segment when reporting to management. The measurement criteria are consistent with the accounting and measurement criteria in the preparation of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XV). OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Segment reporting (Continued)

(2) Financial information of reporting segments

RMB'000

2025	Molybdenum, tungsten and related products	Niobium, phosphorus and related products	Copper, cobalt and related products	Metal trading	Others	Unallocated item	Intersegment eliminations	Total
Operating income								
Trading income	8,752,603	7,692,739	61,267,618	180,079,236	241,401		(51,349,948)	206,683,649
Operating costs	4,634,170	5,054,650	26,949,252	168,483,690	156,800		(48,049,182)	157,229,380
Taxes and levies						3,365,784		3,365,784
Selling expenses						104,846		104,846
Administrative expenses						2,806,498		2,806,498
Research and development expenses						431,679		431,679
Financial expenses						512,826		512,826
Add: Gains or losses from changes in fair value						(7,688,125)		(7,688,125)
Investment income						751,790		751,790
Losses on disposal of assets						(18,417)		(18,417)
Other income						90,482		90,482
Impairment losses of assets						(41,961)		(41,961)
Impairment gains of credit						1,285		1,285
Segment operating profit						35,327,690		35,327,690
Add: Non-operating income						16,010		16,010
Less: Non-operating expenses						182,310		182,310
Total profit						35,161,390		35,161,390
Less: Income tax expenses						11,133,983		11,133,983
Net profit						24,027,407		24,027,407

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XV). OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Segment reporting (Continued)

(2) Financial information of reporting segments (Continued)

RMB'000

2024	Molybdenum, tungsten and related products	Niobium, phosphorus and related products	Copper, cobalt and related products	Metal trading	Others	Unallocated item	Intersegment eliminations	Total
Operating income								
Trading income	8,119,301	6,540,618	50,599,673	188,355,740	182,692		(40,769,359)	213,028,665
Operating costs	4,724,079	4,517,055	26,562,593	183,414,803	84,013		(41,528,557)	177,773,986
Taxes and levies						4,135,201		4,135,201
Selling expenses						92,833		92,833
Administrative expenses						2,127,537		2,127,537
Research and development expenses						353,974		353,974
Financial expenses						2,878,861		2,878,861
Add: Gains or losses from changes in fair value						(1,375,599)		(1,375,599)
Investment income						958,805		958,805
Gains on disposal of assets						66,475		66,475
Other income						151,002		151,002
Impairment losses of assets						(195,059)		(195,059)
Impairment losses of credit						(5,863)		(5,863)
Segment operating profit						25,266,034		25,266,034
Add: Non-operating income						36,683		36,683
Less: Non-operating expenses						178,680		178,680
Total profit						25,124,037		25,124,037
Less: Income tax expenses						9,664,595		9,664,595
Net profit						15,459,442		15,459,442

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XV). OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Segment reporting (Continued)

(2) Financial information of reporting segments (Continued)

(a) The Group mainly operates in China, Brazil and Congo (DRC) and Switzerland, and sells its products to the customers in China and other countries. The geographic disclosure of revenue and results of segments are classified by the destination of the products to deliver.

RMB'000

	2025	2024
Revenue		
China	**125,162,893**	118,874,250
India	**2,351,206**	1,155,823
Netherland	**11,922**	–
South Korea	**7,220,544**	11,542,250
Taiwan, China	**283,746**	240,343
Belgium	**2,755,974**	3,997,688
Bulgaria	**798,948**	1,098,363
Finland	**128,190**	88,084
France	**56,899**	33,412
Germany	**1,383,024**	5,004,368
Greece	**19,172**	482,774
Italy	**276,585**	581,598
Slovenia	**–**	15,284
Spain	**18,703**	13,862
Sweden	**95,647**	24,692
Switzerland	**10,389,141**	10,677,486
Turkey	**490,250**	1,931,014
UAE	**3,883,478**	6,022,658
USA	**4,387,273**	4,173,444
Canada	**1,983**	1,413,930
Brazil	**4,463,378**	4,179,334
Mexico	**1,102,079**	3,579,443
South Africa	**1,846,954**	37,722
Australia	**778,999**	959,057
Japan	**879,092**	2,053,757
UK	**12,582,482**	9,769,056
Singapore	**23,365,510**	21,947,905
Chile	**8,173**	278,989
Malaysia	**3,156**	96,900
Thailand	**911,408**	1,197,642
Others	**1,026,840**	1,557,537
Total	**206,683,649**	213,028,665

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XV). OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Segment reporting (Continued)

(3) External revenue by location of resources or business and non-current assets by location

RMB'000

Item	2025	2024
External revenue from Chinese business	**12,535,882**	11,572,994
External revenue from Brazil business	**7,692,739**	6,540,618
External revenue from Congo (DRC) business	**61,267,618**	50,599,673
External revenue from Switzerland business	**125,187,410**	144,315,380
Sub-total	**206,683,649**	213,028,665

RMB'000

Item	31 December 2025	31 December 2024
Non-current assets located in China	**8,938,272**	18,411,951
Non-current assets located in Brazil	**9,163,317**	9,677,114
Non-current assets located in Congo (DRC)	**60,832,338**	55,530,763
Non-current assets located in Switzerland	**323,370**	273,535
Non-current assets located Ecuador	**4,981,643**	–
Sub-total	**84,238,940**	83,893,363

Note: The above non-current assets do not include deferred tax assets, investments in other equity instruments and other non-current financial assets.

(4) Degree of reliance on major customers

In 2025 and 2024, there are no major customers of the Group with operating income accounting for over 10% of operating income of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

1. Cash and bank balances

RMB

Item	31 December 2025			31 December 2024		
	Amount in foreign currency	**Exchange rate**	**Amount in RMB**	Amount in foreign currency	Exchange rate	Amount in RMB
Bank deposits:			**5,327,485,148.36**			5,555,845,485.05
RMB	**5,326,206,174.12**	**1.0000**	**5,326,206,174.12**	5,555,371,746.91	1.0000	5,555,371,746.91
USD	**181,958.28**	**7.0288**	**1,278,948.36**	65,899.45	7.1884	473,711.61
HKD	**28.65**	**0.9032**	**25.88**	28.65	0.9260	26.53
Other cash and bank balances:			**417,556,281.61**			1,056,267,570.55
RMB	**417,556,281.61**	**1.0000**	**417,556,281.61**	1,056,267,570.55	1.0000	1,056,267,570.55
Total			**5,745,041,429.97**			6,612,113,055.60

Note: The other cash and bank balances include deposits for mines, deposits for bills, other deposits and pledged certificates of deposit, amounting to RMB67,533,685.53, RMB0.00, RMB22,596.08 and RMB350,000,000.00 (31 December 2024: RMB56,244,822.66, RMB168.33, RMB22,579.56 and RMB1,000,000,000.00) respectively.

2. Held-for-trading financial assets

RMB

Category	**31 December 2025**	31 December 2024
Financial assets at FVTPL		
Including: Structured deposits *(Note)*	**300,011,260.27**	600,266,280.06
Wealth management product	**581,676,086.25**	–
Others	**169,089,065.01**	13,784,259.47
Total	**1,050,776,411.53**	614,050,539.53

Note: They are the structured deposits of RMB purchased by the Company from domestic financial institutions, the yield of which is linked to exchange rate, and the Company classifies such deposits as financial assets at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Accounts receivable

RMB

Category	31 December 2025	31 December 2024
Accounts receivable	**743,048,329.59**	761,243,032.25
Total	**743,048,329.59**	761,243,032.25

Credit risk of accounts receivable:

The accounts receivable for which the loss allowance is recognised based on expected credit loss are as follows:

RMB

	31 December 2025			31 December 2024		
	Gross carrying amount	Loss allowance	Carrying amount	Gross carrying amount	Loss allowance	Carrying amount
Accounts receivable for which the loss allowance is recognised on the basis of ECL	**744,315,369.47**	**1,267,039.88**	**743,048,329.59**	777,032,058.29	15,789,026.04	761,243,032.25

4. Other receivables

RMB

Item	31 December 2025	31 December 2024
Interest receivable	**155,380,772.68**	305,732,597.47
Dividends receivable	**4,480,327,529.42**	5,029,006,084.08
Other receivables	**782,337,430.94**	6,846,121,382.40
Total	**5,418,045,733.04**	12,180,860,063.95

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Other receivables (Continued)

Credit risk of other receivables:

The other receivables for which the loss allowance is recognised based on expected credit loss are as follows:

RMB

	31 December 2025			31 December 2024		
	Gross carrying amount	**Loss allowance**	**Carrying amount**	Gross carrying amount	Loss allowance	Carrying amount
Other receivables of which the loss allowance is recognised on the basis of ECL	**782,480,253.11**	**142,822.17**	**782,337,430.94**	6,873,896,219.76	27,774,837.36	6,846,121,382.40

At 31 December 2025, the management of the Company believes that there's no significant ECL on the remaining receivables, except for the receivables of RMB142,822.17 (31 December 2024: RMB27,774,837.36) that have become credit-impaired and for which impairment has been provided fully.

For details of other receivables reported as a result of centralised management of funds, see Note (XVI), 10.

5. Non-current assets due within one year

RMB

Item	**31 December 2025**	31 December 2024
Certificates of deposit due within one year	**919,367,717.71**	–
Total	**919,367,717.71**	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

6. Long-term equity investments

Details of long-term equity investments:

RMB

Name of investees	Investment cost	31 December 2025	31 December 2024
Under equity method			
Yulu Mining	20,000,000.00	62,044,563.64	86,863,113.55
Huan Yu	973,335,000.00	289,458,981.90	222,880,798.14
Fu Chuan	–	97,451,673.84	68,547,513.27
Luoyang Shenyu	1,500,000.00	7,345,018.26	6,025,607.07
Guochuang Intelligent	4,000,000.00	4,188,760.61	3,954,903.63
Sub-total	998,835,000.00	460,488,998.25	388,271,935.66
Under cost method – subsidiaries			
China Molybdenum Refining Co., Ltd. ("Ye Lian")	5,638,250.27	–	–
Da Dong Po	33,483,749.86	33,483,749.86	33,483,749.86
Jiu Yang	33,390,000.00	17,028,900.00	17,028,900.00
San Qiang	55,480,000.00	33,397,038.41	33,397,038.41
Luoyang International	290,000,000.00	290,000,000.00	290,000,000.00
Wu Ye	300,000,000.00	300,000,000.00	100,000,000.00
CMOC HK	1,869,455,300.96	1,869,455,300.96	1,869,455,300.96
Metal Material *(Note 1)*	650,000,000.00	–	170,000,000.00
Xin Kuang Luo Mu	980,000,000.00	980,000,000.00	980,000,000.00
Fu Kai	261,520,000.00	261,520,000.00	261,520,000.00
Sales Company *(Note 2)*	50,000,000.00	50,700,000.00	50,700,000.00
CMOC Limited *(Note 2)*	33,155,943,963.63	33,155,943,963.63	30,176,383,463.63
Schmocke	660,000,000.00	660,000,000.00	660,000,000.00
Beijing Yongbo	267,800,000.00	267,800,000.00	267,800,000.00
Zhonghe Metallurgical	20,000,000.00	20,000,000.00	20,000,000.00
Shanghai Muchao *(Note 3)*	–	184,270,756.52	182,737,423.17
Sub-total	38,632,711,264.72	38,123,599,709.38	35,112,505,876.03
Total	39,631,546,264.72	38,584,088,707.63	35,500,777,811.69
Less: Impairment provision *(Note 4)*		53,451,524.66	53,451,524.66
Long-term equity investments, net		38,530,637,182.97	35,447,326,287.03

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

6. Long-term equity investments (Continued)

Note 1: Metal Material was cancelled on 29 April 2025.

Note 2: The Company provides guarantee for the subsidiaries' USD borrowings and recognises relevant investment cost on the basis of the fair value of the guarantee.

Note 3: Investment cost recognised by the Company for settlement of employee stock ownership plan of subsidiaries.

Note 4: Impairment provision made by the Company's subsidiaries Jiu Yang, San Qiang and Da Dong Po.

7. Operating income and operating costs

RMB

Item	**2025**	2024
Principal operating income	**7,138,820,771.72**	6,657,527,420.94
Other operating income	**279,442,385.22**	267,637,504.27
Total	**7,418,263,156.94**	6,925,164,925.21
Principal operating costs	**2,871,092,011.48**	3,442,882,765.01
Other operating costs	**178,147,183.30**	190,075,208.94
Total	**3,049,239,194.78**	3,632,957,973.95

8. Investment income

RMB

Item	**2025**	2024
Income from long-term equity investments under equity method	**158,363,062.59**	350,261,225.80
Dividends income from subsidiaries	**3,383,280,000.00**	3,275,000,000.00
Others	**(16,566,177.40)**	–
Total	**3,525,076,885.19**	3,625,261,225.80

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

9. Supplementary information to the cash flow statement

RMB

Supplementary information	2025	2024
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	**6,110,484,598.17**	5,168,839,583.97
Add: Provision for impairment of assets (gains are indicated with "-")	**2,518,258.48**	6,522,194.37
Provision for credit impairment (gains are indicated with "-")	**(1,978,048.49)**	(2,288,133.31)
Depreciation of fixed assets	**278,408,912.97**	317,626,609.23
Amortisation of intangible assets	**8,358,976.01**	8,377,505.71
Amortisation of long-term prepaid expenses	**26,932,984.35**	24,850,353.81
Losses (gains) on disposal of fixed assets, intangible assets and other long-term assets	**6,471,154.63**	(54,301,684.51)
Losses on retirement of fixed assets	**–**	367,757.89
Gains on changes in fair value	**(305,164,887.94)**	(93,060,337.98)
Financial expenses	**71,227,858.69**	177,157,267.03
Investment income	**(3,525,076,885.19)**	(3,625,261,225.80)
Decrease in deferred tax assets	**65,068,642.95**	69,318,498.92
Decrease (increase) in inventories	**80,765,479.12**	(99,582,015.24)
Decrease in operating receivables	**83,511,070.60**	835,615,042.46
Increase (decrease) in operating payables	**261,328,727.13**	(859,755,020.83)
Amortisation of deferred income	**(385,585.80)**	(1,585,585.80)
Increase in special reserve	**104,711,579.88**	185,729,808.40
Net Cash Flow from Operating Activities	**3,267,182,835.56**	2,058,570,618.32
2. Net changes in cash and cash equivalents:		
Closing balance of cash	**3,927,485,148.36**	5,555,845,485.05
Less: Opening balance of cash	**5,555,845,485.05**	9,426,057,531.60
Net decrease in cash and cash equivalents	**(1,628,360,336.69)**	(3,870,212,046.55)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions

Please refer to Note (VII) 1 for details of the subsidiaries of the Company and Note (V) 11 for associates and joint ventures of the Company.

(1) Related party transactions

(1.1) Purchase and sales of goods, rendering and receipt of services

RMB

Related party	Type of transaction	Content of the transaction	Pricing method and decision-making process	2025 Amount	2024 Amount
Sales Company	Goods	Sales of goods	Contract price	**4,199,133,033.79**	2,693,706,050.35
Ye Lian	Goods	Sales of goods	Contract price	**154,857,300.42**	1,160,973,507.36
Da Dong Po	Service/Goods	Sales of goods/provision of services related to tailing processing	Contract price	**30,911,367.58**	53,698,038.61
Jiu Yang	Goods	Sales of goods	Contract price	**8,098,510.50**	288,558.43
San Qiang	Goods	Sales of goods	Contract price	**9,758,748.34**	37,753,244.16
Wu Ye	Goods	Sales of goods	Contract price	**1,776,859,419.83**	1,252,483,144.55
Xin Kuang Luo Mu	Service	Rendering of services	Contract price	**6,808,616.15**	9,147,499.19
Schmocke	Service	Rendering of services	Contract price	**6,418,301.11**	14,671,601.23
Yulu Mining	Service	Rendering of services	Contract price	**40,463,586.88**	40,463,586.91
Fu Chuan	Goods	Sales of goods	Contract price	**11,105,448.27**	13,256,248.92
Fu Xing	Service/Goods	Sales of goods/Rendering of laboratory testing services	Contract price	**547,755.62**	667,581.91
Dinghong	Goods	Sales of goods	Contract price	**689,079,385.01**	1,194,451,048.02
Zhonghe Metallurgical	Goods	Sales of goods	Contract price	**17,565,990.81**	23,264,845.34
Total				**6,951,607,464.31**	6,494,824,954.98

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(1) Related party transactions (Continued)

(1.1) Purchase and sales of goods, rendering and receipt of services (Continued)

Related party	Type of transaction	Content of the transaction	Pricing method and decision-making process	2025 Amount	2024 Amount
Jiu Yang	Goods	Purchase of goods and materials	Contract price	8,098,510.50	9,841,057.23
Ye Lian	Goods	Purchase of goods and materials	Contract price	–	24,768.03
Da Dong Po	Service/Goods	Service/Goods	Contract price	154,857,300.42	157,998,532.05
Wu Ye	Goods	Purchase of goods and materials	Contract price	179,980.43	2,525,960.92
San Qiang	Service/Goods	Service/Goods	Contract price	96,144,387.15	97,641,276.81
Schmocke	Goods	Purchase of goods and materials	Contract price	6,418,301.11	19,050,851.00
Guochuang Intelligent	Goods	Purchase of goods and materials	Contract price	477,876.11	128,410.42
Fu Chuan	Goods	Purchase of goods and materials	Contract price	519,636,411.81	1,053,950,051.37
Fu Xing	Goods	Purchase of goods and materials	Contract price	2,960,327.87	–
Yulu Mining	Goods	Purchase of goods and materials	Contract price	127,211,707.31	159,129,456.97
CMOC Limited	Goods	Purchase of goods and materials	Contract price	–	1,958,993.90
Zhonghe Metallurgical	Service/Goods	Service/Goods	Contract price	148,507,834.52	97,915,945.94
Total				1,064,492,637.23	1,600,165,304.64

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(1) Related party transactions (Continued)

(1.2) Loans and borrowings with the related parties

Except for the related party financing disclosures in Note (XI) 6, financing between the Company and other related parties are as follows:

RMB

	Lending in the current year	Recovery in the current year	Closing balance of current year	Lending in the prior year	Recovery in the prior year	Closing balance of the prior year
Lent to:						
Sales Company	–	–	–	2,600,000,000.00	2,600,000,000.00	–
Luoyang International	–	–	220,000,000.00	220,000,000.00	–	220,000,000.00
Jiu Yang	–	–	112,292,257.55	–	–	112,292,257.55
CMOC Limited	1,957,079.95	5,743,169,959.80	50,368,492.23	2,348,411,412.28	703,440,426.18	5,791,581,372.08
Schmocke	3,237,981,850.39	3,565,063,116.34	352,606,244.38	2,202,280,772.00	4,238,371,033.67	679,687,510.33
Wu Ye	–	–	–	1,450,000,000.00	1,450,000,000.00	–
Dinghong	1,000,000,000.00	1,000,000,000.00	2,077,816.41	1,982,535.00	–	2,077,816.41
Total	4,239,938,930.34	10,308,233,076.14	737,344,810.57	8,822,674,719.28	8,991,811,459.85	6,805,638,956.37

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(1) Related party transactions (Continued)

(1.2) Loans and borrowings with the related parties (Continued)

RMB

	Borrowing in the current year	Repayment in the current year	Closing balance of current year	Borrowing in the prior year	Repayment in the prior year	Closing balance of the prior year
Borrowed from:						
Sales Company	**9,291,780,257.58**	**5,480,968,981.19**	**5,829,064,140.87**	9,091,207,425.87	8,130,993,450.72	2,018,252,864.48
Wu Ye	**3,106,537,566.66**	**1,915,707,159.49**	**1,194,333,249.70**	1,250,522,603.60	1,247,531,624.29	3,502,842.53
Metal Material	**2,331,851.18**	**199,918,322.92**	**–**	8,900,418.81	3,892,785.19	197,586,471.74
San Qiang	**78,890,457.66**	**72,290,130.34**	**6,600,327.32**	720,825.18	1,046,494.36	–
Da Dong Po	**–**	**–**	**–**	314,412,649.44	314,412,649.44	–
Xin Kuang Luo Mu	**39,733,630.94**	**68,811,114.70**	**73,404,136.25**	105,922,273.12	84,993,375.61	102,481,620.01
Fu Kai	**–**	**–**	**1,295,366.25**	–	–	1,295,366.25
Ye Lian	**–**	**–**	**–**	374,163,376.15	374,779,680.04	–
Schmocke	**3,847,391,893.33**	**3,316,551,911.31**	**787,816,722.06**	5,806,109,696.16	6,284,150,166.01	256,976,740.04
Beijing Yongbo	**295,208,176.04**	**329,275,401.99**	**103,341,091.63**	162,316,685.20	226,905,265.90	137,408,317.58
CMOC Limited	**–**	**2,937,214,280.01**	**–**	42,448,713.36	24,101,243.42	2,937,214,280.01
Dinghong	**6,464,480,526.15**	**6,512,086,399.72**	**1,245,003,202.92**	7,690,770,793.35	6,587,291,918.81	1,292,609,076.49
Jiu Yang	**14,763,830.16**	**16,953,892.98**	**691,647.79**	30,254,351.46	28,735,719.37	2,881,710.61
Luoyang International	**140,818,754.19**	**183,842,014.04**	**4,621,209.31**	631,857,577.07	586,778,127.55	47,644,469.16
CMOC HK	**–**	**18,292,790.37**	**–**	268,981.68	–	18,292,790.37
CMOC Singapore Pte.Ltd.	**–**	**12,768,000.00**	**562,304,000.00**	8,456,000.00	–	575,072,000.00
Zhonghe Metallurgical	**94,618,550.78**	**66,976,623.95**	**47,475,813.11**	19,843,461.14	9,574.86	19,833,886.28
Hainan Muxing	**–**	**1,196.12**	**7,027.80**	8,223.92	–	8,223.92
IXM Holding SA	**200.01**	**200.01**	**–**	799.70	799.70	–
Total	**23,376,555,694.68**	**21,131,658,419.14**	**9,855,957,935.01**	25,538,184,855.21	23,895,622,875.27	7,611,060,659.47

(1.3) Interest on related party borrowings/loans

The interest on the Company's financing with related parties is as follows:

RMB

	2025	2024
Interest paid to subsidiaries	**81,915,704.35**	63,886,695.62
Interest received from subsidiaries	**34,018,033.32**	71,030,537.89

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(1) Related party transactions (Continued)

(1.4) Guarantees with related parties

Guarantor	Guarantee	Guaranteed amount	Inception date of guarantee	Ending date of guarantee	Completion of guarantee
CHINA MOLYBDENUM CO., LTD.	CMOC DRC	USD2,350,000,000	4 November 2022	25 May 2031	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	RMB250,000,000	10 March 2023	10 September 2028	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	RMB500,000,000	28 June 2023	10 September 2028	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	USD100,000,000	31 July 2025	31 July 2028	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	USD50,000,000	8 February 2023	31 August 2026	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	USD50,000,000	13 November 2023	8 November 2028	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	USD90,000,000	15 March 2024	15 March 2030	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	RMB300,000,000	27 March 2024	27 March 2029	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	RMB1,500,000,000	7 June 2024	6 June 2031	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	USD50,000,000	12 August 2024	12 August 2027	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	USD50,000,000	18 October 2024	19 September 2028	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	USD50,000,000	7 February 2025	6 February 2030	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	RMB500,000,000	5 March 2025	4 September 2029	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	USD150,000,000	18 April 2025	17 April 2031	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	RMB580,000,000	16 October 2025	16 October 2030	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited	USD200,000,000	13 November 2025	13 November 2028	No
CHINA MOLYBDENUM CO., LTD.	Artemida Limited	USD830,000,000	9 December 2022	17-year term, with performance obligations commencing in 2025	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Aoyide	RMB50,000,000	15 August 2023	14 August 2026	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Aoyide	USD25,000,000	27 June 2024	27 June 2029	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Aoyide	USD20,000,000	11 July 2025	8 July 2030	No
CHINA MOLYBDENUM CO., LTD.	Wu Ye	RMB500,000,000	13 February 2025	9 January 2029	No
CHINA MOLYBDENUM CO., LTD.	Wu Ye	RMB300,000,000	31 October 2024	29 January 2026	No
CHINA MOLYBDENUM CO., LTD.	Wu Ye		31 October 2024	18 February 2026	No
CHINA MOLYBDENUM CO., LTD.	Wu Ye		24 October 2025	15 September 2026	No
CHINA MOLYBDENUM CO., LTD.	Wu Ye	RMB30,000,000	29 July 2025	29 January 2026	No
CHINA MOLYBDENUM CO., LTD.	Wu Ye	RMB210,000,000	26 November 2025	22 May 2029	No
CHINA MOLYBDENUM CO., LTD.	Wu Ye	RMB200,000,000	17 December 2025	11 December 2029	No
CHINA MOLYBDENUM CO., LTD.	Wu Ye	RMB200,000,000	24 June 2025	12 May 2029	No
CHINA MOLYBDENUM CO., LTD.	Wu Ye	RMB147,000,000	25 September 2025	20 August 2029	No
CHINA MOLYBDENUM CO., LTD.	Wu Ye	RMB130,000,000	18 July 2025	18 June 2029	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB100,000,000	19 December 2023	14 December 2029	No

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(1) Related party transactions (Continued)

(1.4) Guarantees with related parties (Continued)

Guarantor	Guarantee	Guaranteed amount	Inception date of guarantee	Ending date of guarantee	Completion of guarantee
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB6,900,000,000	29 November 2024	22 June 2026	No
CHINA MOLYBDENUM CO., LTD.	Sales Company		29 November 2024	30 January 2026	No
CHINA MOLYBDENUM CO., LTD.	Sales Company		29 November 2024	13 February 2026	No
CHINA MOLYBDENUM CO., LTD.	Sales Company		24 September 2025	7 September 2029	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB10,000,000	26 November 2025	26 May 2026	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB90,000,000	19 August 2025	13 February 2026	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB450,000,000	30 July 2025	30 January 2026	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB250,000,000	25 November 2025	25 May 2026	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB250,000,000	17 December 2025	11 December 2029	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB270,000,000	17 December 2025	11 December 2029	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB30,000,000	18 December 2025	11 December 2029	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB146,000,000	21 August 2025	13 February 2026	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB200,000,000	27 August 2025	24 August 2026	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB200,000,000	27 October 2025	27 April 2026	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB176,000,000	26 August 2025	27 August 2029	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB300,000,000	27 May 2025	27 May 2029	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB100,000,000	25 September 2025	28 September 2029	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB124,000,000	27 October 2025	27 April 2029	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB450,000,000	23 April 2025	27 April 2026	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB350,000,000	26 June 2025	26 June 2026	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB350,000,000	25 November 2025	25 May 2026	No
CHINA MOLYBDENUM CO., LTD.	Sales Company	RMB500,000,000	15 December 2025	14 December 2029	No
CHINA MOLYBDENUM CO., LTD.	Sales Company		27 October 2025	27 April 2026	No
CHINA MOLYBDENUM CO., LTD.	Dinghong	RMB500,000,000	10 January 2025	9 January 2029	No
CHINA MOLYBDENUM CO., LTD.	Dinghong		22 August 2025	20 August 2029	No
CHINA MOLYBDENUM CO., LTD.	Dinghong	RMB200,000,000	27 September 2024	27 September 2030	No
CHINA MOLYBDENUM CO., LTD.	Dinghong	RMB300,000,000	25 September 2025	30 April 2027	No
CHINA MOLYBDENUM CO., LTD.	Dinghong	RMB35,000,000	18 August 2025	18 February 2026	No
CHINA MOLYBDENUM CO., LTD.	Dinghong	RMB120,997,500	24 December 2025	21 December 2029	No
CHINA MOLYBDENUM CO., LTD.	Dinghong	RMB48,000,000	19 December 2025	12 June 2027	No
CHINA MOLYBDENUM CO., LTD.	Dinghong	RMB40,000,000	25 June 2025	25 May 2029	No
CHINA MOLYBDENUM CO., LTD.	Dinghong	RMB40,000,000	18 July 2025	18 June 2029	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Dong He, Shanghai Aoyide	RMB600,000,000	6 November 2024	6 November 2029	No

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(1) Related party transactions (Continued)

(1.4) Guarantees with related parties (Continued)

Guarantor	Guarantee	Guaranteed amount	Inception date of guarantee	Ending date of guarantee	Completion of guarantee
CHINA MOLYBDENUM CO., LTD.	Dinghong, Shanghai Dong He, Hainan Muxing and Shanghai Aoyide	USD200,000,000	3 November 2023	2 November 2026	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Dong He, Hainan Muxing, CMOC Limited, CMOC Singapore Pte. Ltd.	USD165,000,000	9 April 2024	9 April 2033	No
CHINA MOLYBDENUM CO., LTD.	CMOC Limited, CMOC Singapore Pte. Ltd.	USD60,000,000	30 May 2025	29 May 2030	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Dong He	USD50,000,000	30 May 2025	29 May 2030	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Dong He	RMB100,000,000	10 June 2025	10 June 2033	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Dong He	RMB120,000,000	11 January 2023	11 January 2026	No
CHINA MOLYBDENUM CO., LTD.	Hainan Muxing	RMB200,000,000	14 September 2023	28 February 2026	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Dong He, Hainan Muxing	USD50,000,000	21 November 2023	8 February 2028	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Dong He	RMB100,000,000	29 December 2023	29 December 2026	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Dong He	USD12,000,000	13 March 2024	13 September 2028	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Dong He	RMB300,000,000	18 February 2025	18 February 2030	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Dong He	RMB200,000,000	28 April 2024	28 April 2028	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Dong He, Hainan Muxing	USD19,000,000	27 March 2024	27 March 2028	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Dong He	RMB250,000,000	4 November 2025	4 November 2030	No
CHINA MOLYBDENUM CO., LTD.	Shanghai Dong He	RMB100,000,000	11 March 2025	10 March 2029	No
CHINA MOLYBDENUM CO., LTD.	Fu Chuan	RMB100,000,000	14 January 2025	13 January 2031	No
CHINA MOLYBDENUM CO., LTD.	Fu Chuan	RMB160,000,000	31 March 2023	30 March 2029	No
CHINA MOLYBDENUM CO., LTD.	Huayue Nickel Cobalt	USD235,600,000	30 September 2021	21 March 2032	No

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(2) Amounts due from/to related parties

RMB

Item	Related party	31 December 2025	31 December 2024
Accounts receivable	San Qiang	**3,111,215.94**	22,214,409.23
	Da Dong Po	**28,670,000.51**	26,716,638.66
	Sales Company	**295,616,150.11**	389,591,075.57
	Dinghong	**95,006,238.28**	152,171,607.51
	Jiu Yang	**675,794.28**	244,719.61
	Xin Kuang Luo Mu	**–**	1,004,295.63
	Wu Ye	**303,993,282.48**	155,096,817.31
	Zhonghe Metallurgical	**6,567,971.88**	7,243,812.06
	Yulu Mining	**9,798.66**	24,691.18
	Fu Xing	**32,307.11**	–
	Fu Chuan	**8,436,464.53**	4,353,610.55
Dividends receivable	Schmocke	**2,147,112,125.81**	3,135,000,000.00
	Jiu Yang	**26,993,751.76**	26,993,751.76
	San Qiang	**10,118,892.09**	10,118,892.09
	Da Dong Po	**6,893,440.23**	6,893,440.23
	Sales Company	**–**	195,000,000.00
	Wu Ye	**–**	70,000,000.00
	Beijing Yongbo	**5,000,000.00**	15,000,000.00
	CMOC Limited	**2,252,209,319.53**	1,360,000,000.00
	Huan Yu	**–**	163,600,000.00
	Fu Chuan	**–**	46,400,000.00
	Yulu Mining	**32,000,000.00**	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(2) Amounts due from/to related parties (Continued)

Item	Related party	31 December 2025	31 December 2024
Other receivables	Schmocke	**352,606,244.38**	679,687,510.33
	Dinghong	**2,077,816.41**	2,077,816.41
	Jiu Yang	**112,292,257.55**	112,292,257.55
	Sales Company	**–**	73,989.71
	CMOC Limited	**50,368,492.23**	5,791,581,372.08
	Da Dong Po	**293,705.90**	276,648.65
	Wu Ye	**5,131,068.52**	1,598,545.00
	CMOC UK	**–**	129,152.82
	Zhonghe Metallurgical	**598,034.12**	34,366.07
	Luoyang International	**220,000,000.00**	220,000,000.00
	San Qiang	**12,724.73**	–
	Fu Chuan	**576,696.43**	394,557.34
	Fu Xing	**12,932.21**	176,709.13
	Qi Xing	**–**	131,521.14
Interest receivable	CMOC HK	**–**	116,551,411.55
	Schmocke	**2,149,682.73**	41,195,888.45
	Dinghong	**230,136.99**	–
	Jiu Yang	**13,594,299.97**	13,594,299.97
	CMOC Limited	**79,810.49**	29,760,906.49
	Luoyang International	**9,036,657.54**	4,360,602.74

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(2) Amounts due from/to related parties (Continued)

Item	Related party	31 December 2025	31 December 2024
Interest payable	Schmocke	56,845.18	126,616.44
	Xin Kuang Luo Mu	232,382.41	652,213.51
	Sales Company	4,131,275.71	2,789,337.06
	Wu Ye	4,097,840.54	572,340.28
	Jiu Yang	838,535.84	838,535.84
	San Qiang	8,338.93	–
	Metal Material	–	2,146,792.12
	Dinghong	454,297.70	620,407.09
	Luoyang International	1,682.72	14,509.13
	Da Dong Po	12,674.34	28,078.71
	Beijing Yongbo	10,903.83	52,481.60
	Zhonghe Metallurgical	97,774.49	24,409.88
Other payables	CMOC Limited	700,708.10	2,937,214,280.01
	Sales Company	5,829,064,140.87	2,018,252,864.48
	Schmocke	794,627,149.04	256,984,963.96
	Xin Kuang Luo Mu	73,404,136.25	102,481,620.01
	Beijing Yongbo	103,341,091.63	137,408,317.58
	Dinghong	1,245,016,430.49	1,292,636,974.89
	Metal Material	–	197,896,729.36
	CMOC HK	–	18,292,790.38
	Fu Kai	1,295,366.25	1,295,366.25
	Jiu Yang	971,538.49	2,881,710.61
	Wu Ye	1,194,333,249.70	3,502,842.53
	San Qiang	6,600,327.32	–
	Luoyang International	4,621,209.31	47,644,469.16
	CMOC UK	–	129,152.82
	CMOC Singapore Pte. Ltd.	562,304,000.00	575,072,000.00
	Zhonghe Metallurgical	51,780,693.95	19,833,886.28
	Fu Chuan	1,106,429.38	2,768,124.68
	Guochuang Intelligent	246,000.00	–
	Luoyang Shenyu	14,966.65	14,966.65
	Fu Xing	–	147,993.62

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(2) Amounts due from/to related parties (Continued)

Item	**Related party**	**31 December 2025**	31 December 2024
Accounts payable	Da Dong Po	**86,400,405.50**	81,414,131.82
	San Qiang	**9,183,474.39**	–
	Wu Ye	**3,128,626.84**	2,948,646.41
	Jiu Yang	**787,413.27**	897,023.11
	Schmocke	**–**	20,193,902.06
	CMOC Limited	**1,929,686.75**	1,973,503.34
	Zhonghe Metallurgical	**17,090,925.43**	19,771,643.57
	Yulu Mining	**1,051,912.30**	15,224,987.08
	Fu Chuan	**59,871,804.06**	8,114,361.34
	Guochuang Intelligent	**–**	142,000.00
Contract liabilities	Fu Xing	**–**	6,801.79
Prepayments	San Qiang	**–**	75,560.34

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVII) . SUPPLEMENTARY INFORMATION

1. Breakdown of non-recurring profit or loss

RMB

Item	2025
Net profit	**24,027,407,307.59**
Add (less): Non-recurring profit or loss items	
– Losses from disposal of non-current assets	**14,140,962.78**
– Government grants included in profit or loss for the period (other than government grants which are closely related to the Company's normal business, and compliant with national policies and regulations, available according to determined requirements, and have a continuous impact on the Company's profit or loss)	**(81,402,522.84)**
– Capital occupation fee charged to non-financial enterprises included in profit or loss for the period	**(56,215,453.69)**
– Gains or losses from fair value changes arising from financial assets and financial liabilities held by non-financial enterprises besides the transactions under effective hedging relationship relating to the Company's normal course of operation, as well as gains or losses from disposal of the above financial assets/liabilities	**(33,131,453.90)**
– Other fair value change losses	**1,280,014.75**
– Other net non-operating income or expenses other than the above items	**212,481,406.45**
Sub-total	**57,152,953.55**
Income tax effects from non-recurring profit or loss items	**41,242,206.75**
Net profit after deducting non-recurring profit or loss items	**24,125,802,467.89**
Including: Net profit attributable to shareholders of the Company	**20,407,254,770.72**
Net profit attributable to minority interests	**3,718,547,697.17**

IXM Holding S.A and its subsidiaries (collectively "IXM") in the Group's mineral trading segment jointly constitute a commodity trader, whose daily operation is to hedge the price risk arising from spot trading using commodity futures contracts, commodity option contracts and forward commodity contracts, so as to realise profits from the combination of futures and cash. Its spot trading business includes commodities purchased from other companies within the Group at fair market prices. According to the Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No. 1 – Non-Recurring Profits and Losses (2023 Revision), the determination of non-recurring profits and losses should be based on the judgement on industry characteristics and business model. Taking this principle into consideration, the Group believes the application of IXM's relevant derivative financial instruments is in line with the industry characteristics and business model of commodity trades, and is a part of its daily operation. Therefore, the gains or losses from fair value changes arising from commodity futures contracts, commodity option contracts and forward commodity contracts held by IXM are presented as recurring profits and losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

(XVII) . SUPPLEMENTARY INFORMATION (CONTINUED)

2. Return on net assets and earnings per share ("EPS")

The calculation of net assets and EPS is prepared by China Molybdenum Co., Ltd. in accordance with Information Disclosure and Presentation Rules for Entities with Public Offering of Securities No. 9 – Calculation and Disclosure of Return on Net Assets and Earnings per Share (Amended in 2010) issued by China Securities Regulatory Commission.

RMB

Profit for the reporting period	Weighted average return on net assets (%)	EPS	
		Basic EPS	**Diluted EPS**
Net profit attributable to ordinary shareholders of the Company	26.61	0.95	0.95
Net profit after deduction of non-recurring profits or losses attributable to ordinary shareholders of the Company	26.70	0.95	0.95

To be a respected, modern,
and world-class resources company

CMOC Group Limited *