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China Nonferrous Mining Corporation Limited **中國有色礦業有限公司**

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 01258)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS OF THE GROUP

In 2024, the Group's production system continues to maintain its high-load operations, the Group recorded revenue of US\$3,816.5 million, representing an increase by 5.8% from US\$3,606.4 million in 2023.

In 2024, the Group recorded net profit of US\$557.5 million, representing an increase by 46.2% from US\$381.4 million in 2023.

In 2024, the Group recorded profit attributable to owners of the Company of US\$398.5 million, representing an increase by 43.6% from US\$277.6 million in 2023.

In 2024, basic earnings per share attributable to owners of the Company was approximately US¢10.34 (equivalent to approximately HK\$0.81), representing an increase by approximately US¢2.91 (equivalent to approximately HK\$0.23) from approximately US¢7.43 (equivalent to approximately HK\$0.58) in 2023.

The Board proposed a payment of US¢4.2893 per share as final dividend for the year of 2024.

FINANCIAL INFORMATION

The board of directors (the “**Board**”) of China Nonferrous Mining Corporation Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (hereinafter collectively referred to as the “**Group**”) for the year ended 31 December 2024, together with the comparative figures for the corresponding period in 2023.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2024

	Notes	2024 US\$'000	2023 US\$'000
Revenue from contracts with customers	3, 4	3,816,472	3,606,421
Cost of sales		<u>(2,767,325)</u>	<u>(2,728,963)</u>
Gross profit		1,049,147	877,458
Other income		29,812	21,736
Other gains and losses	5	(81,354)	(89,629)
Distribution and selling expenses		(8,688)	(10,569)
Administrative expenses		(192,481)	(199,118)
Other expenses		<u>(9,674)</u>	<u>(8,462)</u>
Profit from operations		786,762	591,416
Finance costs	6	<u>(11,346)</u>	<u>(32,796)</u>
Profit before taxation		775,416	558,620
Income tax	7	<u>(217,940)</u>	<u>(177,177)</u>
Profit and total comprehensive income for the year		<u>557,476</u>	<u>381,443</u>
Profit and total comprehensive income attributable to:			
Owners of the Company		398,500	277,645
Non-controlling interests		<u>158,976</u>	<u>103,798</u>
		<u>557,476</u>	<u>381,443</u>
Earnings per share			
– Basic and diluted	9	US¢10.34/share	US¢7.43/share
– Basic and diluted (HK\$ equivalent)	9	<u>HK\$0.81/share</u>	<u>HK\$0.58/share</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2024

		2024	2023
	<i>Notes</i>	<i>US\$'000</i>	<i>US\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		1,469,127	1,518,121
Right-of-use assets		17,320	189
Mining rights		90,937	99,481
Restricted bank balances		1,505	1,505
Deferred tax assets		24,603	27,651
Prepayments and other receivables		178,227	44,784
		1,781,719	1,691,731
Current assets			
Inventories	10	848,154	861,271
Trade receivables at amortised cost	11	70,913	50,012
Trade receivables at fair value through profit or loss (“FVTPL”)	11	185,742	367,565
Prepayments and other receivables		236,378	243,526
Financial assets		5,835	—
Restricted bank balances		2,831	3,044
Time deposits		4,173	110,000
Cash and cash equivalents		1,018,662	492,364
		2,372,688	2,127,782
Total assets		4,154,407	3,819,513

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
31 DECEMBER 2024

	<i>Notes</i>	2024 US\$'000	2023 US\$'000
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		864,199	740,119
Reserves		1,384,869	1,102,267
Equity attributable to owners of the Company		2,249,068	1,842,386
Non-controlling interests		780,024	644,217
Total equity		3,029,092	2,486,603
Non-current liabilities			
Deferred tax liabilities		176,602	130,518
Bank and other borrowings			
– due after one year	13	9,752	–
Lease liabilities		15,328	–
Provision for restoration, rehabilitation and environmental costs		51,594	50,679
Deferred income		11,170	11,672
		264,446	192,869
Current liabilities			
Trade payables at amortised cost	12	216,259	233,306
Trade payables at FVTPL	12	224,207	298,553
Other payables and accrued expenses		217,221	270,687
Income tax payable		173,130	151,652
Bank and other borrowings			
– due within one year	13	20,424	177,486
Lease liabilities		2,269	191
Contract liabilities		6,727	2,854
Financial liabilities		632	5,312
		860,869	1,140,041
Total liabilities		1,125,315	1,332,910
Total equity and liabilities		4,154,407	3,819,513

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2024

	Equity attributable to owners of the Company				Non- controlling interests	Total equity
	Share capital US\$'000	Other reserve US\$'000	Retained profits US\$'000	Total US\$'000		
At 1 January 2023	740,119	–	931,214	1,671,333	672,251	2,343,584
Profit and total comprehensive income for the year	–	–	277,645	277,645	103,798	381,443
Disposal of interest to a non-controlling shareholder in a subsidiary	–	(1,118)	–	(1,118)	1,118	–
Dividends declared by subsidiaries	–	–	–	–	(132,950)	(132,950)
Dividends declared by the Company (Note 8)	–	–	(105,474)	(105,474)	–	(105,474)
At 31 December 2023	740,119	(1,118)	1,103,385	1,842,386	644,217	2,486,603
Issue of shares, net of issuance cost	124,080	–	–	124,080	–	124,080
Profit and total comprehensive income for the year	–	–	398,500	398,500	158,976	557,476
Dividends declared by subsidiaries	–	–	–	–	(23,169)	(23,169)
Dividends declared by the Company (Note 8)	–	–	(115,898)	(115,898)	–	(115,898)
At 31 December 2024	864,199	(1,118)	1,385,987	2,249,068	780,024	3,029,092

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2024

	2024 US\$'000	2023 US\$'000
NET CASH FROM OPERATING ACTIVITIES	<u>775,216</u>	<u>589,278</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(79,455)</u>	<u>(224,118)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(173,021)</u>	<u>(604,661)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	522,740	(239,501)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	492,364	732,923
Effect of foreign exchange rate changes	<u>3,558</u>	<u>(1,058)</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR, represented by:		
Cash and cash equivalents	<u><u>1,018,662</u></u>	<u><u>492,364</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

The Company was incorporated in Hong Kong on 18 July 2011 and its shares are listed on The Stock Exchange of Hong Kong Limited. In the opinion of the directors of the Company (the “**Directors**”), the Company’s immediate holding company is China Nonferrous Mining Development Limited, a private company incorporated in the British Virgin Islands and the Company’s ultimate holding company is China Nonferrous Metal Mining (Group) Co., Ltd. (“**CNMC**”), an enterprise established in the People’s Republic of China (the “**PRC**”) and wholly-owned by State-owned Assets Supervision and Administration Commission of the State Council. The registered office of the Company is located Unit 1303, 13/F, Austin Tower, 22-26 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong, and its principal places of business are located at 32 Enos Chomba Road, Kitwe, the Republic of Zambia (“**Zambia**”) and Bloc B-Luano City-Route Aeroport Commune Annexe Lubumbashi, the Democratic Republic of Congo (“**DRC**”).

The principal activity of the Company is investment holding. The Company’s subsidiaries are principally engaged in exploration, mining, ore processing, leaching, smelting and sale of copper cathodes, blister copper and copper anodes, and production and sale of cobalt hydroxide, sulphuric acid and liquid sulphur dioxide.

The financial information relating to the years ended 31 December 2024 and 2023 included in this announcement of annual results 2024 does not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Companies Ordinance (Cap 622 of the laws of Hong Kong) (“**CO**”) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the CO and will deliver the financial statements for the year ended 31 December 2024 in due course.

The Company’s then auditors have reported on the financial statements of the Group for both years. The auditors’ reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the CO (or under their equivalent requirements found in section 141 of the predecessor CO).

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong and the CO. They have been prepared under the historical cost convention, except for certain trade receivables, trade liabilities and copper future contracts accounted for as financial assets or liabilities at fair value through profit or loss which have been measured at fair value. The consolidated financial statements of the Group (as defined below) are presented in United States dollars (“**US\$**”), which is also the functional currency of the Company. And all values are rounded to the nearest thousand except when otherwise indicated.

2.2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the following new and amended HKFRSs issued by the HKICPA to the consolidated financial statements for the current accounting period:

- Amendments to HKAS 1, *Presentation of financial statements – Classification of liabilities as current or non-current* (“**2020 amendments**”) and amendments to HKAS 1, *Presentation of financial statements – Non-current liabilities with covenants* (“**2022 amendments**”)
- Amendments to HKFRS 16, *Leases – Lease liability in a sale and leaseback*
- Amendments to HKAS 7, *Statement of cash flows* and HKFRS 7, *Financial instruments: Disclosures – Supplier finance arrangements*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. Impacts of the adoption of the new and amended HKFRSs are discussed below:

Amendments to HKAS 1, *Presentation of financial statements* (the 2020 and 2022 amendments, collectively the “HKAS 1 amendments”)

The HKAS 1 amendments impact the classification of a liability as current or non-current, and have been applied retrospectively as a package.

The 2020 amendments primarily clarify the classification of a liability that can be settled in its own equity instruments. If the terms of a liability could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments and that conversion option is accounted for as an equity instrument, these terms do not affect the classification of the liability as current or non-current. Otherwise, the transfer of equity instruments would constitute settlement of the liability and impact classification.

The 2022 amendments specify that conditions with which an entity must comply after the reporting date do not affect the classification of a liability as current or non-current. However, the entity is required to disclose information about non-current liabilities subject to such conditions.

Upon the adoption of the amendments, the Group has reassessed the classification of its liabilities as current or non-current and did not identify any reclassification to be made.

2.2 CHANGES IN ACCOUNTING POLICIES (continued)

Amendments to HKFRS 16, Leases: Lease liability in a sale and leaseback

The amendments clarify how an entity accounts for a sale and leaseback after the date of the transaction. The amendments require the seller-lessee to apply the general requirements for subsequent accounting of the lease liability in such a way that it does not recognise any gain or loss relating to the right of use it retains. A seller-lessee is required to apply the amendments retrospectively to sale and leaseback transactions entered into after the date of initial application. The amendments do not have a material impact on the consolidated financial statements as the Group has not entered into any sale and leaseback transactions.

Amendments to HKAS 7, Statement of cash flows and HKFRS 7, Financial instruments: disclosures – Supplier finance arrangements

The amendments introduce new disclosure requirements to enhance transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments do not have a material impact on these financial statements as the Group has not entered into any supplier finance arrangements.

2.3 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2023

Up to the date, the HKICPA has issued a number of new or amended standards, which are not yet effective for the year ended 31 December 2024 and which have not been adopted in the consolidated financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability	1 January 2025
Amendments to HKFRS 9, Financial instruments and HKFRS 7, Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments	1 January 2026
Annual improvements to HKFRSs Accounting Standards – Volume 11	1 January 2026
HKFRS 18, Presentation and disclosure in financial statements	1 January 2027
HKFRS 19, Subsidiaries without public accountability: disclosures	1 January 2027

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

3. SEGMENT INFORMATION

The Group's operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board, being the chief operating decision maker (the "CODM"), in order to allocate resources to the segments and to assess their performance.

Information reported to the CODM for the purposes of resource allocation and assessment of segment performance focuses on the types of goods produced. The Group's operating and reportable segments in current year under HKFRS 8 *Operating Segments* are as follows:

- Leaching – Production and sale of copper cathodes and cobalt hydroxide (including exploration and mining of oxide copper mines) which are produced using the solvent extraction-electrowinning technology; and production and sale of sulphur-burning sulphuric acid.
- Smelting – Production and sale of blister copper and copper anodes (including exploration and mining of sulphuric copper mines), sulphuric acid and liquid sulphur dioxide which are produced using ISA smelting technology. Sulphuric acid and liquid sulphur dioxide are by-products in the production of blister copper and copper anodes. Copper products processing services are also rendered using ISA smelting technology.

No operating segments have been aggregated to be derived from the reportable segments of the Group.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

For the year ended 31 December 2024

	Leaching US\$'000	Smelting US\$'000	Consolidated US\$'000
Revenue from external sales	1,093,976	2,722,496	3,816,472
Inter-segment sales	<u>–</u>	<u>47,162</u>	<u>47,162</u>
Total segment revenue	<u>1,093,976</u>	<u>2,769,658</u>	<u>3,863,634</u>
Elimination			<u>(47,162)</u>
Revenue from external customers			<u>3,816,472</u>
Segment profit	237,696	325,382	563,078
Unallocated income*			12,210
Unallocated expenses#			<u>(17,812)</u>
Profit for the year			<u>557,476</u>

3. SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

For the year ended 31 December 2023

	Leaching <i>US\$'000</i>	Smelting <i>US\$'000</i>	Consolidated <i>US\$'000</i>
Revenue from external sales	1,110,855	2,505,566	3,606,421
Inter-segment sales	<u>–</u>	<u>53,186</u>	<u>53,186</u>
Total segment revenue	<u>1,100,855</u>	<u>2,558,752</u>	<u>3,659,607</u>
Elimination			<u>(53,186)</u>
Revenue from external customers			<u><u>3,606,421</u></u>
Segment profit	180,089	215,512	395,601
Unallocated income*			3,073
Unallocated expenses [#]			<u>(17,231)</u>
Profit for the year			<u><u>381,443</u></u>

* The unallocated income mainly represents the interest income arising from the bank deposits and bank balances of (i) the Company, (ii) China Nonferrous Mining Holdings Limited (“**CNMH**”), a directly wholly-owned subsidiary of the Company which directly holds the Group’s shareholdings in the subsidiaries in Zambia, (iii) China Nonferrous Mining Hong Kong Holdings Limited (“**CNMHK**”), a directly non-wholly-owned subsidiary of the Company which directly holds the Group’s shareholdings in three subsidiaries in DRC, and (iv) China Nonferrous Mining Hong Kong Investment Limited (“**CNMHKI**”), a directly wholly-owned subsidiary of the Company which directly holds the Group’s shareholdings in the other three subsidiaries in DRC (collectively referred to as the “**Holding Companies**”).

[#] The unallocated expenses mainly represent the administrative expenses, interest expenses and income tax expenses of the Holding Companies.

3. SEGMENT INFORMATION (continued)

Segment revenue and results (continued)

Segment profit represents the profit earned by each segment. This is the information reported to the CODM for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at prevailing market rates.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

	2024 US\$'000	2023 US\$'000
<i>Segment assets</i>		
Leaching	1,374,835	1,124,397
Smelting	<u>2,386,067</u>	<u>2,569,078</u>
Total segment assets	3,760,902	3,693,475
Unallocated assets*	399,771	134,507
Elimination	<u>(6,266)</u>	<u>(8,469)</u>
Consolidated assets	<u><u>4,154,407</u></u>	<u><u>3,819,513</u></u>
<i>Segment liabilities</i>		
Leaching	486,658	537,252
Smelting	<u>579,454</u>	<u>745,484</u>
Total segment liabilities	1,066,112	1,282,736
Unallocated liabilities*	65,469	58,643
Elimination	<u>(6,266)</u>	<u>(8,469)</u>
Consolidated liabilities	<u><u>1,125,315</u></u>	<u><u>1,332,910</u></u>

* The unallocated assets and liabilities mainly represent those of the Holding Companies.

For the purposes of monitoring segment performance and allocating resources between segments, all assets and liabilities, other than certain assets and liabilities of the Holding Companies, are allocated to reportable and operating segments.

4. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue from contracts with customers

	2024	
	Leaching US\$'000	Smelting US\$'000
Types of goods or services		
Sales of goods to external customers		
Copper cathodes	1,075,635	–
Blister copper and copper anodes	–	2,452,132
Sulphuric acid	106	166,855
Liquid sulphur dioxide	–	13,092
Cobalt contained in cobalt hydroxide	4,596	–
Copper products processing services	13,639	90,417
	<hr/>	<hr/>
Total	1,093,976	2,722,496
	<hr/> <hr/>	<hr/> <hr/>
Timing of revenue recognition		
A point in time	1,093,976	2,722,496
	<hr/> <hr/>	<hr/> <hr/>
	2023	
	Leaching US\$'000	Smelting US\$'000
Types of goods or services		
Sales of goods to external customers		
Copper cathodes	1,074,269	–
Blister copper and copper anodes	–	2,220,190
Sulphuric acid	1,922	210,341
Liquid sulphur dioxide	–	10,874
Cobalt contained in cobalt hydroxide	14,985	–
Copper products processing services	9,679	64,161
	<hr/>	<hr/>
Total	1,100,855	2,505,566
	<hr/> <hr/>	<hr/> <hr/>
Timing of revenue recognition		
A point in time	1,100,855	2,505,566
	<hr/> <hr/>	<hr/> <hr/>

4. REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

Performance obligations for contracts with customers

The Group sells copper product, sulphuric acid, liquid sulphur dioxide and cobalt hydroxide and renders copper product processing services to customers, and revenue is recognised when control of the goods or services has transferred based on the terms of relevant contracts. In most cases, the control of goods has transferred upon delivery when the goods have been shipped at the Group's premises. In some other cases, the control of goods has transferred upon delivery at specific destination ports. Revenue from the rendering of copper product processing service is recognised when control of the completed processing copper product has transferred based on the terms of the service contracts. The Group normally requires prepayments from certain customers before the dispatch of goods with the remainder to be settled not exceeding one month upon issuance of sales invoice.

All sales are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to the unsatisfied contracts is not disclosed.

5. OTHER GAINS AND LOSSES

	2024 US\$'000	2023 US\$'000
Gains/(losses) on disposal of property, plant and equipment, net	199	(67)
Impairment losses (recognised)/reversed in respect of		
– input VAT receivables	(40,575)	(22,879)
– financial assets under ECL	2,251	(7,603)
Foreign exchange (losses)/gains, net	(14,294)	(50,309)
(Losses)/gains from changes in fair value of financial liabilities/assets at FVTPL		
– financial liabilities at FVTPL	(3,676)	(15,284)
– trade receivables at FVTPL	32,310	12,526
– trade payables at FVTPL	(57,569)	(6,013)
	<u>(81,354)</u>	<u>(89,629)</u>

6. FINANCE COSTS

	2024 US\$'000	2023 US\$'000
Interest on bank and other borrowings	9,792	30,995
Interest on lease liabilities	114	337
Unwinding of the discount	1,440	1,464
	<u>11,346</u>	<u>32,796</u>

7. INCOME TAX

Income tax recognised in profit or loss:

	2024 US\$'000	2023 US\$'000
Current tax:		
– Income tax in The Republic of Ireland (“Ireland”)	2,199	2,457
– Income tax in DRC	52,590	43,803
– Income tax in Zambia	113,605	153,311
– Income tax in Hong Kong	414	2,021
	<u>168,808</u>	<u>201,592</u>
Deferred tax		
– Current year	<u>49,132</u>	<u>(24,415)</u>
Total income tax	<u>217,940</u>	<u>177,177</u>

Income tax for trading income in Ireland is calculated at 12.5% (2023: 12.5%) on the estimated taxable income. Income tax for non-trading income in Ireland is calculated at 25.0% (2023: 25.0%) on the estimated taxable income.

Income tax in DRC is calculated at 30% (2023: 30%) on the estimated taxable income when 30% of the taxable income exceeds 1% of gross sales, and calculated at 1% (2023: 1%) of gross sales when 30% of the taxable income does not exceeds 1% of gross sales.

7. INCOME TAX (continued)

In accordance with the 2018 Mining Code of DRC with effect from 8 June 2018, should a single product meet the threshold condition that its average effective selling price within one accounting year rises over 25% more than its average selling price in such year as predicated in the Feasibility Report, excess profit taxes is imposed on a tax base being the difference between the EBITDA of the product and the predicted amount in the Feasibility Report in that accounting year with applicable tax rate of 50%.

Pursuant to “An Act to amend the Income Tax Act, 2021” enacted by the parliament of Zambia on 29 December 2021, the income tax rate of Zambia changes from 35% to 30% and non-deductible mineral royalty expense under the Mines and Minerals Development Act, 2015 becomes deductible.

For both periods, the applicable tax rate on income from mining operation in Zambia is 30%. Accordingly, the applicable tax rate on the taxable income of Chambishi Copper Smelter Limited (“CCS”) is 30% (2023: 30%), and the applicable tax rate on the taxable income of NFCA, CNMC Luanshya Copper Mines PLC (“**Luanshya**”) and Sino-metals Leach Zambia Limited (“**SML**”) is 30% (2023: 30%).

The Group enjoyed the following income tax incentives:

- Certain phase of production facilities of CCS (the “**Phase**”) is eligible for the tax exemption for the first five profitable years; 50% income tax relief for the next three years thereafter; and 25% of income tax relief for the next two years thereafter. For the year ended 31 December 2024, it was the second year of the 25% income tax relief that the Group enjoyed regarding the phase (2023: 25%).
- Lualaba Copper Smelter SAS (“**Lualaba Copper Smelter**”), a non-wholly-owned subsidiary of the Company located in DRC, is eligible for a 68.29% income tax relief for the five years starting from July 2021. The calculation of income tax relief rate is based on the current production volume proportion of sulphuric acid, which also depends on the remaining investments in blister copper and sulphuric acid.

The actual applicable tax rate of CCS was 26.6% during the current year (2023: 26.6%).

According to the *Convention between the Republic of Zambia and Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Tax on*, which is effective on 1 January 2016, certain dividend paid by a company which is a resident of Zambia to a resident of Ireland may be taxed in Zambia according to tax law of Zambia, but for a beneficial owner of the dividends which is a resident of Ireland, the tax so charged shall not exceed 7.5% of the gross amount of the dividends in Zambia. Therefore certain dividend income of CNMH from CCS was subject to withholding tax in Zambia at tax rate of 7.5% (2023: 7.5%) and certain dividend income of CNMH from Luanshya, NFCA and SML which are mining operations was under withholding tax relief for both years.

Certain dividend income of CNMHK and CNMHKI from subsidiaries in DRC is subject to withholding tax at tax rate of 10% (2023: 10%).

8. DIVIDENDS

	2024 US\$'000	2023 US\$'000
Dividends recognised as distribution during the year:		
2024 Final, paid - US¢ 2.9702 per share	115,898	–
2023 Final, paid - US¢ 2.8209 per share	–	105,474
	<u> </u>	<u> </u>

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2024 of US¢4.2893 (2023: US¢2.9702) per share, in an aggregate amount of US\$167,370,000 (2023: US\$115,898,000), has been proposed by the Directors and is subject to the approval of the shareholders of the Company in the forthcoming annual general meeting.

9. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	2024	2023
Profit for the year attributable to owners of the Company for the purpose of basic earnings per share calculation (<i>in US\$'000</i>)	<u>398,500</u>	<u>277,645</u>
Weighted average number of ordinary shares for the purpose of basic earnings per share calculation (<i>in '000</i>)	<u>3,855,274</u>	<u>3,739,036</u>
Earnings per share		
– Basic and diluted (<i>US cents per share</i>)	10.34	7.43
– Basic and diluted (<i>equivalent to approximately HK\$ per share</i>)	<u>0.81</u>	<u>0.58</u>

In 2024, the weighted average number of ordinary shares for the purpose of basic earnings per share calculation has been adjusted for subscription of new shares which took place on 15 April 2024.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2024 and 2023.

10. INVENTORIES

	2024 US\$'000	2023 US\$'000
Raw materials	555,241	569,992
Spare parts and consumables	127,500	116,290
Work in progress	108,578	113,737
Finished goods	56,835	61,252
	<u>848,154</u>	<u>861,271</u>

11. TRADE RECEIVABLES AT AMORTISED COST/TRADE RECEIVABLES AT FVTPL

	2024 US\$'000	2023 US\$'000
Trade receivables at amortised cost – contracts with customers	72,342	54,144
Less: Allowance for credit losses	<u>(1,429)</u>	<u>(4,132)</u>
	<u>70,913</u>	<u>50,012</u>
Trade receivables at FVTPL – contracts with customers	<u>185,742</u>	<u>367,565</u>

The following is an ageing analysis of trade receivables at amortised cost, net of allowance for credit losses, presented based on the invoice dates:

	2024 US\$'000	2023 US\$'000
0 to 30 days	36,836	20,494
31 to 90 days	28,351	20,153
91 to 180 days	3,119	9,365
181 to 365 days	<u>2,607</u>	<u>–</u>
	<u>70,913</u>	<u>50,012</u>

**11. TRADE RECEIVABLES AT AMORTISED COST/TRADE RECEIVABLES AT FVTPL
(continued)**

The following is an ageing analysis of trade receivables at FVTPL, presented based on the invoice dates:

	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
0 to 30 days	182,443	292,465
31 to 90 days	3,299	73,203
91 to 180 days	—	1,897
	<u>185,742</u>	<u>367,565</u>

12. TRADE PAYABLES AT AMORTISED COST/TRADE PAYABLES DESIGNATED AT FVTPL

	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
Trade payables at amortised cost	<u>216,259</u>	<u>233,306</u>
Trade payables designated at FVTPL	<u>224,207</u>	<u>298,553</u>

The following is an ageing analysis of trade payables at amortised cost, presented based on the invoice dates:

	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
0 to 30 days	88,077	79,869
31 to 90 days	60,581	41,865
91 to 180 days	38,421	67,326
181 to 365 days	13,982	34,275
1 to 2 years	15,198	9,971
	<u>216,259</u>	<u>233,306</u>

**12. TRADE PAYABLES AT AMORTISED COST/TRADE PAYABLES DESIGNATED AT FVTPL
(continued)**

The following is an ageing analysis of trade payables designated at FVTPL, presented based on the invoice dates:

	2024 US\$'000	2023 US\$'000
0 to 30 days	135,806	186,256
31 to 90 days	44,385	19,431
91 to 180 days	35,052	68,845
180 to 365 days	539	21,942
1 to 2 years	8,425	2,079
	<u>224,207</u>	<u>298,553</u>

The average credit period on purchases of certain goods is within three months.

13. BANK AND OTHER BORROWINGS

	2024 US\$'000	2023 US\$'000
Bank loans, unsecured	20,000	45,000
Loan from fellow subsidiaries, unsecured	9,738	130,000
Interest payable	438	2,486
	<u>30,176</u>	<u>177,486</u>
The carrying amounts of the above borrowings are repayable*:		
Within one year	20,424	177,486
More than one year but not exceeding two years	9,752	–
	<u>30,176</u>	<u>177,486</u>
Less: Amounts due within one year shown under current liabilities	<u>(20,424)</u>	<u>(177,486)</u>
Amounts shown under non-current liabilities	<u>9,752</u>	<u>–</u>

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

In 2024, the Group extensively carried out energy expansion, cost reduction, innovation and quality improvement to enhance efficiency and strived hard to expand the market and grasp internal management, achieving remarkable results in maintaining, stabilizing and increasing production capacity with stable production and operation.

During the reporting period for the financial year ended 31 December 2024, as a result of the increase in global copper price and effective control of costs and expenses, revenue of the Group has increased by 5.8% to US\$3,816.5 million over the last year, the profit attributable to owners of the Group amounted to US\$398.5 million, representing an increase of 43.6% as compared with the same period last year.

BUSINESS REVIEW

The Group is a leading, fast-growing and vertically integrated copper producer focusing on mining, ore-processing, leaching, smelting and sales of copper and cobalt, based in the Republic of Zambia (“**Zambia**”) and the Democratic Republic of the Congo (“**DRC**”). In particular, sulphuric acid and liquid sulphur dioxide are by-products generated during the blister copper smelting process.

The businesses of the Group are principally carried out through the following companies: NFC Africa Mining PLC (“**NFCA**”), CNMC Luanshya Copper Mines PLC (“**Luanshya**”), Chambishi Copper Smelter Limited (“**CCS**”) and Sino-Metals Leach Zambia Limited (“**SML**”) located in Zambia, as well as Huachin Metal Leach SA (“**Huachin Leach**”), CNMC Huachin Mabende, Lualaba Copper Smelter and Kambove Mining SAS (“**Kambove Mining**”) located in the DRC.

In 2024, the Group accumulatively produced 285,930 tonnes of blister copper and copper anodes, representing a year-on-year increase of 0.1%; sulphuric acid of 1,056,035 tonnes, representing a year-on-year increase 10.5%; copper cathodes of 126,141 tonnes, representing a year-on-year decrease of 11.4%; cobalt contained in cobalt hydroxide of 1,010 tonnes, representing a year-on-year decrease 33.6%; and liquid sulphur dioxide of 15,993 tonnes, representing a year-on-year increase of 33.6%. The processed copper products for the Group amounted to 111,901 tonnes representing a year-on-year increase of 24.6%. In 2024, revenue of the Group increased by 5.8% to US\$3,816.5 million from US\$3,606.4 million in 2023 as a result of the increase in international copper price.

RESOURCES AND RESERVES

Assumptions adopted for the annual update of resources and/or reserves

The same assumptions as those applied in the 2012 prospectus of the Company in accordance with the JORC Code were adopted for the annual update of resources and/or reserves in this announcement. Relevant updates were made according to new exploration and based on the historical data used by technical consultants.

The main changes in resources and/or reserves were attributable to the adjustments arising from production wastage and intensified exploration.

As of 31 December 2024, the Group's mineral resources and mineral reserves reported in accordance with the JORC Code were as follows:

(1) Resources

Chambishi Main Mine

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Measured	9.77	2.29%	-	-	9.80	2.28%	-	-
Indicated	7.26	2.48%	-	-	7.26	2.47%	-	-
Inferred	6.66	2.18%	-	-	6.67	2.18%	-	-

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 1.0% Total Copper ("TCu") cut-off grade adopted for Chambishi Main Mine. No mining work commenced in 2024.

Chambishi West Mine

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Oxide ore								
Measured	3.64	2.03%	1.00%	–	3.64	2.03%	1.00%	–
Indicated	1.46	1.83%	0.96%	–	1.46	1.83%	0.96%	–
Inferred	1.45	2.32%	1.10%	–	1.45	2.32%	1.10%	–
Sulphide ore								
Measured	17.30	2.00%	–	–	14.44	1.99%	–	–
Indicated	5.19	2.16%	–	–	4.50	2.15%	–	–
Inferred	8.40	1.86%	–	–	6.59	1.89%	–	–

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 1.0% TCu cut-off grade adopted for Chambishi West Mine. In 2024, 1,781,700 tonnes of sulphide ore were extracted, and supplementary exploration was carried out.

Chambishi Southeast Mine

JORC Code	Ore (Mt)	31 December 2024 Average grade			Ore (Mt)	31 December 2023 Average grade		
		Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Measured	40.23	2.27%	–	0.11%	38.72	2.24%	–	0.12%
Indicated	26.47	1.89%	–	0.12%	28.33	1.92%	–	0.12%
Inferred	57.50	1.74%	–	0.08%	57.79	1.74%	–	0.08%

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 0.8% TCu cut-off grade adopted for Chambishi Southeast Mine. In 2024, 2,600,000 tonnes of ore were extracted, and supplementary exploration was carried out.

Mwambashi Mine

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Measured	0.12	1.96%	0.87%	–	0.34	1.42%	0.87%	–
Indicated	4.32	1.91%	0.54%	–	4.53	1.95%	0.54%	–
Inferred	2.83	2.11%	0.28%	–	2.83	2.11%	0.28%	–

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 0.30% TCu cut-off grade adopted for Mwambashi Mine.

Samba Mine

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Measured	–	–	–	–	–	–	–	–
Indicated	9.24	1.65%	–	–	9.24	1.65%	–	–
Inferred	8.58	1.60%	–	–	8.58	1.60%	–	–

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 0.50% TCu cut-off grade adopted for Samba Mine.

Baluba Center Mine

JORC Code	31 December 2024				31 December 2023			
	Ore <i>(Mt)</i>	Average grade		Cobalt	Ore <i>(Mt)</i>	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Oxide ore								
Measured	12.94	1.52%	0.89%	0.14%	13.58	1.52%	0.90%	0.14%
Indicated	2.32	1.14%	0.40%	0.08%	2.35	1.14%	0.41%	0.08%
Inferred	0.29	1.04%	0.37%	0.09%	0.29	1.04%	0.37%	0.09%
Sulphide ore								
Measured	—	—	—	—	1.03	2.22%	0.13%	0.15%
Indicated	—	—	—	—	1.76	2.05%	0.19%	0.15%
Inferred	—	—	—	—	1.07	2.10%	0.24%	0.15%

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 0.30% TCu cut-off grade adopted for Baluba Center oxidised mine. The Baluba Center underground sulphide mine was closed in 2024.

Muliashi North Mine

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total	Oxide			Total	Oxide	
		copper	copper			copper	copper	
Oxide ore								
Measured	1.14	1.34%	0.57%	0.04%	1.24	1.38%	0.56%	0.04%
Indicated	3.19	1.72%	0.59%	0.02%	3.65	1.74%	0.58%	0.01%
Inferred	11.83	1.48%	0.52%	0.02%	11.92	1.48%	0.52%	0.02%
Sulphide ore								
Measured	0.03	1.35%	0.11%	0.05%	0.03	1.35%	0.11%	0.05%
Indicated	6.00	1.46%	0.23%	0.04%	6.00	1.46%	0.23%	0.04%
Inferred	6.85	1.47%	0.21%	0.04%	6.85	1.47%	0.21%	0.04%

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody, with a reported 0.50% TCu cut-off grade adopted for Muliashi North oxide mine, and a reported 0.80% TCu cut-off grade adopted for Muliashi North sulphide mine.

Mashiba Mine

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Measured	6.62	1.88%	0.42%	0.03%	6.62	1.88%	0.42%	0.03%
Indicated	3.03	1.92%	0.20%	0.01%	3.03	1.92%	0.20%	0.01%
Inferred	1.05	1.68%	0.27%	0.01%	1.05	1.68%	0.27%	0.01%

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 0.80% TCu cut-off grade adopted for Mashiba Mine.

Baluba East Mine

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Measured	8.89	1.36%	0.42%	–	11.99	1.36%	0.52%	–
Indicated	1.49	1.05%	0.30%	–	1.70	1.04%	0.32%	–
Inferred	0.03	1.09%	0.37%	–	0.03	1.05%	0.37%	–

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 0.30% TCu cut-off grade adopted for Baluba East Mine.

Roan Basin SS0-4 Ore Vein

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Measured	0.88	2.93%	1.56%	–	1.26	2.85%	1.72%	–
Indicated	0.17	3.34%	2.25%	–	0.20	3.18%	2.21%	–
Inferred	0.16	3.64%	2.36%	–	0.16	3.64%	2.35%	–

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 1.0% TCu cut-off grade adopted for Roan Basin SS0-4 Ore Vein.

Roan Basin SS19-35 Ore Vein

Mine	JORC Code	31 December 2024				31 December 2023			
		Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
			Total copper	Oxide copper			Total copper	Oxide copper	
Roan Basin 19-35	Measured	7.48	1.42	1.02	0.02	4.5	2.28	1.73	0.02
Ore Vein South	Indicated	3.38	1.06	0.68	0.02	1.88	2.06	1.49	0.02
Side	Inferred	1.64	0.88	0.52	0.03	0.97	1.88	1.26	0.02
Roan Basin 19-35	Measured	3.05	0.77	0.39	0.03	–	–	–	–
Ore Vein North	Indicated	4.24	0.78	0.37	0.03	–	–	–	–
Side	Inferred	1.39	0.8	0.39	0.03	–	–	–	–
Roan Basin SS19-35	Measured	10.53	1.23	0.84	0.02	4.5	2.28	1.73	0.02
Ore Vein	Indicated	7.62	0.90	0.51	0.03	1.88	2.06	1.49	0.02
	Inferred	3.03	0.84	0.46	0.03	0.97	1.88	1.26	0.02

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 0.30% TCu cut-off grade adopted for Roan Basin SS19-35 Ore Vein.

Roan Ext. East

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Measured	0.47	2.13%	1.43%	–	0.34	2.09%	1.38%	–
Indicated	0.52	1.89%	1.34%	–	1.34	2.10%	1.43%	–
Inferred	0.02	2.15%	1.46%	–	0.26	1.81%	1.12%	–
	<u>0.02</u>	<u>2.15%</u>	<u>1.46%</u>	<u>–</u>	<u>0.26</u>	<u>1.81%</u>	<u>1.12%</u>	<u>–</u>

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 0.30% TCu cut-off grade adopted for Roan Ext. East.

Smelting Slag

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Measured	–	–	–	–	–	–	–	–
Indicated	1.57	0.91%	0.22%	–	2.23	0.97%	0.32%	–
Inferred	–	–	–	–	–	–	–	–
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody without adoption of cut-off grade for Smelting Slag.

Luanshya New Mine

Mine	JORC Code	31 December 2024				31 December 2023			
		Average grade (%)				Average grade (%)			
		Ore	Total Copper	Total Copper	Cobalt	Ore	Total Copper	Total Copper	Cobalt
		(Mt)				(Mt)			
Shaft 28 Ore Body	Measured	17.66	0.02	-	-	-	-	-	-
	Indicated	10.53	0.02	-	-	-	-	-	-
	Inferred	8.69	0.03	-	-	-	-	-	-
Muliashi South	Measured	-	-	-	-	-	-	-	-
	Indicated	9.11	2.42	0.15	-	-	-	-	-
	Inferred	4.68	2.53	0.2	-	-	-	-	-
Luanshya New Mine	Measured	17.66	2.08	-	-	-	-	-	-
	Indicated	19.64	2.44	0.07	-	-	-	-	-
	Inferred	13.37	2.78	0.07	-	-	-	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Note: The mineral resources estimate was based on the scope of the three-dimensional model of orebody, with a reported 1.0% TCu cut-off grade adopted for Shaft 28 ore body, and a reported 1.0% TCu cut-off grade for Muliashi South ore body.

Kambove Main Mine

JORC Code	31 December 2024				31 December 2023			
	Average grade				Average grade			
		Total	Oxide			Total	Oxide	
	Ore	copper	copper	Cobalt	Ore	copper	copper	Cobalt
	(Mt)				(Mt)			
Measured	2.25	2.2%	–	0.11%	–	–	–	–
Indicated	6.84	2.51%	–	0.11%	4.82	2.85%	–	0.13%
Inferred	0.84	2.46%	–	0.11%	5.80	2.96%	–	0.12%

Notes: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 1.0% TCu cut-off grade adopted for Kambove Main Mine.

Kambove Main Open Pit Tailings

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Measured	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-
Inferred	0.53	0.75%	-	0.15%	2.28	0.95%	-	0.17%

Notes: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 0.5% TCu cut-off grade adopted for Kambove Main Open Pit Tailings.

Kambove West Open Pit Tailings

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Measured	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-
Inferred	2.35	1.15%	-	0.22%	2.35	1.15%	-	0.22%

Notes: The mineral resources estimate was based on the scope of the three-dimensional model of orebody with a reported 0.5% TCu cut-off grade adopted for Kambove West Open Pit Tailings

(2) **Reserves**

Chambishi Main Mine

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Proved	6.06	1.75%	–	–	6.08	1.75%	–	–
Probable	1.59	1.72%	–	–	1.60	1.72%	–	–

Chambishi West Mine

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Sulphide ore								
Proved	11.74	1.70%	–	–	9.59	1.70%	–	–
Probable	1.43	1.84%	–	–	1.09	1.81%	–	–

Chambishi Southeast Mine

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Proved	38.42	1.92%	–	0.10%	37.34	1.90%	–	0.10%
Probable	6.20	1.61%	–	0.08%	8.04	1.71%	–	0.08%

Mwambashi Mine

JORC Code	Ore (Mt)	31 December 2024 Average grade		Cobalt	Ore (Mt)	31 December 2023 Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Proved	0.13	2.31%	1.05%	–	0.28	2.33%	1.08%	–
Probable	1.03	2.41%	0.89%	–	1.25	2.44%	0.96%	–

Baluba Center Mine

JORC Code	Ore (Mt)	31 December 2024 Average grade		Cobalt	Ore (Mt)	31 December 2023 Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Oxide ore								
Proved	6.90	1.74%	1.27%	–	7.41	1.71%	1.24%	–
Probable	0.23	1.58%	1.42%	–	0.26	1.57%	1.47%	–

Note: Loss rate was 5% and impoverishment rate was 5%, with a reported 0.3% TCu cut-off grade adopted.

Muliashi North Mine

JORC Code	Ore (Mt)	31 December 2024 Average grade		Cobalt	Ore (Mt)	31 December 2023 Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Proved	0.06	1.45%	0.62%	–	0.26	1.66%	0.50%	–
Probable	0.10	1.76%	0.68%	–	0.37	1.85%	0.47%	–

Note: Loss rate was 5% and impoverishment rate was 5%, with a reported 0.5% TCu cut-off grade adopted.

Mashiba Mine

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Proved	2.71	1.93%	0.30%	–	2.71	1.93%	0.30%	–
Probable	1.78	1.83%	0.19%	–	1.78	1.83%	0.19%	–

Baluba East Mine

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Proved	3.58	1.43%	0.56%	–	5.70	1.40%	0.68%	–
Probable	0.11	1.12%	0.53%	–	0.21	1.02%	0.52%	–

Note: Loss rate was 5% and impoverishment rate was 5%, with a reported 1.6% TCu cut-off grade adopted for Mashiba Mine and a 0.3% TCu cut-off grade adopted for Baluba East Mine.

Roan Ext. East

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Proved	0.38	1.90%	1.38%	–	0.58	1.97%	1.50%	–
Probable	0.62	1.94%	1.37%	–	0.90	1.89%	1.35%	–

Note: Loss rate was 5% and impoverishment rate was 5%, with a reported 0.3% TCu cut-off grade adopted.

Roan Basin SS0-4 Ore Vein

JORC Code	31 December 2024				31 December 2023			
	Average grade				Average grade			
	Ore	Total	Oxide	Cobalt	Ore	Total	Oxide	Cobalt
	(Mt)	copper	copper		(Mt)	copper	copper	
Proved	0.70	2.63%	1.39%	–	1.21	2.73%	1.71%	–
Probable	0.08	3.13%	2.36%	–	0.09	2.80%	2.12%	–

Note: Loss rate was 5% and impoverishment rate was 5%, with a reported 1.0% TCu cut-off grade adopted.

Roan Basin SS19-35 Ore Vein South Side

JORC Code	31 December 2024				31 December 2023			
	Average grade				Average grade			
	Ore	Total	Total	Cobalt	Ore	Total	Total	Cobalt
	(Mt)	Copper	Copper		(Mt)	Copper	Copper	
Proved	5.89	1.32%	0.96%	–	–	–	–	–
Probable	2.63	1.01%	0.67%	–	–	–	–	–

Note: Loss rate was 5% and impoverishment rate was 5%, with a reported 1.0% TCu cut-off grade adopted.

Smelting Slag

JORC Code	31 December 2024				31 December 2023			
	Average grade				Average grade			
	Ore	Total	Oxide	Cobalt	Ore	Total	Oxide	Cobalt
	(Mt)	copper	copper		(Mt)	copper	copper	
Proved	–	–	–	–	–	–	–	–
Probable	1.57	0.91%	0.22%	–	2.23	0.97%	0.32%	–

Note: There was no loss rate, no impoverishment rate, and no cut-off grade adopted.

Kambove Main Mine

JORC Code	31 December 2024				31 December 2023			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
		Total copper	Oxide copper			Total copper	Oxide copper	
Proved	0.81	2.37%	–	0.11%	–	–	–	–
Probable	6.34	2.53%	–	0.11%	4.38	2.63%	–	0.12%

Note: For mineral reserve, a reported cut-off grade of 1.0% TCu was adopted for the main ore body.

PRODUCTION OVERVIEW

NFCA

NFCA mainly operates three mines, namely the Chambishi Main Mine, Chambishi West Mine and Chambishi Southeast Mine, as well as the ancillary processing plant.

In 2024, copper anodes produced by NFCA amounted to 68,191 tonnes in total, representing a year-on-year decrease of 10.9%, primarily due to (i) in 2024, there was a year-on-year decrease in anode copper returned from previous year, and (ii) in 2024, the output of self-produced copper concentrate decreased year-on-year.

Luanshya

Luanshya operates four copper mines under production, namely Baluba East Mine, Baluba Center Mine, Roan Ext. East Mine and Roan Basin Mine. Muliashi North Mine was closed in September 2024. Luanshya also operates Muliashi Leach.

In 2024, copper cathodes produced by Luanshya amounted to 44,418 tonnes, representing a year-on-year increase of 2.1%; the total amount of copper anodes produced amounted to 4,159 tonnes, representing a year-on-year decrease of 47.1%, mainly due to Baluba Underground Mine was closed at the end of 2022, resulting in a sharp decline in copper concentrate production. Currently, Baluba SP3 low-grade heap ore was used to replace the original Baluba sulfide ore as a temporary measure. However, the high oxidation rate of the ore resulted in lower concentrator recovery rate, while the overall supply of sulphide ore was reduced due to the replacement of the end cover of the ball mill and the decline in the selected grade from the slag system.

CCS

CCS mainly operates the Chambishi Smelting Plant.

In 2024, CCS produced 263,001 tonnes in total of blister copper and copper anodes, (including the processed copper products of 78,904 tonnes for enterprises within the Group, and processed copper products of 14,975 tonnes for enterprises outside of the Group), representing a year-on-year increase of 21.5%; produced 747,917 tonnes of sulphuric acid, representing a year-on-year increase of 25.5%. This was mainly due to the stable supply of raw materials for the production of copper products and sulphuric acid and the steady performance of the production system in 2024, and there were fewer factors causing reduction in production compared to 2023.

SML

SML mainly operates Mwambashi Mine and the Chambishi Leach Plant.

In 2024, SML produced 5,754 tonnes of copper cathodes, representing a year-on-year decrease of 15.2%, mainly due to (i) a decrease in the oxidation rate of the ore produced by itself and a decrease in the percentage of copper oxide metal in the raw materials; and (ii) a decrease in the grade of the purchased oxide ores, which resulted in a shortage of copper oxide metal input in the raw materials used for stirring leaching production. Production of blister copper and copper anode was 6,554 tonnes, an increase of 9.6% year-on-year, which was mainly due to a decrease in the oxidation rate of the ore and an increase in the proportion of copper sulphide after the mine was mined to the deeper part of its own mines, which led to an increase in the production of blister copper and copper anode accordingly.

CNMC Huachin Mabende

In 2024, CNMC Huachin Mabende produced 23,017 tonnes of copper cathodes, representing a year-on-year decrease of 37.5%, mainly attributable to the local power supply shortage.

Huachin Leach

Huachin Leach produced 22,090 tonnes of copper cathodes in 2024, including the processed copper products of 3,577 tonnes for enterprises outside of the Group, representing a year-on-year decrease of 8.6%, mainly due to the local power supply shortage; and produced 215 tonnes of cobalt contained in cobalt hydroxide, representing a year-on-year increase of 16.2%, mainly due to the increase in production as a result of increased cobalt concentration in the raffinate during the year. Huachin Leach produced 1,392 tonnes of sulphuric acid, representing a year-on-year decrease of 70.6%.

Lualaba Copper Smelter

Lualaba Copper Smelter mainly operates the Lualaba Smelting Plant.

Lualaba Copper Smelter produced 131,252 tonnes of blister copper in 2024 (including the processed copper products of 93,349 tonnes for enterprises outside of the Group), representing a year-on-year decrease of 16.4%; produced 306,726 tonnes of sulphuric acid, representing a year-on-year decrease of 13.5%. The decrease in blister copper and sulphuric acid production was mainly due to (i) insufficient supply of raw materials and electricity; and (ii) the Company's planned suspension of production for maintenance from 15 May 2024 to 4 June 2024. Production of liquid sulphur dioxide was 15,993 tonnes, representing a year-on-year increase of 33.6%, which was mainly due to the increase in production of liquid sulphur dioxide to meet higher demand.

Kambove Mining

Kambove Mining produced 34,439 tonnes of copper cathodes in 2024, representing a year-on-year increase of 3.6%, mainly due to the operation of the dual power supply system during local utility outages, compensating for the shortfall in electricity consumption through the diesel generating units to ensure normal production of the system. Cobalt content contained in cobalt hydroxide was 795 tonnes, representing a year-on-year decrease of 540 tonnes, mainly attributable to the decrease in cobalt production as a result of the year-on-year decrease in the cobalt grade of the raw ore, and the continuous decrease of concentration of cobalt ions leached from the system.

The table below presents the production volume of the products of the Group and the year-on-year situation for the periods indicated.

	Production volume for 2024^{(1), (2), (3)} (Tonnes)	Production volume for 2023^{(1), (2), (3)} (Tonnes)	Year-on-year increase/ (decrease) (%)
Blister copper and copper anodes	285,930	285,733	0.1
Copper cathodes	126,141	142,423	(11.4)
Cobalt contained in cobalt hydroxide	1,010	1,520	(33.6)
Sulphuric acid	1,056,035	955,360	10.5
Liquid sulphur dioxide	15,993	11,971	33.6
Copper products processing services	111,901	89,843	24.6

Notes:

- (1) The production of all products is based on the copper content, except for sulphuric acid, liquid sulphur dioxide, and cobalt hydroxide.
- (2) Copper product processing services refer to the processing and production of copper product made by the smelters of the Group under the entrust of enterprises outside of the Group, and the Group earns processing fees from these enterprises.
- (3) Among the above copper products, production volume of copper by self-owned mine are as follows:

	Production volume for year ended 31 December 2024 (Tonnes)	Production volume for year ended 31 December 2023 (Tonnes)
Blister copper and copper anodes produced by self-owned mine	77,668	87,696
Copper cathodes produced by self-owned mine	81,491	81,652
Total	159,159	169,348

MINING EXPLORATION, MINING DEVELOPMENT AND ORE MINING ACTIVITIES

Mining Exploration

During the reporting period, NFCA, Luanshya, SML and Kambove Mining, each being a subsidiary of the Company, conducted mining exploration for production and exploration purposes, respectively. In particular:

At Chambishi Main Mine, Chambishi West Mine and Chambishi Southeast Mine of NFCA, a total of 420 underground drilling holes and deep surface exploration drilling holes were completed, with a total of 33,976.93 metres drilled, of which, 85 underground drilling holes were completed in the Main Mine and West Mine, with a total of 8,019.95 metres drilled; 331 underground drilling holes were completed in the Southeast Mine, with a total of 20,406.52 metres drilled; and 4 drilling holes in the pit were completed in the south and west, with a total of 5,550.46 metres drilled.

Luanshya conducted mining exploration projects including the “Southern Superficial Part of Muliashi Sulphide Mine Verification and Marginal Exploration Project”, the “Hydrogeological Exploration in the Extended Section of Roan to Muliashi South Project” and the “Deep Verification in the Extended Section of Roan to Muliashi South Project”. In particular, 30 surface drillings with a total drilling footage of 5,717.08 metres were completed at the Southern Superficial Part of Muliashi Sulphide Mine Verification and Marginal Exploration Project; for the Hydrogeological Exploration in the Extended Section of Roan to Muliashi South Project, 8 surface drillings with a total drilling footage of 2,072.13 metres were completed; and for the Deep Verification in the Extended Section of Roan to Muliashi South Project, 1 surface drilling was completed, with a total drilling footage of 986.65 metres.

SML’s 2024 priority mineral exploration mission is the supplemental exploration of the hydrogeological environment at the Samba Copper Mine in the Copperbelt Province. In particular, the field work of this exploration started in October 2024 and ended in January 2025. Hydrogeological drilling work was carried out, completing 2 drillings with a total drilling footage of 770.55 metres, while pumping tests and connectivity tests were conducted; 1:2000 hydrogeological, engineering geological and environmental geological revision survey and mapping of the mine area was carried out; and 45 hydrogeological dynamic observations were carried out. A detailed investigation report was compiled on the basis of the previous work.

Production exploration was carried out at Kambove Main Mine, with drilling footage of 2,172.56 metres completed; supplementary geological survey with drilling footage of 1,226.65 metres/6 holes was completed at West Mine; supplementary geological survey with drilling footage of 2,234.21 metres/12 holes was completed at MSEA Mine, and MSEA-Shanguluwe shear mineralization belt survey with drilling footage of 882.54 metres/4 holes was completed.

Mining Development

SML

Samba Copper Mining Project

The Samba Copper Mining Project mainly comprises 1.5 million tonnes of raw ore per year underground mining project, 4,545 tonnes/day ore processing project, tailings treatment project and auxiliary facilities. After completing the feasibility study and internal investment project approval, SML submitted an investment application to the Group in December 2024, and it is planned to complete the project investment decision in 2025 and commence the construction of the project in 2025. The estimated total investment of the project is US\$279 million. The main source of revenue of the project is the sales revenue from the processing of copper ore into copper concentrate.

Mwambashi-B Copper Mine Deep Part Ore Body Phase II Open Pit Project

The Mwambashi-B copper mine is an important source of copper resources for SML, and has provided a stable supply of raw materials for SML since the commissioning of the first phase of the open pit. The second phase of the open pit project at the deep part of the ore body is in essence a follow-on project for SML's production of raw materials for ore. The project mainly includes the extension of the open pit, the expansion of the open pit boundary and the construction of ancillary infrastructure. The project is planned to complete the project investment decision and commence construction of the project in 2025. The estimated total investment of the project is US\$36.62 million and the main source of revenue is from the sales revenue of copper ore to be processed into copper cathodes and copper concentrates through subsequent processes.

Kambove Mining

The Resumed Project of Kambove West Mine

The Resumed Project of Kambove West Mine was officially approved in October 2022 and is expected to be put into production in 2028 according to the recently signed fifth shareholder supplementary agreement. It is currently in the stage of preliminary resource verification and pre-feasibility study, and as at 31 December 2024, the cumulative investment was US\$5.21 million.

MSESA Mine Rehabilitation Project in Kambove

Resource estimate for the MSESA Mine Rehabilitation Project in Kambove was completed in 2024; feasibility study work is in progress, and cumulative investment completed as at 31 December 2024 was US\$4.72 million.

Kambove Leaching Plant Process System Overall Optimisation Project

The Project of Overall Optimisation of the Process System of the Kambove Leaching Plant obtained investment approval in August 2024 and was expected to be completed and commence production in 2025. As of 31 December 2024, the cumulative investment was US\$9.16 million.

Mining Activities

For details of mining activities, please refer to “Production Overview” on pages 35 to 38.

FINANCIAL REVIEW

Results of Operations

The following table sets forth sales volume, average selling price, revenue and percentage of contribution to total revenue of the products of the Group during the years indicated.

	For the year ended 31 December							
	2024				2023			
	Sales	Average	% of Total	Revenue	Sales	Average	% of Total	Revenue
	Volume ⁽¹⁾	Selling Price (US\$ per tonne)			Volume ⁽¹⁾	Selling Price (US\$ per tonne)		
	(Tonnes)		(%)	(US\$'000)	(Tonnes)		(%)	(US\$'000)
Blister copper and copper anodes	286,753	8,551	64.3	2,452,132	284,784	7,796	61.6	2,220,190
Copper cathodes	130,621	8,235	28.2	1,075,635	140,454	7,649	29.8	1,074,269
Cobalt contained in cobalt hydroxide	633	7,256	0.1	4,596	1,256	11,929	0.4	14,985
Sulphuric acid	817,866	204	4.4	166,961	736,183	288	5.9	212,264
Liquid sulphur dioxide	16,221	807	0.3	13,092	12,160	894	0.3	10,874
Copper products processing services ⁽²⁾	111,042	937	2.7	104,056	89,874	822	2.0	73,839
Total				<u>3,816,472</u>				<u>3,606,421</u>
				<u>100.0</u>				<u>100.0</u>

Notes: (1) The sales volumes of blister copper and copper anodes, copper cathodes are on a contained-copper basis.

(2) The copper products processing services refer to the processing and production of copper products by the Group's smelters as entrusted by the external enterprises and the Group receives processing fees from these enterprises.

Revenue

The revenue of the Group increased by 5.8% from US\$3,606.40 million in 2023 to US\$3,816.5 million in 2024. In 2024, the Group's revenue generated from blister copper and copper anodes, copper cathodes and sulphuric acid accounted for 64.3%, 28.2% and 4.4% of the total revenue respectively.

The revenue from blister copper and copper anodes increased by 10.4% from US\$2,220.2 million in 2023 to US\$2,452.1 million in 2024, mainly due to the increase in the sales volume of blister copper and copper anodes, and the increase in global copper prices resulting in the increase in the unit selling prices of copper products.

The revenue from copper cathodes increased by 0.1% from US\$1,074.3 million in 2023 to US\$1,075.6 million in 2024, basically maintaining at the same level as the same period last year.

The revenue from sulphuric acid decreased by 21.3% from US\$212.3 million in 2023 to US\$167.0 million in 2024, mainly attributable to the decrease in the unit selling price of sulfuric acid as compared with the same period last year.

Cost of Sales

The following table sets forth the cost of sales, unit cost of sales, gross profits and gross profit margins of the products of the Group during the periods indicated.

	For the year ended 31 December							
	2024				2023			
	Cost of sales	Unit cost of sales	Gross profit	Gross profit margin	Cost of sales	Unit cost of sales	Gross profit	Gross profit margin
	(US\$'000)	(US\$ per tonne)	(US\$'000)	(%)	(US\$'000)	(US\$ per tonne)	(US\$'000)	(%)
Blister copper and copper anodes	2,043,490	7,126	408,642	16.7	1,934,027	6,791	286,163	12.9
Copper cathodes	575,326	4,405	500,309	46.5	633,663	4,512	440,607	41.0
Cobalt contained in cobalt hydroxides	12,894	20,357	(8,298)	(180.6)	34,109	27,152	(19,124)	(127.6)
Sulphuric acid	66,280	81	100,681	60.3	75,772	103	136,492	64.3
Liquid sulphur dioxide	6,598	407	6,494	49.6	7,483	615	3,391	31.2
Copper products processing services ^{Note}	62,737	565	41,319	39.7	43,909	489	29,929	40.5
Total	<u>2,767,325</u>		<u>1,049,147</u>	<u>27.5</u>	<u>2,728,963</u>		<u>877,458</u>	<u>24.3</u>

Note: The copper products processing services refer to the processing and production of copper products by the Group's smelters as entrusted by the external enterprises and the Group receives processing fees from these enterprises.

The cost of sales of the Group increased by 1.4% from US\$2,729.0 million in 2023 to US\$2,767.3 million in 2024, primarily due to the increase in the sales volume of blister copper and copper anodes, and the increase in global copper price resulting in the increase in raw material cost of the purchased copper concentrates.

The cost of sales in respect of blister copper and copper anodes increased by 5.7% from US\$1,934.0 million in 2023 to US\$2,043.5 million in 2024, primarily due to the increase in the sales volume of blister copper and copper anodes, and the increase in global copper price resulting in the increase in raw material cost of the purchased copper concentrates.

The cost of sales in respect of copper cathodes decreased by 9.2% from US\$633.7 million in 2023 to US\$575.3 million in 2024, primarily due to the year-on-year decrease in sales volume of copper cathodes.

The cost of sales in respect of sulphuric acid decreased by 12.5% from US\$75.8 million in 2023 to US\$66.3 million in 2024, primarily due to the decrease in unit production cost of sulfuric acid.

Gross profit and gross profit margin

The Group recorded a gross profit of US\$1,049.1 million in 2024, representing an increase of 19.6% from US\$877.5 million in 2023. The gross profit margin increased from 24.3% in 2023 to 27.5% in 2024. In particular:

The gross profit margin of blister copper and copper anodes increased from 12.9% in 2023 to 16.7% in 2024, primarily attributable to the increase in the unit selling price of blister copper and copper anodes being greater than the increase in the unit cost of sales due to the increase in global copper price.

The gross profit margin of copper cathodes increased from 41.0% in 2023 to 46.5% in 2024, mainly due to the increase in the unit selling price of copper cathodes being greater than the increase in the unit cost of sales due to the increase in global copper price.

The gross profit margin of sulphuric acid decreased from 64.3% in 2023 to 60.3% in 2024, primarily due to the year-on-year decrease in sulphuric acid unit selling price.

Distribution and selling expenses

The distribution and selling expenses of the Group amounted to US\$8.7 million in 2024, representing a decrease of 17.9% from US\$10.6 million in 2023, primarily due to the year-on-year decrease in customs clearance fees.

Administrative expenses

The administrative expenses of the Group decreased by 3.3% from US\$199.1 million in 2023 to US\$192.5 million in 2024, primarily due to effective control of expenses by the Group.

Finance costs

The finance costs of the Group were US\$11.3 million in 2024, decreased by 65.5% from US\$32.8 million in 2023, mainly due to the repayments of bank borrowings, resulting in a decline in financing.

Other gains and losses

Other gains and losses of the Group decreased by US\$8.2 million from a net loss of US\$89.6 million in 2023 to a net loss of US\$81.4 million in 2024, mainly due to the year-on-year decrease in exchange loss.

Income tax

The income tax of the Group increased by US\$40.7 million from US\$177.2 million in 2023 to an expense of US\$217.9 million in 2024, mainly due to the year-on-year increase in total profit.

Profit and net profit margin attributable to owners of the Company

As a result of the foregoing, the profit attributable to the owners of the Company increased by 43.6% from US\$277.6 million in 2023 to a profit of US\$398.5 million in 2024. The profit margins attributable to the owners of the Company (being the profit attributable to the owners of the Company as a percentage of revenue) were 7.7% in 2023 and 10.4% in 2024, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Cash flows

Net cash flows generated from operating activities

Cash inflows generated from operating activities are primarily attributable to the sales revenue of copper and sulphuric acid products and cash outflows are primarily attributable to the purchase of raw materials and various operating expenses. Net cash flows generated from the operating activities of the Group increased by 31.5% from a net inflow of US\$589.3 million in 2023 to a net inflow of US\$775.2 million in 2024, primarily attributable to the year-on-year decrease in the balances of receivables.

Net cash flows used in investing activities

Cash outflows used in investing activities are mainly for the purchase and construction of property, plant and equipment for copper production. The net cash flows used in investing activities of the Group amounted to US\$79.5 million in 2024, decreased by US\$144.6 million from a net outflow of US\$224.1 million in 2023, mainly due to the year-on-year decrease in long-term time deposits and the funds having been held in flexible demand deposits with higher yields.

Net cash flows used in financing activities

The cash inflows generated from financing activities primarily consist of equity financing and new borrowings. The cash outflows from financing activities primarily consist of repayments for bank borrowings, payments of dividends and interest payments. The net cash outflows in financing activities of the Group decreased by US\$431.7 million from a net outflow of US\$604.7 million in 2023 to a net outflow of US\$173.0 million in 2024, primarily due to the year-on-year decrease in the repayments of bank borrowings in 2024 and the issuance of new shares in 2024 to raise funds.

Time deposits, bank balances and cash

The Group's time deposits, bank balances and cash (including cash, time deposits and demand deposits) increased by US\$420.4 million from US\$602.4 million as at 31 December 2023 to US\$1,022.8 million as at 31 December 2024.

Trade receivables at amortised cost/Trade receivables at FVTPL

As at 31 December 2024, the Group recorded trade receivables at amortised cost of US\$70.9 million and trade receivables at FVTPL of US\$185.7 million. The trade receivables at FVTPL were the trade receivables arising from the sales of copper products under provisional pricing arrangements. The aggregate trade receivables amounted to US\$256.6 million, which decreased by US\$161.0 million from US\$417.6 million as at 31 December 2023, primarily attributable to a year-on-year decrease in receivables corresponding to year-end sales revenue of copper products.

Inventories

The inventories held by the Group decreased by US\$13.1 million from US\$861.3 million as at 31 December 2023 to US\$848.2 million as at 31 December 2024, basically maintaining at the same level as the same period last year.

Trade payables at amortised cost/Trade payables designated at FVTPL

As at 31 December 2024, the Group recorded trade payables at amortised cost of US\$216.3 million and trade payables designated at FVTPL of US\$224.2 million. The trade payables designated at FVTPL were the trade payables arising from the purchase of copper concentrates under provisional pricing arrangements. The aggregate trade payables amounted to US\$440.5 million, which decreased by US\$91.4 million from US\$531.90 million as at 31 December 2023, primarily due to the decrease in the amounts payable for ancillary materials and spare parts and the year-on-year decrease in trade payables corresponding to the procurement of raw materials at the end of the year 2024.

Capital expenditure

	For the year ended	
	31 December	
	2024	2023
	(US\$'000)	(US\$'000)
Mining and ore processing facilities at Chambishi		
Southeast Mine of NFCA	26,356	25,665
Other mining and ore processing facilities of NFCA	12,559	16,784
Other facilities at Luanshya	7,505	3,403
Baluba Mine Open Pit Mine Project at Luanshya	13,073	27,490
Facilities related to Shaft 28 Project at Luanshya	25,492	–
Mining and leaching facilities at Luanshya		
(Muliashi Project)	11,679	776
Mining facilities at Luanshya (Roan Mine)	821	4,107
Smelting facilities at CCS	6,585	17,685
Leaching facilities at SML	6,492	7,098
Leaching facilities at Huachin Leach	3,670	5,269
Mining rights and leaching facilities at CNMC		
Huachin Mabende	22,944	1,239
Smelting facilities at Lualaba Copper Smelter	10,234	1,479
Mining and the processing facilities at Kambove Mining	20,700	25,854
Other facilities	684	3
	<hr/>	<hr/>
Total	168,794	136,852
	<hr/>	<hr/>

The total capital expenditure of the Group amounted to US\$168.8 million in 2024, increased by US\$31.9 million as compared with US\$136.9 million in 2023, mainly due to the increase in the investments in Shaft 28 Project at Luanshya.

Principal risks and uncertainties

Although the Company has established a risk management system to identify, analyse, evaluate and respond to risks, our business activities are still subject to the following risks, which could have material impacts on our strategy, operations, compliance and financial condition. We urge you to carefully consider the risks described below.

Commodity price risk

The Group's commodity price risk mainly derives from the exposure to fluctuations in the market price of copper, since copper is the major commodities purchased, produced and sold by the Group. The sharp fluctuations of copper price mainly reflect the changes in supply and demand of copper products, the market uncertainties and other factors which are out of the control of the Group, including but not limited to the overall economic situation, political unrest, armed conflicts, terrorist acts, economic condition in major copper producing countries, accessibility of other metals, domestic and overseas regulations of governments, natural disasters and weather conditions. Price fluctuations will have a material impact on the business, cash flow and revenue of the Group. To mitigate this risk, the Group has adopted the sales strategy with combination of long-term and short-term orders and combined with hedging to enhance the turnover of spot inventory, so as to strive to reduce the commodity price risks.

Foreign currency exchange risk

The Group operates business in Zambia and the DRC and most of its sales and purchases in the past were denominated in US dollar, its functional currency, while certain sales and purchases were settled in currencies other than its functional currency (mainly ZMK, Congolese Franc and RMB), which exposed the Group to foreign currency risk. To mitigate such risk, the Group engaged in foreign currency exchange hedging activities through various methods including locking the signing and settlement currency and expediting tax rebates.

Interest rate risk

The Group is exposed to interest rate risk of cash flow under the impact of interest rates changes of interest-bearing financial assets and liabilities, which mainly include interest-bearing restricted bank balances, bank balances and bank and other borrowings at variable interest rates. The Group currently does not have any interest rate hedging policy. However, the Group will consider hedging significant interest rate risk should the need arise.

Human resources

As of 31 December 2024, the Group employed a total of 8,494 employees (as of 31 December 2023: 8,683 employees), which comprised 903 Chinese and 7,591 local employees in Zambia and the DRC. Employees' remuneration was determined by the Group based on their performance, experience and the prevailing market practice. For the year ended 31 December 2024, the total cost of employees reflected in the consolidated statement of profit or loss and other comprehensive income amounted to approximately US\$133.1 million (2023: US\$130.1 million).

Significant investments held, material acquisitions and disposals of subsidiaries and future plans for material investments or acquisition of capital asset

Saved as disclosed in this annual results announcement, there were no other significant investments held, material acquisitions or disposals of subsidiaries during the year ended 31 December 2024, and there was no plan approved by the Board for other material investments or acquisition of capital assets as at the date of this annual results announcement.

Charge on assets

As of 31 December 2024, the carrying amount of the Group's charge of assets amounted to US\$9,161,000 (31 December 2023: US\$9,619,000).

Gearing ratio

As at 31 December 2024, as the Group had a net cash position* of approximately US\$997.0 million, it is therefore not considered to have any net gearing# (2023: net cash position* approximately US\$427.9 million).

* Net cash position is defined as bank balances and cash, time deposit, and short term restricted bank balances less bank and other borrowings.

Net gearing ratio is defined as bank and other borrowings minus bank balances and cash, time deposit, and restricted bank balances, divided by the total equity attribute to owners of the Company.

Contingent liabilities

As at 31 December 2024, there were no material contingent liabilities.

2025 OUTLOOK

Over the past year, the Company actively responded to unfavourable factors such as the shortage of electricity in the host country of its investment, the decline in smelting and processing fees, and the change of mining service providers, and continued to thoroughly carry out the “Six Efficiency Enhancements” and resolutely implement various reform measures, thereby further enhancing the quality of its operations and its value creation capacity. Last year, the Company basically completed various production and operation tasks; maintained stable output of major products, and achieved record highs in important economic indicators. In the capital market, the Company’s shares have been included in the Hang Seng Composite Mid Cap Index at the beginning of the year, demonstrating further recognition by the capital market; the Company successfully carried out a placing of new shares to raise approximately HK\$1 billion, laying a solid foundation of capital base for the Company’s future increase in reserves for production; the Company organised a series of continuous and in-depth investor exchange activities, which boosted the confidence of domestic and overseas investors; and rewarded shareholders with stable and continuous dividend distributions of a high proportion.

In 2025, the Company is expected to face an even more severe external environment. Internationally, the global landscape is in the midst of accelerated disintegration and restructuring, with intensified unilateralism and protectionism, insufficient momentum in world economic growth, and increased volatility in international commodity prices and exchange rates. In Central and Southern Africa, the power shortage remained serious; the domestic situation in the DRC was unstable; smelting and processing fees fell to historical lows, the progress of export tax rebates was slow; and the price of sulphuric acid may be subject to downside risks. The significant increase in various uncertainties will definitely bring many challenges to the Company’s production and operation.

On the supply side of copper, it is expected that geopolitics, community, climate, geological conditions and other factors will continue and the supply growth rate will be less than expected. On the demand side, the power grid, home appliances, new energy and other areas of demand will maintain a steady rise. A series of stimulus policies by China and other major economies is expected to drive a rebound in the global economy. Overall, the supply of copper mines will remain in a tight balance, and the international copper price may remain high. At the same time, the Company will implement various reform and deepening measures, empower industrial upgrading with technology, accelerate the progress of production expansion projects, and safeguard the power supply of enterprises. Under the leadership of new quality productivity, the Company will proactively face external uncertainties with its own certainty.

The year 2025 is the concluding year of the “14th Five-Year Plan”. In the face of opportunities and challenges, the Company, under the leadership of the Board of Directors, will be determined to forge ahead and work hard to deliver satisfactory results to shareholders.

DIVIDEND

During the year ended 31 December 2024, the 2023 final dividend of US¢2.9702 per share had been paid. During the year ended 31 December 2023, the 2022 final dividend of US¢2.8209 per share had been paid.

The Board proposed the payment of US¢4.2893 per share as final dividend for the year ended 31 December 2024 (the “**Final Dividend**”). The proposed Final Dividend is subject to the approval of the Company’s shareholders at the forthcoming annual general meeting of the Company (the “**AGM**”) and payable in Hong Kong dollars, which will be calculated at the market exchange rate on 26 June 2025 to shareholders whose names appear on the register of members of the Company on Thursday, 3 July 2025. The proposed Final Dividend will be paid on Monday, 14 July 2025 after approval at the AGM.

ANNUAL GENERAL MEETING

It is proposed that the AGM will be held on Thursday, 26 June 2025. Notice of the AGM will be published and issued to shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

About the AGM

The share register of the Company will be closed from Monday, 23 June 2025 to Thursday, 26 June 2025 (both days inclusive), during which no transfer of shares will be effected. Shareholders of the Company whose names appear on the register of members of the Company at the close of business on Friday, 20 June 2025 will be entitled to attend and vote at the AGM. In order to be entitled to attend the AGM, all completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, 20 June 2025.

About the Final Dividend

The distribution of the Final Dividend proposed by the Board is subject to approval by the Company’s shareholders at the forthcoming AGM. The Register of Members of the Company will be closed on Thursday, 3 July 2025. To be qualified to receive the proposed Final Dividend, all completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 2 July 2025.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as contained in Appendix C3 of the Listing Rules.

The Company had made specific enquiry to all the Directors and confirmed that all of them complied with the Model Code for the year ended 31 December 2024.

DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2024, none of the Directors or chief executive had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”)) which would fall to be disclosed to the Company and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) pursuant to Division 7 and 8 at the Part XV of the SFO; or interests or short positions required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO; or interests or short positions which fall to be disclosed to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS’ RIGHTS TO ACQUIRE SHARES

The Company or any of its subsidiaries did not have any arrangement in place at any time during the reporting period whereby the Directors or their respective spouse or minor children can obtain benefit by acquiring shares of the Company or other body corporate.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2024, so far as it is known to the Director and chief executive of the Company, interests or short positions which would fall to be disclosed to the Company and the Stock Exchange pursuant to the provisions of Division 2 and 3 at the Part XV of the SFO is as follows:

Substantial Shareholder	Capacity/Nature of interest	Long/short position	Number of shares	Approximate percentage of shareholdings
China Nonferrous Mining Development Limited ^(Note)	Registered owner	Long position	2,600,000,000	66.63%
CNMC	Interest in a controlled corporation	Long position	2,600,000,000	66.63%

Note: China Nonferrous Mining Development Limited is a wholly-owned subsidiary of CNMC and therefore, by virtue of the SFO, CNMC is deemed or taken to be interested in all the shares which are owned by China Nonferrous Mining Development Limited.

Save as disclosed above, as at 31 December 2024, no person had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

As at 31 December 2024, each of the following entities were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meeting of any other members of the Group:

Member of the Group	Entity with 10% or more interest (other than member of the Group)	Percentage of that entity's interest
NFCA	Zambia Consolidated Copper Mines Investments Holdings Plc (“ZCCM-IH”)	15%
Luanshya	ZCCM-IH	20%
CCS	Yunnan Copper Industry (Group) Co., Ltd.* (雲南銅業集團有限公司)	40%
SML	Hong Kong Zhongfei Mining Investment Limited (“Hong Kong Zhongfei”)	30%
Huachin Leach	Huachin SARL	32.5%
CNMC Huachin Mabende	Huachin SARL	33.25%
CNMHK	Hong Kong Zhongfei	30%
Kambove Mining	La Generale Des Carrieres Et Des Mines SA	40%
Lualaba Copper Smelter	Yunnan & Hongkong Metal Company Limited (“YH Metal”)	38%
Kingsail Limited	YH Metal	40%

* Translation of English terms for reference purposes only

CORPORATE GOVERNANCE

The Company had complied with all the code provisions as set out in the Corporate Governance Code contained in Appendix C1 of the Listing Rules (the “**CG Code**”) during the year ended 31 December 2024.

AUDIT COMMITTEE

The Company’s audit committee (the “**Audit Committee**”) was established with written terms of reference in compliance with Rule 3.22 of the Listing Rules and paragraph D.3 of Part 2 of the CG Code. The primary duties of the Audit Committee are to supervise the financial reporting process and internal control and risk management systems of the Group. As at the date of this announcement, the Audit Committee consisted of three members, being Mr. Yaoyu TAN (non-executive Director), Mr. Guangfu GAO and Mr. Huanfei GUAN (both independent non-executive Director). The Group’s financial statements for the year ended 31 December 2024 have been reviewed by the Audit Committee, who was of the opinion that such statements complied with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures had been made.

SCOPE OF WORK OF KPMG

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Company’s auditor, KPMG, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by KPMG in this respect does not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by KPMG on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company’s listed securities during the year ended 31 December 2024.

IMPORTANT EVENT AFFECTING THE GROUP SINCE THE END OF THE REPORTING PERIOD

Save for the proposed payment of final dividend for the year ended 31 December 2024, there were no other significant events of the Group after the reporting period up to the date of this announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement is published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.cnmccl.net>). The annual report will be despatched to the shareholders and will be available on the websites of the Stock Exchange and the Company in due course.

By Order of the Board
China Nonferrous Mining Corporation Limited
He YANG
Chairman

26 March 2025

As at the date of this announcement, the Board comprises Mr. He YANG as an executive Director; Mr. Yaoyu TAN and Ms. Yani GONG as non-executive Directors; and Mr. Huanfei GUAN, Mr. Guangfu GAO and Mr. Yufeng SUN as independent non-executive Directors.