

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OVERVIEW

We are a leading silver and tin polymetallic mining company in the global mining industry, focused on the exploration, mining, processing and sale of non-ferrous metals for over 35 years since our inception. We adopt a strategy of “continuing to focus on silver and tin, expanding copper and gold resource base, and pursuing a global footprint,” and have built a diversified resource portfolio covering silver, tin, zinc, lead, copper, antimony, gold and iron. Through successful acquisitions and sustained, disciplined organic growth, we have become the largest silver producer in Asia and the second-largest tin producer in China in terms of resources of silver and tin, respectively, according to Frost & Sullivan.

KEY MILESTONES

The following table illustrates our major business milestones:

Year	Milestone
1991	Mr. Ji, our founder, established the Chifeng Jingxin Steel Pellet Factory (赤峰晶新鋼丸廠), which represents the origin of our Group’s mining-related activities.
2001	Xingye Group, a member of our Single Largest Group of Shareholders, was formally established in July 2001.
2011	Our business was successfully listed on the Shenzhen Stock Exchange by completing a major asset swap and share issuance arrangement with Fulong Thermal Power through Xingye Group.
2015	In October 2015, our Company acquired 100% equity interest in Rongbang Mining from Xingye Group.
2016	In November 2016, our Company acquired 100% of the issued shares of Yinman Mining. In December 2016, our Company acquired 100% of the issued shares of Qianjinda Mining.
2023	Our Company’s name was changed from Inner Mongolia Xingye Mining Co., Ltd. to Inner Mongolia Xingye Silver & Tin Mining Co., Ltd. Our Company acquired a 70% equity interest in Bosheng Mining.
2024	In September 2024, Xingye Gold (Hong Kong) acquired 19.99% of Far East Gold Limited.
2025	Our Company acquired an 85% equity interest in Yubang Mining. Our Company acquired 100% of the issued shares of Atlantic Tin Limited by way of an off-market takeover offer.

OUR PRINCIPAL SUBSIDIARIES

The following entities were our Principal Subsidiaries which made material contribution to our results of operation, held significant assets and were crucial to the Company’s future development during the Track Record Period.

Name	Place of Incorporation	Date of establishment/business commencement	Equity holding of our Group	Principal business activities
Yinman Mining	PRC	November 23, 2005	100%	Non-ferrous metal mining and processing
Yubang Mining	PRC	July 3, 2009	85%	Non-ferrous metal mining and processing
Qianjinda Mining	PRC	November 30, 2012	100%	Non-ferrous metal mining and processing
Rongguan Mining	PRC	July 31, 2006	100%	Non-ferrous metal mining and processing

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Name	Place of Incorporation	Date of establishment/business commencement	Equity holding of our Group	Principal business activities
Rongbang Mining	PRC	April 11, 2005	100%	Non-ferrous metal mining and processing
Ruineng Mining	PRC	August 8, 2016	100%	Non-ferrous metal mining
Xilin Mining	PRC	January 7, 2008	100%	Non-ferrous metal mining and processing
Bosheng Mining	PRC	November 22, 2005	70%	Gold mining and processing
Tanghe Shidai Mining	PRC	September 28, 2004	100%	Non-ferrous metal mining and processing
Yunnan Xigui	PRC	August 14, 2024	100%	Non-ferrous metal exploration
Yitong Mining	PRC	December 4, 2012	51%	Non-ferrous metal exploration
Shannan Antimony-Gold	PRC	May 20, 2025	100%	Investment holding
Xingye Gold (Hong Kong)	Hong Kong	March 4, 2021	100%	Investment holding
Atlantic Tin Limited	Australia	October 14, 2005	100%	Investment holding
Sahara Exploration	Morocco	July 5, 2012	100%	Non-ferrous metal mining and processing
Atlas Tin	Morocco	August 7, 2007	75%	Non-ferrous metal mining and processing
Hamada Minerals	Morocco	August 7, 2007	100%	Non-ferrous metal mining and processing
Titan Tin	Morocco	April 23, 2024	100%	Non-ferrous metal mining and processing
Société Anonyme d’Entreprises Minières	Morocco	July 23, 2024	99.87%	Non-ferrous metal mining and processing

Our Company held majority equity interests in the above Principal Subsidiaries throughout the Track Record Period and up to the Latest Practicable Date.

See “Appendix V — Statutory and General Information — A. Further Information about Our Company — 3. Changes in the Share Capital of Our Subsidiaries” for more details on share capital changes of the Principal Subsidiaries.

MAJOR CHANGES IN SHAREHOLDING AND SHARE CAPITAL OF OUR COMPANY

1. The Establishment and Listing of the Predecessor of our Company

The predecessor of our Company, Chifeng Fulong Thermal Power Co., Ltd. (赤峰富龍熱力股份有限公司) (“**Fulong Thermal Power**”) was initially established as a joint stock limited company in the PRC. On January 26, 1994, upon approval by the Chifeng City Economic System Reform Commission (赤峰市經濟體制改革委員會), Fulong Thermal Power was exclusively promoted and established by Chifeng Fulong Public Utilities (Group) Co., Ltd. (赤峰富龍公用(集團)有限責任公司) by way of targeted subscription. Upon establishment, Fulong Thermal Power had a registered share capital of RMB41,600,000, comprising 40,000,000 state-owned shares and 1,600,000

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internal employee shares. Fulong Thermal Power was formally registered with the Inner Mongolia Autonomous Region Administration for Industry and Commerce (內蒙古自治區工商行政管理局) in April 1996.

As approved by the CSRC, Fulong Thermal Power completed the initial public offering of 13,700,000 A Shares, upon which the A Shares of Fulong Thermal Power became listed on the Shenzhen Stock Exchange under the stock code 000426 on August 28, 1996. Prior to the major asset restructuring in 2011, Fulong Thermal Power was principally engaged in urban heating and power generation.

2. Major Asset Restructuring and Change of Controlling Shareholder

In October 2011, our business was successfully listed on the Shenzhen Stock Exchange by completing a major asset swap and share issuance arrangement with Fulong Thermal Power through Xingye Group. Pursuant to the major asset swap and share issuance arrangement, Fulong Thermal Power’s original thermal power, heating, and related assets and liabilities (appraised at RMB1,145,466,585.71) were swapped for 100% equity interests in five non-ferrous metal mining and processing companies held by Xingye Group, namely, Inner Mongolia Xingye Group Xilin Mining Co., Ltd. (內蒙古興業集團錫林礦業有限公司), Inner Mongolia Xingye Group Rongguan Mining Co., Ltd. (內蒙古興業集團融冠礦業有限公司), Balin Youqi Juyuan Mining Co., Ltd. (巴林右旗巨源礦業有限責任公司), Chifeng Fusheng Mining Co., Ltd. (赤峰富生礦業有限公司), and Xilingol League Shuangyuan Non-ferrous Metal Smelting Co., Ltd. (錫林郭勒盟雙源有色金屬冶煉有限公司) (collectively appraised at RMB1,398,540,362.98).

With respect to the difference in balance of RMB 253,073,777.27 arising from the above-mentioned asset swap, Fulong Thermal Power issued 17,453,363 A Shares to Xingye Group at an issue price of RMB 14.50 per share. After the completion of the restructuring in December 2011, the total share capital of Fulong Thermal Power increased to 398,129,881 shares. Xingye Group held 33.02% equity interest in Fulong Thermal Power, becoming its controlling shareholder. Subsequently, Fulong Thermal Power was renamed Inner Mongolia Xingye Mining Co., Ltd., with its main business being non-ferrous metal mining and processing.

3. Major Share Capital Changes from 2012 to 2024

Upon approval in the 2011 annual general meeting held on April 19, 2012, our Company completed the implementation of the 2011 profit distribution plan on June 19, 2012 and one bonus share was distributed for every 10 shares to all Shareholders using undistributed profits. After the completion of the aforementioned bonus share registration, our Company’s share capital increased by 39,812,988 shares to 437,942,869 shares.

Upon approval in the 2012 annual general meeting held on June 28, 2013, our Company completed the implementation of the 2012 profit distribution plan on July 18, 2013 and one bonus share was distributed for every 10 shares to all Shareholders using undistributed profits. After the completion of the aforementioned bonus share registration, our Company’s share capital increased by 43,794,286 shares to 481,737,155 shares.

Upon approval in the 2013 second extraordinary general meeting held on July 2, 2013 and based on the adjustments from the year’s profit distribution and capital reserve conversion, our Company issued 115,207,373 non-public ordinary shares to specific targets, completing the registration on December 31, 2013. After the completion of this issuance, our Company’s share capital increased by 115,207,373 shares to 596,944,528 shares.

Upon approval in the 2015 first extraordinary general meeting held on September 14, 2015, our Company completed the implementation of the 2015 semi-annual equity distribution plan on September 23, 2015. Taking the form of converting capital reserve into share capital, and 10 shares were converted for every 10 shares to all Shareholders using the capital reserve. After the completion of the aforementioned capital reserve conversion registration, our Company’s share capital increased by 596,944,528 shares to 1,193,889,056 shares.

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Upon approval in the 2016 second extraordinary general meeting held on March 28, 2016 and based on the adjustments from the year’s profit distribution and capital reserve conversion, our Company issued (i) a total of 375,924,352 shares to all Shareholders of Yinman Mining and paid cash to purchase 100% equity of Yinman Mining, completing registration on December 8, 2016; (ii) a total of 162,120,312 shares to all Shareholders of Qianjinda Mining to purchase 100% equity of Qianjinda Mining, completing registration on December 8, 2016; and (iii) simultaneously issued 136,566,837 non-public shares to raise matching funds, completing registration on January 5, 2017. After the completion of the aforementioned non-public issuance of shares and matching funds registration, our Company’s share capital increased by 674,611,501 shares to 1,868,500,557 shares.

On November 26, 2024, our Company repurchased and cancelled 61,556,480 shares (which were the performance compensation shares from Shareholders) and completed the share repurchase and cancellation procedures at the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited. After the completion of this repurchase and cancellation, our Company’s total share capital decreased from 1,837,192,219 shares to 1,775,635,739 shares.

4. Reorganization of Xingye Group

In October 2019, the Chifeng Intermediate People’s Court ruled to accept the bankruptcy restructuring application against Xingye Group, due to financial difficulties. In August 2022, the court approved the substantive consolidated restructuring plan (the “**Restructuring Plan**”).

To facilitate the settlement of ordinary claims through trust beneficiary rights and according to the Restructuring Plan as approved by the court, in July 2024, five shareholders of Xingye Group (namely Mr. Ji, Mr. Ji Xingjun, Mr. Ji Xingmin, Mr. Li Jianying and Mr. Ji Xinghui) ultimately transferred 100% equity interests in Xingye Group to Yunnan International Trust, with the 100% equity interest in Xingye Group as the underlying trust asset for a term of eight years. Accordingly, Xingye Group is wholly owned by Yunnan International Trust (acting as a trustee of Yunnan Trust — Xiangyun No. 20 Restructuring Service Trust (雲南信託-祥雲20號重整服務信託) (the “**Xiangyun Trust**”). The Xiangyun Trust was established in connection with the Restructuring Plan and its beneficiaries are Xingye Group’s ordinary creditors. The beneficiaries’ general meeting, comprising all beneficiaries of the trust, serves as its highest authority and supervisory body. A management committee has been established through the beneficiaries’ general meeting to manage the trust affairs and operations on behalf of all beneficiaries. As of the Latest Practicable Date, the beneficial owners of the Xiangyun Trust include 103 trust beneficiaries. Among them, our Company holds approximately 13.2% of the trust beneficiary right units, making it the largest trust beneficiary. Our Company became a trust beneficiary of the Xiangyun Trust primarily because Xingye Group had outstanding performance compensation obligations owed to our Company arising from the underperformance of Yinman Mining between 2017 to 2019 relative to its profit commitments made in connection with a prior major asset reorganization of the Company. Pursuant to the Restructuring Plan, Xingye Group settled such performance compensation obligations by allocating trust beneficiary right units to the Company in lieu of the share repurchase arrangement originally contemplated under the relevant performance compensation agreements.

In July 2024, as approved by the court and as part of the Restructuring Plan, each of Yunnan International Trust (on behalf of Xiangyun Trust) and Xingye Group entered into a voting proxy agreement (the “**Voting Proxy Agreement**”) with Mr. Ji, respectively, pursuant to which, Yunnan International Trust (on behalf of Xiangyun Trust) and Xingye Group, irrevocably and exclusively entrusted Mr. Ji to exercise the voting rights at the shareholders’ general meeting of the Company for the duration of the Xiangyun Trust. Under the Voting Proxy Agreements, Mr. Ji exercised the relevant voting rights at the Company’s general meeting at his full and absolute discretion and acted for the interests of our Company and its shareholders as a whole.

In 2025, Xingye Group entered into a comprehensive bailout agreement with China Cinda Asset Management Co., Ltd. (“**China Cinda**”) with a total amount of RMB3.655 billion. Pursuant to the agreement, (i) China Cinda injected RMB2.18 billion into Xingye Group by way of debt-to-equity swap or capital contribution; and (ii) China Cinda, through Tianjin Xinye Investment Partnership Enterprise

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(Limited Partnership) (天津信業投資合夥企業(有限合夥)) (“**Tianjin Xinye**”), acquired 6.87% of the Shares of the Company previously held by Xingye Group at a consideration of RMB1.47 billion (RMB12.08 per share). The share transfer was effected by a share transfer agreement dated May 16, 2025 entered into between Xingye Group and Tianjin Xinye and the share transfer was completed on July 9, 2025. As a result, Xingye Group’s shareholding ratio in the Company decreased to 20.46%. In connection with the execution of the Restructuring Plan, Xingye Group has pledged all of its 363,320,020 Shares (representing approximately 20.46% of the total issued share capital of the Company) in favour of China Jingu International Trust Co., Ltd. (中國金谷國際信託有限責任公司) as trustee (“**China Jingu Trust**”) of the Jingu Jinzhao No. 35 Fund Trust. China Jingu Trust is owned as to 86.42% by China Cinda. Such Share Pledge was made for the purpose of securing Xingye Group’s obligations under the debt investment of up to RMB2.18 billion provided by China Jingu Trust (as trustee of the Jingu Jinzhao No. 35 Fund Trust) to Xingye Group. For details of the share pledge, see “— Our Single Largest Group of Shareholders — Share Pledge by Xingye Group” below.

MAJOR ACQUISITIONS DURING THE TRACK RECORD PERIOD

1. Acquisition of Bosheng Mining

To expand our strategic resource base and enrich our product structure, on April 27, 2023, our Company entered into an equity transfer agreement with Gansu Qianjinda Mining Development Group Co., Ltd. (甘肅乾金達礦業開發集團有限公司) (“**Gansu Qianjinda**”) to acquire a 70% equity interest in Bosheng Mining for a total consideration of RMB280 million. The consideration was determined after arm’s length negotiations with reference to an independent asset appraisal report.

Bosheng Mining principally holds one mining right and one exploration right to the Bangbu Rock Gold Mine (邦布岩金礦) located in Luolin Township, Jiacha County, Shannan City, Xizang. The Bangbu Rock Gold Mine is a rare large-scale rock gold deposit in Xizang equipped with a processing plant and tailings pond, possessing mature production conditions. This acquisition enables us to strategically integrate gold resources in the Northern Himalaya metallogenic belt, enhancing our core competitiveness and sustainable development capabilities. The acquisition was completed in May 2023, upon which Bosheng Mining became our non-wholly owned subsidiary.

2. Acquisition of the Exploration Rights for Chaobuleng and Chagan Aobao from Xingye Group

In October and November 2024, our wholly-owned subsidiaries, Xilin Mining and Rongguan Mining, separately entered into exploration right transfer agreements to acquire the Chaobuleng exploration rights for polymetallic ore exploration (located in East Ujimqin Banner, Inner Mongolia), for a consideration of RMB53.50 million and the Chagan Aobao exploration rights for polymetallic ore exploration (located in East Ujimqin Banner, Inner Mongolia), for a consideration of RMB66.50 million from Xingye Group. The considerations were determined after arm’s length negotiations with reference to independent asset appraisal reports.

These acquisitions were strategically driven by the need to comply with national policies that encourage the integration and systematic development of adjacent mines. Given that the Chaobuleng and Chagan Aobao exploration rights are geographically adjacent to the existing mining areas of Xilin Mining and Rongguan Mining, respectively, the acquisitions allowed us to integrate the newly acquired exploration rights with our existing mining rights. The integration enabled us to leverage the existing infrastructure and processing systems of Xilin Mining and Rongguan Mining for exploration operations in the Chaobuleng and Chagan Aobao mining areas, increasing our overall mineral resources, expanding our exploration area and enhancing our sustainable profitability.

3. Acquisition of Yubang Mining

To further consolidate our position as a leading silver producer in the PRC, on December 20, 2024, our Company entered into equity transfer agreements with Guocheng Mining Co., Ltd. (國城礦業股份有限公司) (“**Guocheng Mining**”), Mr. Li Zhenshui and Mr. Li Ruiyang to acquire an aggregate of 85% equity interest in Yubang Mining (comprising a 65% equity interest from Guocheng Mining Co.,

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Ltd. and a 20% equity interest from Mr. Li Zhenshui and Mr. Li Ruiyang) for a total consideration of RMB2,388 million. The consideration was determined after arm’s length negotiations with reference to an independent asset appraisal report. Guocheng Mining Co., Ltd. is a company established in the PRC principally engaged in mining activities and listed on the Shenzhen Stock Exchange (stock code: 000688). Mr. Li Zhenshui remains a substantial shareholder of Yubang Mining and Mr. Li Ruiyang is an Independent Third Party.

Yubang Mining principally owns the Shuangjianzi Mountain Silver-Lead Mine (雙尖子山礦區銀鉛礦) located in Bairin Left Banner, Inner Mongolia. This acquisition was highly strategic and allowed us to leverage our extensive operational experience in silver mines to achieve significant synergies in production, management, and sales. The acquisition was completed on January 14, 2025, upon which Yubang Mining became our non-wholly owned subsidiary.

4. Acquisition of Atlantic Tin Limited by way of an Off-Market Takeover Offer

On April 30, 2025, our Company entered into an offer implementation agreement to make an off-market conditional takeover offer to acquire all issued shares of Atlantic Tin Limited, an unlisted public company in Australia, at a price of AUD0.24 per share in cash, representing a total maximum investment of approximately AUD98 million (equivalent to approximately RMB454 million at the time of entering into the offer implementation agreement). The acquisition was completed through our wholly-owned subsidiary Xingye Gold (Hong Kong).

In July 2025, having obtained the necessary PRC governmental approvals and reached an acceptance level of 95.1%, the offer became unconditional. By the end of the offer period in August 2025, we had received acceptances representing 96.04% of Atlantic Tin Limited’s total share capital, allowing us to take actual control and restructure its board of directors. Subsequently, we initiated the compulsory acquisition process for the remaining shares, upon which Atlantic Tin Limited became an indirect wholly-owned subsidiary of our Company in September 2025.

Atlantic Tin Limited was established in October 2005 in Australia. It respectively holds five subsidiaries located in Morocco, namely Sahara Exploration, Atlas Tin, Hamada Minerals, Titan Tin and Société Anonym d’Enterprises Minières. The five subsidiaries’ mining assets and projects are located in Morocco. Atlantic Tin Limited holds a portfolio of four mining projects through five subsidiaries, including the Achmmach Tin Project, the Bou El Jaj Tin Project, the Samine Fluorite Project, and the Tamalt Gold Project.

Compliance with Rule 4.05A of the Hong Kong Listing Rules

Our Directors confirm that none of the applicable percentage ratios as stipulated under the Hong Kong Listing Rules in respect of the above acquisitions during the Track Record Period, exceeds 25%. Accordingly, the pre-acquisition financial information of the aforementioned acquired entities is not required to be disclosed in this document under Rule 4.05A of the Hong Kong Listing Rules.

POST-TRACK RECORD PERIOD ACQUISITIONS

1. Proposed Acquisition of Willing New Energy Co., Ltd.

In view of the Company’s business expansion strategy and the need for resource integration, on November 28, 2025, Shannan Antimony-Gold, a wholly-owned subsidiary of the Company, entered into a share transfer agreement with Shanghai Lingyi New Materials Co., Ltd. (“**Shanghai Lingyi**”) and Ms. Wen Ping, a natural person shareholder, respectively. To the best of our knowledge, Shanghai Lingyi and Ms. Wen Ping are Independent Third Parties. Pursuant to the agreement, Shannan Antimony-Gold agreed to acquire 17,425,340 shares and 2,808,444 shares of Willing New Energy Co., Ltd. (“**Willing New Energy**”), a company listed on the Shenzhen Stock Exchange (stock code: 002667), from Shanghai Lingyi and Ms. Wen Ping respectively. The total number of shares to be acquired is 20,233,784, accounting for approximately 7.76% of the total share capital of Willing New Energy, with a total consideration of RMB307,755,854.64.

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The main business of Willing New Energy includes metal ore mining operations. This proposed acquisition was made mainly based on the mining resources that Willing New Energy possesses. The Company intends to optimize its main business layout through resource integration and achieve long-term sustainable development. The consideration was determined after fair negotiation among all parties.

As of the Latest Practicable Date, however, all closing conditions under the aforesaid share transfer agreement have not been satisfied and completion has not yet taken place.

2. Proposed Acquisition of Xizang Sunshine Mining Investment Co., Ltd.

To expand the Company’s mineral resource base and enhance the precious metals segment’s business layout and sustainable operating capacity, on May 6, 2026, Xizang Xinda Mining Co., Ltd. (“**Xinda Mining**”), a wholly-owned subsidiary of the Company, entered into a share transfer agreement with natural person shareholders Ms. Zhang Jing and Ms. Zhang Ying, respectively. Pursuant to the agreements, Xinda Mining agreed to acquire 100% of the equity interest in Xizang Sunshine Mining Investment Co., Ltd. (“**Sunshine Mining Investment**”) held by Ms. Zhang Jing and Ms. Zhang Ying for a total consideration of RMB164 million. Sunshine Mining Investment was established on October 12, 2010 as a limited liability company and holds 70% of the equity interest in Xizang Shannan Sunshine Mining Development Co., Ltd. (“**Sunshine Mining**”). To the best of our knowledge, Ms. Zhang Jing and Ms. Zhang Ying are Independent Third Parties. Sunshine Mining was established on January 6, 2011 as a limited liability company, with its core assets being the Chalapu Gold Mine in Longzi County, Shannan City, Xizang, and the proposed mining right for the II Ore Block.

This proposed acquisition has strong synergy with the Company’s existing gold mining business (including the Bangbu Gold Mine operated by Bosheng Mining). The Company plans to integrate Sunshine Mining into the business segment of Shannan Antimony-Gold after the completion of the acquisition, so as to achieve regional coordinated development of gold resources.

As of the Latest Practicable Date, completion for the acquisition of Sunshine Mining Investment has not yet taken place.

Our Directors confirm that all applicable percentage ratios of each above-mentioned proposed acquisition are below 5%. Therefore, there is no requirement for this document to disclose the audited financial information of the above-mentioned target companies for the track record period. We have applied to the Stock Exchange, and the Stock Exchange [has granted] a waiver from strict compliance with Rules 4.04(2) and 4.04(4)(a) of the Hong Kong Listing Rules in respect of the above-mentioned acquisition. For details, please refer to the section headed “Waivers from Strict Compliance with the Requirements under the Listing Rules” in this document.

COMPLIANCE WITH LAWS AND REGULATIONS

All of the above capital increases, equity transfers, acquisitions, and disposals of our Company and our subsidiaries are effective, legally completed, duly settled, and in compliance with the applicable laws and regulations (where applicable). All permits, authorizations, approvals, and consents necessary for the above transactions have been obtained from the relevant government and regulatory authorities.

As advised by our PRC Legal Advisor, our Directors confirm that our Group has been in compliance with the applicable listing rules of the Shenzhen Stock Exchange and the applicable securities laws and regulations in all material respects since the Track Record Period and as of the Latest Practicable Date, and to the best knowledge of our Directors after having made all reasonable inquiries, there is no other matter that should be brought to the attention of the investors and the Hong Kong Stock Exchange in relation to our compliance record on the Shenzhen Stock Exchange. Based on the independent due diligence conducted by the Sole Sponsor, no material matter has come to the Sole Sponsor’s attention that would reasonably cause it to disagree with the Directors’ confirmation with regard to the compliance records of the Company on the Shenzhen Stock Exchange.

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DEREGISTRATION OF SUBSIDIARIES

To optimize our management and other resources and to focus on our core business, during the Track Record Period, we completed the voluntary deregistration of certain non-core subsidiaries, including Xingye Mining (Shanghai) International Trade Co., Ltd. (興業礦業(上海)國際貿易有限責任公司), Xingye Mining (Shanghai) Equity Investment Fund Management Co., Ltd. (興業礦業(上海)股權投資基金管理有限公司), Hainan Haishuo Investment Partnership (Limited Partnership) (海南海碩投資合夥企業(有限合夥)) and Xilingol League Xingzhi Inspection and Testing Technology Service Co., Ltd. (錫林郭勒盟興智檢驗檢測技術服務有限責任公司). As confirmed by our Directors, these subsidiaries had not been involved in any material claims, litigations, or non-compliant incidents prior to their deregistration, and their deregistration did not have a material impact on our Group’s business and financial performance.

OUR SINGLE LARGEST GROUP OF SHAREHOLDERS

As of the Latest Practicable Date, Xingye Group held approximately 20.46% of our issued Shares. Xingye Group is wholly-owned by Yunnan International Trust. Under the trust arrangement, the voting rights of Xingye Group in our Company was irrevocably entrusted to Mr. Ji. Xingye Group has its own business operations through its subsidiaries and it is not a special purpose vehicle solely for the exclusive purpose through which its shareholder hold its interests in our Company. As such, Mr. Ji, Yunnan International Trust and Xingye Group collectively form our Company’s Single Largest Group of Shareholders. Our Company has entered into connected transaction with Xingye Group in relation to the entrustment arrangement of Budun Yingen Mining, and such transaction will continue after the [REDACTED]. For details, please refer to the section headed “Connected Transaction” in this document.

The main businesses of Xingye Group include mineral exploration projects and the operation of Yulong State Guesthouse located in Chifeng City. Our Group’s business is focused on exploration, mining, processing and sale of non-ferrous metals. Although Xingye Group and our Group are both engaged in mineral exploration activities, such exploration activities do not generate any revenue and only fall within the preliminary stage of mineral resources development. Accordingly, the exploration activities alone will not give rise to any competition between Xingye Group and our Group.

In addition, to further delineate the businesses of Xingye Group and our Company and avoid potential competition, Xingye Group entered into a non-compete undertaking (the “**Non-Compete Undertaking**”) in October 2011 when we achieved listing on the Shenzhen Stock Exchange. Pursuant thereto, Xingye Group undertakes that (i) it shall not, directly or indirectly in any manner, engage in any business that competes with the principal business of our Company; (ii) commencing from the date of issuance of the Non-Compete Undertaking, it will no longer engage in new non-ferrous metals exploration business nor apply for new exploration rights; (iii) in the year when the conversion of exploration rights into mining rights in respect of the exploration business conducted by Xingye Group and its subsidiaries (other than our Company) is completed, Xingye Group shall entrust the relevant mining rights or subsidiaries engaging in mining business to our Company for entrusted operation; and (iv) within one year after the relevant mining rights or relevant mining business subsidiaries commence production and generate profits, Xingye Group will initiate the transfer of such mining rights or mining business subsidiaries to our Company. As of the Latest Practicable Date, the Non-Compete Undertaking remains in full force and effect and has been complied with by Xingye Group. Based on the fact that (i) the engagement of exploration activities itself does not give rise to any competing business; and (ii) Xingye Group has issued the Non-Compete Undertaking and has complied with the terms of the Non-Compete Undertaking since 2011, our Directors confirm that there is no actual or potential competition between Xingye Group and the Group. Our Directors confirm that during the Track Record Period and as of the Latest Practicable Date, save for the guarantees set forth in Note 34 to the Accountants’ Report set out in Appendix I to this document, none of the members of the Single Largest Group of Shareholders or their close associates had provided any guarantees to our Group. Our Directors confirm that all such guarantees will be released before the [REDACTED].

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As of the Latest Practicable Date, the Single Largest Group of Shareholders held approximately 20.46% of our issued Shares. Immediately following the completion of the [REDACTED] (assuming the [REDACTED] is not exercised and that no changes are made to our total issued share capital between the Latest Practicable Date and the [REDACTED]), the Single Largest Group of Shareholders will hold approximately [REDACTED]% interest in our total issued Shares. Accordingly, our Company will not have any controlling shareholder (as defined under the Hong Kong Listing Rules) immediately after the [REDACTED].

Share Pledge by Xingye Group

In connection with the comprehensive bailout agreement between Xingye Group and China Cinda and the execution of the Restructuring Plan (as described in “— Reorganization of Xingye Group” above), on July 17, 2025, Xingye Group pledged all of the 363,320,020 A Shares it held in the Company to China Jingu Trust, acting as the trustee of the Jingu Jinzhao No. 35 Fund Trust (金谷今朝35號資金信託) (the “**Share Pledge**”). Such Share Pledge was made for the purpose of securing Xingye Group’s obligations under the debt investment of up to RMB2.18 billion provided by China Jingu Trust (as trustee of the Jingu Jinzhao No. 35 Fund Trust) to Xingye Group pursuant to the debt confirmation agreement dated June 10, 2025 (the “**Pledge Financing**”). The funds raised from the Pledge Financing were used entirely for the repayment of secured creditors’ claims and priority claims under the Restructuring Plan. The term of the debt investment under the Pledge Financing is 30 months from the date of actual disbursement of funds (June 19, 2025) and the Share Pledge will remain effective until all obligations under the debt confirmation agreement have been fully discharged.

As of the Latest Practicable Date, all 363,320,020 A Shares held by Xingye Group in our Company were subject to the Share Pledge, representing 100% of the A Shares held by Xingye Group and approximately 20.46% of the total issued share capital of our Company. No liquidation line or margin call line has been set in respect of the Pledge Financing. Accordingly, the Share Pledge is not subject to requirements that would be triggered by a decrease in the market value of the A Shares of our Company, and there is no risk of forced sale of the pledged A Shares of our Company due to a decline in the market price of the A Shares of our Company.

Pursuant to the share pledge agreement, China Jingu Trust is entitled to enforce the Share Pledge and exercise its power of sale over the pledged A Shares upon the occurrence of certain enforcement events, including but not limited to Xingye Group’s failure to fully, timely and properly perform its obligations under the debt confirmation agreement, or the occurrence of circumstances that endanger or harm the rights or interests of China Jingu Trust. As of the Latest Practicable Date, China Jingu Trust has confirmed that none of the enforcement events under the share pledge agreement has occurred and China Jingu Trust currently has no intention to enforce the Share Pledge. China Jingu Trust has further confirmed that (i) Xingye Group is not in breach of any of its obligations under the debt confirmation agreement, the share pledge agreement or any other applicable agreements; (ii) Xingye Group has timely paid all debt investment returns; and (iii) the term of the debt investment under the Pledge Financing has not expired. Accordingly, as of the Latest Practicable Date, (i) there were no circumstances requiring Xingye Group to make early repayment or requiring China Jingu Trust to enforce the Share Pledge, and (ii) no litigation, arbitration or other disputes existed between China Jingu Trust and Xingye Group.

Based on the above, our Company considers that the risk of the A Shares held by Xingye Group subject to the Share Pledge being enforced or disposed of by China Jingu Trust is remote and that the Share Pledge will not have a material adverse impact on the Company’s production, operations or corporate governance as of the Latest Practicable Date, taking into account (i) the absence of any liquidation line or margin call line, which eliminates the risk of forced sale due to market price fluctuations; (ii) the confirmation from China Jingu Trust that no default or early repayment event has occurred and no disputes exist; (iii) the Pledge Financing term of 30 months has not expired as of the Latest Practicable Date; and (iv) the Pledge Financing is unrelated to the Company’s production and operations.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Xingye Group has confirmed that (i) the Share Pledge is unrelated to our Company’s production and operations; (ii) the Share Pledge will not have a material adverse impact on our Company’s production, operations or corporate governance; (iii) the Share Pledge will not have a material impact on the shareholding structure of our Company; (iv) there is no non-operating fund occupation, irregular guarantees or other circumstances that may prejudice the interests of our Company; and (v) if there is a risk of default or other circumstances that may give rise to the enforcement of the Share Pledge, Xingye Group shall take all necessary actions to avoid such enforcement.

As advised by our PRC Legal Advisor, based on (i) the review of the share pledge agreement and the debt confirmation agreement, (ii) the confirmation letter issued by China Jingu Trust, and (iii) Xingye Group’s confirmation as to its compliance status and financial condition, as of the Latest Practicable Date, there are no pending disputes among Xingye Group and China Jingu Trust arising from the performance of the share pledge agreement or the debt confirmation agreement. Taking into account the above, and based on the independent due diligence conducted by the Sole Sponsor, nothing has come to the Sole Sponsor’s attention that would reasonably cause the Sole Sponsor to disagree with the Company’s view above.

REASONS FOR [REDACTED] ON THE HONG KONG STOCK EXCHANGE

Our Company is seeking a [REDACTED] on the Hong Kong Stock Exchange in order to raise further capital for the development and expansion of our Company’s business, particularly to support our potential strategic acquisition to expand our resources and reserves and enhance our market competitive advantages. A [REDACTED] will further raise our profile as a business with a global presence, enhance our international corporate governance standards, and improve our ability to attract business partners, strategic investors, and key management personnel. See also the section headed “Future Plans and [REDACTED]” in this document for further details.

PUBLIC FLOAT

Rule 19A.13A(2) of the Listing Rules requires that there must be an open market in the securities for which [REDACTED] is sought. Where a new applicant is a PRC issuer with other [REDACTED] shares at the time of [REDACTED], this will normally mean that the portion of H shares for which [REDACTED] is sought that are held by the public, at the time of [REDACTED], must: (a) represent at least 10% of the issuer’s total number of issued shares in the class to which H shares belong (excluding treasury shares); or (b) have an expected market value of not less than HK\$3,000,000,000.

So far as our Directors are aware, assuming (i) [REDACTED] H Shares are issued and [REDACTED] in the [REDACTED], and (ii) the [REDACTED] is not exercised, an aggregate of [REDACTED] H Shares is expected to be held by the public and will count towards the public float of our Company upon the completion of the [REDACTED], representing [REDACTED]% of the total issued Shares (excluding treasury Shares) of our Company upon the completion of the [REDACTED]. Accordingly, our Company is expected to satisfy the public float requirement under Rule 19A.13A(2) of the Listing Rules.

FREE FLOAT

Under Rule 19A.13C(2) of the Listing Rules, a PRC issuer with other [REDACTED] shares at the time of [REDACTED] must ensure that a portion of H shares that are held by the public and not subject to any disposal restrictions (whether under contract, the Listing Rules, applicable laws or otherwise) at the time of [REDACTED] (i) represent at least 5% of the total number of issued shares in the class to which H shares belong at the time of [REDACTED] (excluding treasury shares), with an expected market value at the time of [REDACTED] of not less than HK\$50,000,000, or (ii) have a market capitalization of at least HK\$600,000,000.

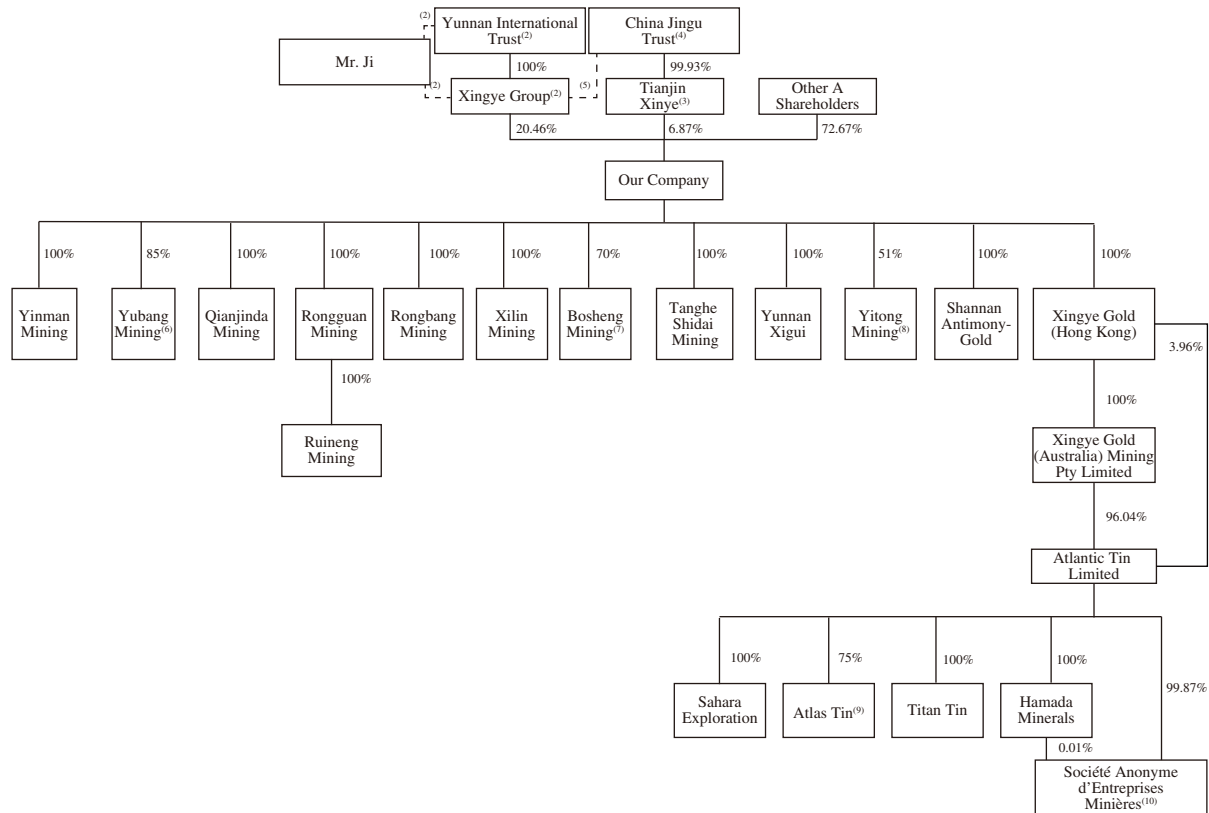
It is expected that immediately following completion of the [REDACTED], the market capitalization of our H Shares [REDACTED] on the Hong Kong Stock Exchange that are not subject to any disposal restrictions at the time of the [REDACTED] will be not less than HK\$600 million (based on the bottom end of the [REDACTED] and assuming the [REDACTED] is not exercised). Accordingly, our Company will be able to satisfy the requirements under Rule 19A.13C of the Listing Rules.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OUR SHAREHOLDING AND CORPORATE STRUCTURE

Shareholding and Corporate Structure immediately before the [REDACTED]

The following chart depicts a simplified version of the shareholding and corporate structure of our Company and our Principal Subsidiaries immediately prior to the completion of the [REDACTED] (assuming that no changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED]):



Notes:

1. The percentage of the Shares are rounded to the nearest two decimal places, and the total number of the percentages may not be equal to 100% due to rounding.
2. As of the Latest Practicable Date, Xingye Group held approximately 20.46% of our issued Shares. Xingye Group is wholly-owned by Yunnan International Trust. In October 2019, the Chifeng Intermediate People’s Court ruled to accept the bankruptcy restructuring application against Xingye Group. To facilitate the settlement of ordinary claims through trust beneficiary rights, in July 2024, five shareholders of Xingye Group (namely Mr. Ji, Mr. Ji Xingjun, Mr. Ji Xingmin, Mr. Li Jianying and Mr. Ji Xinghui) ultimately transferred 100% of their equity interests in Xingye Group to Yunnan International Trust, with the 100% equity interest in Xingye Group as the underlying trust asset for a term of eight years. In July 2024, as approved by the court and as part of the Restructuring Plan, each of Yunnan International Trust (on behalf of Xiangyun Trust) and Xingye Group entered into Voting Proxy Agreement with Mr. Ji, respectively, pursuant to which, Yunnan International Trust (on behalf of Xiangyun Trust) and Xingye Group, irrevocably and exclusively entrusted Mr. Ji to exercise the voting rights at the shareholders’ general meeting of the Company for the duration of the Xiangyun Trust. Under the Voting Proxy Agreements, Mr. Ji exercised the relevant voting rights at the Company’s general meeting at his full and absolute discretion and acted for the interests of our Company and its shareholders as a whole. For details of the reorganization of Xingye Group the voting rights entrustment, please refer to “— Major Changes in Shareholding and Share Capital of our Company — 4. Reorganization of Xingye Group” in this section.
3. As of the Latest Practicable Date, the remaining 0.07% limited partnership interests of Tianjin Xinye was held by Beijing Xinruitong Technology Co., Ltd. (北京信睿通科技有限公司), which is ultimately owned as to 47.1574% by China Cinda.
4. China Jingu Trust acts as the trustee of the Jingu Jinzhao No.35 Fund Trust and is owned as to 86.42% by China Cinda.

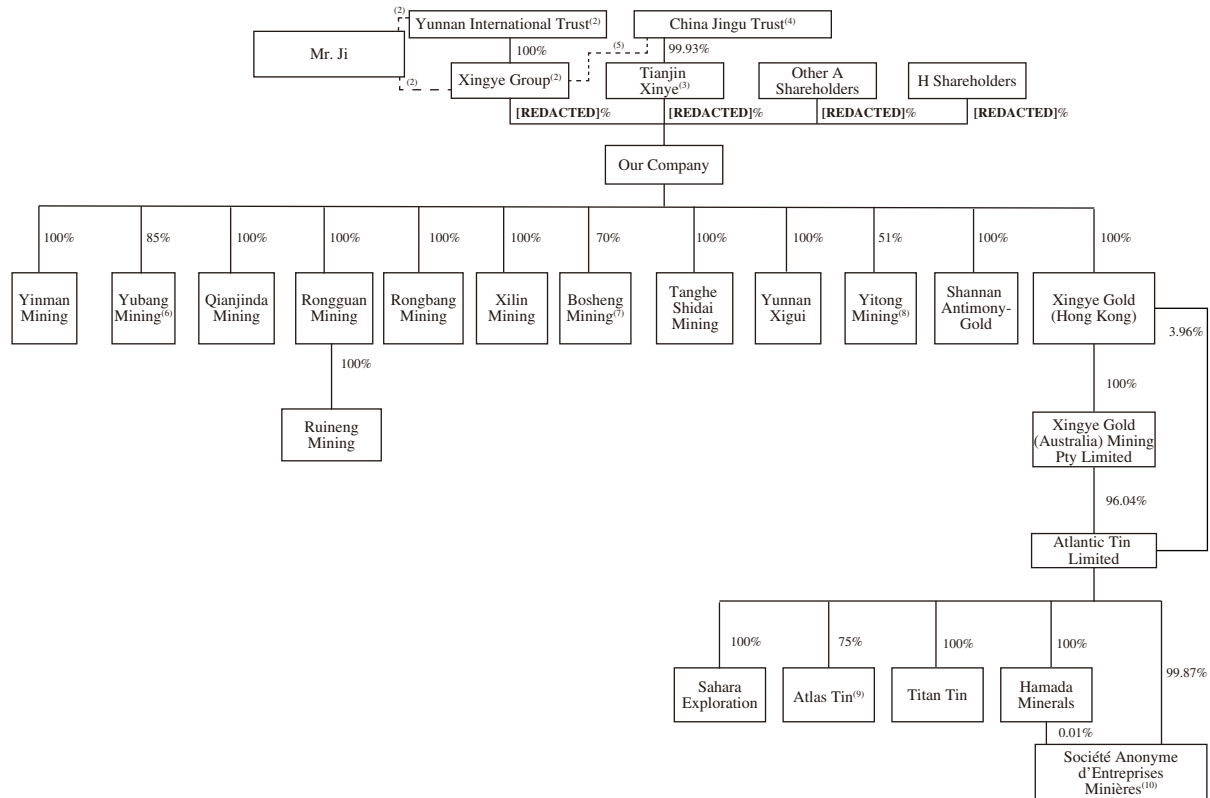
HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

5. On July 17, 2025, Xingye Group pledged all of its A Shares held in the Company to China Jingu Trust pursuant to a restructuring plan between Xingye Group and China Cinda. For details of the restructuring plan and share pledge arrangement, please refer to “History, Development and Corporate Structure — Major changes in Shareholding and Share Capital of our Company — 4. Reorganization of Xingye Group” and “History, Development and Corporate Structure — Our Single Largest Group of Shareholders — Share Pledge by Xingye Group” in this section.
6. As of the Latest Practicable Date, the remaining 15% equity interest of Yubang Mining was held by Mr. Li Zhenshui. Save for being a substantial shareholder of Yubang Mining, he has no other relationship with the Group and its Directors and senior management.
7. As of the Latest Practicable Date, the remaining 30% equity interest of Bosheng Mining was held by Xizang Geological and Mineral Resources Group Co., Ltd. (西藏地質礦產集團有限公司), which is in turn wholly owned by the State-owned Assets Supervision and Administration Commission of the People’s Government of Xizang Autonomous Region. Save for being a substantial shareholder of Bosheng Mining, Xizang Geological and Mineral Resources Group Co., Ltd. has no other relationship with the Group and its Directors and senior management.
8. As of the Latest Practicable Date, the remaining 49% equity interest of Yitong Mining was held by Mr. Yang Bao. Save for being a substantial shareholder of Yitong Mining, he has no other relationship with the Group and its Directors and senior management.
9. As of the Latest Practicable Date, the remaining 25% equity interest of Atlas Tin was owned as to 20% by Toyota Tsusho Corporation (豐田通商株式會社) and 5% by Nittetsu Mining Co. Ltd (日鉄鉦業株式會社), respectively. Toyota Tsusho Corporation is a company incorporated in Japan and is listed on the Prime Market of the Tokyo Stock Exchange and Nagoya Stock Exchange (stock code: 8015). Nittetsu Mining Co. Ltd is a company incorporated in Japan and is listed on the Prime Market of the Tokyo Stock Exchange (stock code: 1515). Save for being substantial shareholders of Atlas Tin, Toyota Tsusho Corporation and Nittetsu Mining Co. Ltd have no other relationships with the Group and its Directors and senior management.
10. As of the Latest Practicable Date, the remaining equity interest of Société Anonyme d’Entreprises Minières was held as to approximately 0.01% by Mr. Chao Fu, 0.01% by Ms. Monique Herman de Groot and 0.01% by Mr. Mohamed Maataoui, respectively. Mr. Chao Fu is a director of Atlas Tin and an employee of our Group. Mr. Monique Herman de Groot is a director of Atlantic Tin Limited and an employee of our Group. Mr. Mohamed Maataoui is an employee of our Group.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Shareholding and Corporate Structure immediately after the [REDACTED]

The following chart depicts the shareholding and corporate structure of our Company and our Principal Subsidiaries immediately following the completion of the [REDACTED] (assuming that the [REDACTED]s is not exercised and that no changes are made to the issued share capital of our Company between the Latest Practicable Date and the [REDACTED]):



Note: For notes (1) to (10), see “— Shareholding and Corporate Structure immediately before the [REDACTED]” in this section.