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Chifeng Jilong Gold Mining Co., Ltd.
赤峰吉隆黄金矿业股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)
(H Shares Stock Code: 6693)

UNAUDITED INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS OF THE GROUP

Operating income of the Group for the six months ended 30 June 2025 amounted to approximately RMB5,272 million, representing an increase of 25.64% (same period last year: RMB4,196 million).

The Group's net profit attributable to Shareholders of the parent company for the six months ended 30 June 2025 amounted to approximately RMB1,107 million, representing an increase of 55.79% (same period last year: RMB710 million).

As at 30 June 2025, the Group's total assets were RMB23,168 million, representing an increase of 13.97% compared with the beginning of the year (beginning of the year: RMB20,329 million).

As at 30 June 2025, the Group's net assets attributable to Shareholders of the parent company were RMB11,606 million, representing an increase of 46.61% compared with the beginning of the year (beginning of the year: RMB7,917 million).

The Board of the Company is pleased to announce the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2025 (the “**Reporting Period**”), together with the comparative figures for the six months ended 30 June 2024. The unaudited condensed consolidated interim results of the Group have been reviewed by the Audit Committee.

The following unaudited consolidated financial information was prepared in accordance with the Basic Standards and the Specific Standards of the Accounting Standards for Business Enterprises (“**ASBE**”) issued by the Ministry of Finance of the PRC (“**MOF**”), and Application Guidance for ASBE, interpretations and other relevant regulations issued and revised thereafter (hereafter referred to as “**CAS**”).

This announcement contains forward-looking statements including future plans of the Company, which reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. Such forward-looking statements are subject to certain risks, uncertainties and assumptions and do not constitute any actual commitments by the Company to investors. Investors are advised to pay attention to investment risks.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

RMB

Assets	Note	30 June 2025 (unaudited)	31 December 2024 (audited)
Current assets:			
Cash and bank balances		5,125,312,017.64	2,747,442,442.93
Financial assets held for trading		9,830,003.47	9,998,984.68
Derivatives financial assets		3,423,743.62	5,251,800.00
Trade receivables	10	558,458,334.08	587,165,738.54
Prepayments		180,278,026.83	276,484,571.30
Other receivables		73,710,059.62	96,187,623.04
Inventories		2,762,336,150.12	2,540,318,023.51
Other current assets		143,698,448.41	141,333,280.01
Total current assets		8,857,046,783.79	6,404,182,464.01
Non-current assets:			
Long-term receivables		228,313.31	1,190,808.13
Long-term equity investments		3,934,422.32	3,955,645.67
Fixed assets		6,189,973,837.01	6,399,516,327.75
Construction in progress		1,171,292,284.79	677,866,937.65
Right-of-use assets		198,994,331.11	206,797,707.37
Intangible assets		6,490,499,670.15	6,318,994,537.74
Goodwill		41,968,889.08	41,968,889.08
Long-term deferred expenses		325,937.50	350,312.50
Deferred tax assets		66,900,304.83	67,228,646.44
Other non-current assets		146,776,772.91	206,516,336.78
Total non-current assets		14,310,894,763.01	13,924,386,149.11
Total assets		23,167,941,546.80	20,328,568,613.12

Liabilities and shareholders' equity	<i>Note</i>	30 June 2025 (unaudited)	31 December 2024 (audited)
Current liabilities:			
Short-term borrowings		1,171,596,135.39	1,108,199,165.67
Financial liabilities held for trading		–	707,020,000.00
Trade payables	11	722,079,333.29	684,571,183.74
Contract liabilities		81,888,322.88	56,598,949.03
Employee benefits payable		102,946,509.43	171,273,575.15
Taxes payable		652,981,467.37	698,951,345.10
Other payables		433,427,052.67	225,263,620.79
Non-current liabilities due within one year		409,139,614.25	398,463,926.07
Other current liabilities		621,932.96	672,771.76
Total current liabilities		3,574,680,368.24	4,051,014,537.31
Non-current liabilities:			
Long-term borrowings		154,970,934.95	599,502,985.86
Lease liabilities		170,892,712.64	179,596,024.47
Long-term payables		58,253,794.48	59,167,832.67
Provisions		1,767,146,601.33	1,783,633,263.08
Deferred income		6,202,500.87	6,838,500.83
Deferred tax liabilities		2,325,921,791.63	2,329,605,255.27
Other non-current liabilities		558,230,764.97	596,094,797.55
Total non-current liabilities		5,041,619,100.87	5,554,438,659.73
Total liabilities		8,616,299,469.11	9,605,453,197.04

Liabilities and shareholders' equity

(Continued)	<i>Note</i>	30 June 2025 (unaudited)	31 December 2024 (audited)
Shareholders' equity:			
Share capital		1,900,411,178.00	1,663,911,378.00
Capital reserve		3,294,181,276.55	626,736,519.64
Less: Treasury shares		220,015,940.99	220,015,940.99
Other comprehensive income	8	122,009,689.08	145,710,300.63
Special reserve		9,901,931.22	3,347,876.91
Surplus reserve		269,782,850.97	269,782,850.97
Retained earnings	12	<u>6,230,173,913.41</u>	<u>5,427,338,050.01</u>
Equity attributable to shareholders of the parent		11,606,444,898.24	7,916,811,035.17
Non-controlling interests		<u>2,945,197,179.45</u>	<u>2,806,304,380.91</u>
Total shareholders' equity		<u>14,551,642,077.69</u>	<u>10,723,115,416.08</u>
Total liabilities and shareholders' equity		<u><u>23,167,941,546.80</u></u>	<u><u>20,328,568,613.12</u></u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

RMB

	Note	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Operating income	2	5,272,037,612.96	4,196,136,846.89
Less: Operating costs	2	2,736,099,202.63	2,538,536,507.29
Taxes and surcharges	3	305,773,876.47	221,179,698.11
Selling expenses		190,444.16	249,804.58
Administrative expenses		255,371,763.84	218,049,986.72
Research and development expenses		41,015,532.65	33,638,596.34
Financial expenses	4	37,419,700.15	76,668,660.70
Including: Interest expenses		65,599,297.75	103,466,091.68
Interest income		36,538,631.02	16,657,390.25
Add: Other income		1,300,589.42	716,710.76
Investment (losses)/income	5	(112,445,430.73)	139,700,860.01
Including: Share of (losses)/profits of associates		(21,223.35)	7,261,876.18
Gains/(Losses) on changes in fair value	6	102,361,838.07	(73,742,611.80)
Credit impairment (losses)/reversal		(2,108,085.53)	1,124,871.76
Impairment losses on assets		(17,067,717.46)	(1,711,235.83)
Gains/(Losses) on disposal of non-current assets		142,132.35	(448,706.10)
Operating profit		1,868,350,419.18	1,173,453,481.95
Add: Non-operating income		145,591.92	377,006.59
Less: Non-operating expenses		6,714,061.67	1,106,848.81
Profit before tax		1,861,781,949.43	1,172,723,639.73
Less: Income tax expenses	1	579,851,149.30	382,394,119.96
Net profit		1,281,930,800.13	790,329,519.77

		For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Audited)
Classification according to the continuity of operations			
Net profit from continuing operations		1,281,930,800.13	790,329,519.77
Attributable to:			
Shareholders of the parent		1,106,901,651.88	710,499,675.39
Non-controlling interests		175,029,148.25	79,829,844.38
Other comprehensive (loss)/income, net of tax		(32,510,253.01)	31,612,510.25
Other comprehensive (loss)/income attributable to shareholders of the parent, net of tax		(23,700,611.55)	23,257,430.00
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods		(23,700,611.55)	23,257,430.00
Cash flow hedge reserve		1,469,790.00	(8,855,432.65)
Exchange differences arising from translation of financial statements denominated in foreign currencies		(25,170,401.55)	32,112,862.65
Other comprehensive (loss)/income attributable to non-controlling interests, net of tax		(8,809,641.46)	8,355,080.25
Total comprehensive income		<u>1,249,420,547.12</u>	<u>821,942,030.02</u>
Attributable to:			
Shareholders of the parent		1,083,201,040.33	733,757,105.39
Non-controlling interests		166,219,506.79	88,184,924.63
Earnings per share			
Basic earnings per share (RMB/share)	7	<u>0.63</u>	<u>0.43</u>
Diluted earnings per share (RMB/share)	7	<u>0.63</u>	<u>0.43</u>

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2025

RMB

Basic Information of the Company

The Company was established in the PRC on 22 June 1998 under the PRC Company Law as a joint stock limited company with its H Shares and A Shares listed on the Main Board of the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively.

The consolidated financial statements are presented in Renminbi, which is also the functional currency of the Company and its domestic subsidiaries. The Group is principally engaged in gold mining, processing and sales.

Basis of preparation

The Group adopts the China Accounting Standards for Business Enterprises and relevant requirements promulgated by the Ministry of Finance and discloses relevant financial information in accordance with the Rules on the Preparation and Report of Information Disclosure for Companies Publicly Issuing Securities No. 15 – General Requirements for Financial Reports (Revised in 2023) (公開發行證券的公司信息披露編報規則第15號—財務報告的一般規定(2023年修訂)). In addition, the financial statements also disclose information according to the relevant disclosure requirements under the Hong Kong Companies Ordinance and the Listing Rules.

1. TAXES

(a) Major categories of taxes and tax rates

Categories of taxes	Tax calculation bases	Tax rate
Value added tax (“VAT”)	Difference between output VAT amount calculated based on sales amount and applicable tax rates and the deductible input VAT amount	China: 0%-13% Laos: 10% Ghana: 15%
City construction and maintenance tax	Actual payment of turnover tax	1%-7%
Corporate income tax (“CIT”)	Assessable profits	0-35%
Resources tax	Sales amount of primary products	China gold products: 4%, 4.5% Laos gold mine and copper cathodes: 5% Ghana gold mines: 5% Hanfeng Mining zinc: 5% Hanfeng Mining molybdenum: 8% Laos rare earth products: 20%
Urban land use tax	Levied at the annual tax rate per square metre of the actual occupied land area	Based on tax law
Growth and sustainability levy	Gross production	Ghana: Before March 31, 2025: 1%; After that: 3%
Export tariff	Export revenue	Laos rare earth products: 10%

The corporate income tax rates of taxable entities not subject to China's 25% statutory tax rate are shown on the following table:

Name of taxable entity	CIT rate for the six months ended 30 June 2025
GSR	26.5%
GSWL	35%
LXML	33.33%
Chijin HK	16.5%
Hanfeng Mining	15%
Wulong Mining	15%
Jilong Mining	15%
Jintai Mining	15%
Guangyuan Environmental Protection	0%
Chixia Mining	35%

(b) Tax incentives

- (1) According to the "Notice on Gold Tax Policies" (Caishui [2002] No. 142) issued by the Ministry of Finance and the State Administration of Taxation, "Value-added tax ("VAT") is exempted for gold production and operation entities selling gold (excluding gold with fineness of AU9999, AU9995, AU999, AU995 and specifications of 50g, 100g, 1kg, 3kg, 12.5kg) and gold ore sand (including associated gold)." Subsidiaries Jilong Mining, Huatai Mining, Wulong Mining, and Jintai Mining are eligible for this policy.
- (2) Under Article 27 of the Enterprise Income Tax Law, Article 88 of the Implementing Rules of the Enterprise Income Tax Law, and Caishui (2009) No. 166, qualified environmental protection, energy conservation, water-saving, and household waste treatment service projects enjoy a "three-year tax exemption followed by a three-year 50% tax reduction" preferential policy. Guangyuan Environmental Protection, a subsidiary of the Company, has been eligible for this policy since 2023, specifically: "Tax exemption in 2023, 2024, and 2025; 50% tax reduction in 2026, 2027, and 2028."

- (3) Pursuant to the “Notice of Hefei Municipal People’s Government Office on Adjusting the Urban Land Use Tax Grading Tax Rate Standards in Urban Areas” (He Zhengban [2023] No. 21), effective 1 July 2023, the annual urban land use tax grade tax rate standards in Anhui urban areas were adjusted. Guangyuan Technology, a subsidiary of the Company, has adjusted the annual tax rate for its land in the Economic Development Zone from RMB10 per square meter to RMB5 per square meter accordingly.
- (4) In addition to VAT exemption for export business, LXML, a subsidiary of the Company incorporated in Laos, is subject to “Notification No. 2001” issued by the Laos Ministry of Finance to LXML’s suppliers in June 2017, which specifies types of VAT-exempt transactions. Since 15 May 2017, suppliers listed in the notice no longer collect VAT from LXML, and the preferential policy allowing VAT carry-over to offset enterprise income tax for LXML is no longer applicable.
- (5) According to the “Announcement on Continuing the Enterprise Income Tax Policy for Western Development” (Ministry of Finance, State Administration of Taxation, and National Development and Reform Commission Announcement 2020 No. 23), enterprises in encouraged industries located in western China are subject to a reduced enterprise income tax rate of 15% from 1 January 2021 to 31 December 2030. Hanfeng Mining and Jintai Mining are eligible for this policy.
- (6) Wulong Mining, a subsidiary of the Company, successfully renewed its high-tech enterprise certification on 20 December 2023, obtaining the certificate (number GR202321002655) with a validity period of three years. Its enterprise income tax will be levied at a reduced rate of 15% from 2023 to 2025.
- (7) Jilong Mining, a subsidiary of the Company, successfully renewed its high-tech enterprise certification on 9 November 2023, obtaining the certificate (number GR202315000502) with a validity period of three years. Its enterprise income tax will be levied at a reduced rate of 15% from 2023 to 2025.

	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
Current income tax expenses	575,017,099.68	448,763,773.81
Deferred income tax expenses	4,834,049.62	(66,369,653.85)
Total	<u>579,851,149.30</u>	<u>382,394,119.96</u>

Reconciliation of income tax expenses to profit before tax is as follows:

	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
Profit before tax	1,861,781,949.43	1,172,723,639.73
Income tax expenses calculated at statutory tax rate (25%)	465,445,487.36	293,180,909.93
Effect of applying different tax rates by certain subsidiaries	86,270,397.26	48,252,776.58
Adjustments in respect of current tax of previous periods	(4,081,172.92)	51,457,441.09
Non-taxable income	(6,523,729.32)	(18,137,875.78)
Non-deductible expense	28,707,671.33	7,193,700.49
Tax losses utilised from previous periods	(1,077,118.47)	(560,878.96)
Unrecognised deductible temporary differences and tax losses	12,903,383.68	5,838,337.31
Additional deduction for R&D expenses and wages for disabled employees	(1,793,769.62)	(4,830,290.70)
Income tax expense of the Group	<u>579,851,149.30</u>	<u>382,394,119.96</u>

2. OPERATING INCOME AND OPERATING COSTS

	For the six months ended 30 June 2025		For the six months ended 30 June 2024	
	Operating income (unaudited)	Operating costs (unaudited)	Operating income (unaudited)	Operating costs (unaudited)
Principal operations	5,260,611,037.77	2,725,958,092.88	4,183,147,792.67	2,528,969,635.10
Other operations	11,426,575.19	10,141,109.75	12,989,054.22	9,566,872.19
Total	<u>5,272,037,612.96</u>	<u>2,736,099,202.63</u>	<u>4,196,136,846.89</u>	<u>2,538,536,507.29</u>

3. TAXES AND SURCHARGES

	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
Resources tax	264,506,800.70	198,948,575.42
Growth and sustainability levy	33,273,623.80	14,929,131.63
Land use tax	3,452,518.16	2,747,617.84
Real estate tax	945,016.07	945,848.03
Stamp duty	826,845.68	793,640.88
City construction and maintenance tax	683,154.49	451,693.59
Education surcharges	682,940.43	785,129.29
Water resources tax	206,500.30	333,665.50
Water conservancy funds	178,708.18	163,820.45
Others	1,017,768.66	1,080,575.48
Total	<u>305,773,876.47</u>	<u>221,179,698.11</u>

4. FINANCIAL EXPENSES

	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
Interest expenses	65,599,297.75	103,466,091.68
Less: Interest income	36,538,631.02	16,657,390.25
Foreign exchange losses/(gains)	7,192,706.80	(25,523,355.62)
Financial institution commissions	1,166,326.62	15,383,314.89
Total	<u>37,419,700.15</u>	<u>76,668,660.70</u>

5. INVESTMENT (LOSSES)/INCOME

	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
(Losses)/income from long-term equity investments under equity method	(21,223.35)	7,261,876.18
Investment (losses)/income received from disposal of financial assets and liabilities held for trading	(112,424,207.38)	61,348,468.23
Investment income from disposal of long-term equity investments	—	71,090,515.60
Total	(112,445,430.73)	139,700,860.01

6. GAINS/(LOSSES) ON CHANGES IN FAIR VALUE

Source of the changes in fair value	For the six months ended 30 June 2025 (unaudited)	For the six months ended 30 June 2024 (unaudited)
Financial liabilities held for trading	107,738,300.00	(43,468,080.00)
Financial assets held for trading	(124,661.93)	771,628.20
Derivative financial instruments	<u>(5,251,800.00)</u>	<u>(31,046,160.00)</u>
Total	<u>102,361,838.07</u>	<u>(73,742,611.80)</u>

7. EARNINGS PER SHARE

	For the six months ended 30 June 2025 <i>RMB/share</i> (unaudited)	For the six months ended 30 June 2024 <i>RMB/share</i> (unaudited)
Basic earnings per share		
Continuing operations	<u><u>0.63</u></u>	<u><u>0.43</u></u>
Diluted earnings per share		
Continuing operations	<u><u>0.63</u></u>	<u><u>0.43</u></u>

Basic earnings per share are calculated by dividing the net profit attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares issued during the period.

8. OTHER COMPREHENSIVE INCOME

The accumulated balance of other comprehensive income attributable to Shareholders of the parent company in the consolidated statement of financial position is as follows:

For the six months ended 30 June 2025

	Movements					
	Balance at the beginning of the period (audited)	Amount before income tax for the current period (unaudited)	Less: Income tax expenses (unaudited)	Attributable to the shareholders of parent company after tax (unaudited)	Attributable to non-controlling shareholders after tax (unaudited)	Balance at the end of the period (unaudited)
Other comprehensive income that may be reclassified to profit or loss in subsequent periods	145,710,300.63	(31,339,028.97)	1,171,224.04	(23,700,611.55)	(8,809,641.46)	122,009,689.08
Cash flow hedge reserve	–	2,804,019.20	1,171,224.04	1,469,790.00	163,005.16	1,469,790.00
Exchange differences arising from translation of financial statements denominated in foreign currencies	145,710,300.63	(34,143,048.17)	–	(25,170,401.55)	(8,972,646.62)	120,539,899.08
Total	<u>145,710,300.63</u>	<u>(31,339,028.97)</u>	<u>1,171,224.04</u>	<u>(23,700,611.55)</u>	<u>(8,809,641.46)</u>	<u>122,009,689.08</u>

9. SEGMENT INFORMATION

(1) Determination basis and accounting policies of reporting segments

The Directors and certain senior managers of the Company (hereinafter referred to as “**senior management**”) perform the functions of principal operating decision makers. Senior management reviews the internal reports of the Group to evaluate the performance of operating segments and allocate resources. The Company determines its operating segments based on such internal reporting.

The Company’s operating segments include domestic mining segment, overseas mining segment and other segments. The domestic mining segment conducts mining and processing of gold and nonferrous metals in China. The overseas mining segment conducts mining and processing of gold, nonferrous metals and rare earth in Laos and Ghana. Other segments are mainly engaged in comprehensive resource recycling in China.

The senior management monitors the results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted operating profit before tax. The adjusted operating profit before tax is measured consistently with the Group’s operating profit before tax except that interest income, interest expenses, dividend income, gains or losses on changes in fair value of the Group’s financial instruments as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude cash and bank balances, deferred tax assets, equity investments at fair value through profit or loss, derivative financial instruments and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude financial liabilities at fair value through profit or loss, derivative financial instruments, borrowings, deferred tax liabilities, taxes payable and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

(2) Financial information of each reporting segment

For the six months ended 30 June 2025 (unaudited)

Items	Domestic mining	Overseas mining	Others	Total	
Operating income	1,215,651,350.50	3,930,610,803.67	168,312,260.78	5,314,574,414.95	
Operating income between segments	—	—	(42,536,801.99)	(42,536,801.99)	
External operating income	1,215,651,350.50	3,930,610,803.67	125,775,458.79	5,272,037,612.96	
Segment profits	705,224,471.93	1,216,876,315.26	17,894,876.68	1,939,995,663.87	
Reconciliation:					
Head office profits and unallocated profits and losses				(49,153,047.71)	
Interest income				36,538,631.02	
Interest expenses				(65,599,297.75)	
Profit before tax				1,861,781,949.43	
Assets and liabilities					
Segment assets	3,408,398,857.91	14,015,438,067.14	482,015,827.30	17,905,852,752.35	
Unallocated assets				5,262,088,794.45	
Total assets				23,167,941,546.80	
Segment liabilities	500,086,910.61	3,176,983,494.78	13,378,406.91	3,690,448,812.30	
Unallocated liabilities				4,925,850,656.81	
Total liabilities				8,616,299,469.11	
	Domestic mining	Overseas mining	Others	Head office	Total
External operating income	1,215,651,350.50	3,930,610,803.67	125,775,458.79	—	5,272,037,612.96
Share of losses of associates	—	—	—	(21,223.35)	(21,223.35)
Impairment losses on assets	—	(17,260,555.30)	192,837.84	—	(17,067,717.46)
Depreciation and amortization	90,671,488.77	501,775,381.38	2,963,666.43	2,557,905.07	597,968,441.65
Income tax expenses	104,401,719.54	471,623,679.05	3,825,750.71	—	579,851,149.30
Investments in associates	2,537,474.35	—	—	1,396,947.97	3,934,422.32

Information about major customers

Operating income of RMB2,168,845,041.51 was derived from sales by the overseas mining segment to a single customer ABC Refinery (Australia) Pty Limited (for the six months ended 30 June 2024: RMB1,520,390,741.34), and Operating income of RMB1,314,123,756.27 was derived from sales by the overseas mining segment to a single customer Rand Refinery (Pty) Limited (for the six months ended 30 June 2024: RMB1,185,279,191.58).

10. TRADE RECEIVABLES

The trade receivables of Guangyuan Technology, which renders comprehensive resource recycling and utilization services, comprises of policy-based subsidies and incentive payments from government authorities and have no fixed credit periods. The credit period for receivables of other companies selling major metals such as gold, copper, zinc and copper cathode is generally within 60 days. Trade receivables are non-interest-bearing.

(1) An ageing analysis of the trade receivables

	30 June 2025 (unaudited)	31 December 2024 (audited)
Within 1 year	247,513,326.08	302,904,390.54
Over 1 year but within 2 years	78,792,270.00	92,642,615.00
Over 2 years but within 3 years	80,035,665.00	74,703,595.00
Over 3 years	152,117,073.00	116,915,138.00
Subtotal	558,458,334.08	587,165,738.54
Less: Bad debt provision for trade receivables	—	—
Total	558,458,334.08	587,165,738.54

(2) Disclosure by classification of bad debt provisions

30 June 2025

Items	Carrying amount (unaudited)		Bad debt provision (unaudited)		Net book value (unaudited)
	Amount	%	Amount	%	
Bad debt provision made individually	377,770,778.00	67.65	-	-	377,770,778.00
Bad debt provision based on credit risk characteristics	180,687,556.08	32.35	-	-	180,687,556.08
Total	<u>558,458,334.08</u>	<u>100.00</u>	<u>-</u>	/	<u>558,458,334.08</u>

31 December 2024

Items	Carrying amount (audited)		Bad debt provision (audited)		Net book value (audited)
	Amount	%	Amount	%	
Bad debt provision made individually	347,205,358.00	59.13	-	-	347,205,358.00
Bad debt provision based on credit risk characteristics	239,960,380.54	40.87	-	-	239,960,380.54
Total	<u>587,165,738.54</u>	<u>100.00</u>	<u>-</u>	/	<u>587,165,738.54</u>

Trade receivable with bad debt provision made individually is as follows:

Items	30 June 2025 (unaudited)				31 December 2024 (audited)		
	Carrying amount	Bad debt provision	%	Reason	Carrying amount	Bad debt provision	%
Trade receivables of government subsidies/incentives	377,770,778.00	–	–	Government receivable, high government credit rating, low default risk, no provision for bad debts	347,205,358.00	–	–
	<u> </u>	<u> </u>	<u> </u>		<u> </u>	<u> </u>	<u> </u>

As at 30 June 2025, trade receivable with bad debt provision based on credit risk characteristics, is as follows.

Items	Carrying amount (unaudited)	Bad debt provision (unaudited)	%
Domestic customer portfolio	112,462,561.16	–	–
Overseas customer portfolio	<u>68,224,994.92</u>	<u> </u>	<u> </u>
Total	<u>180,687,556.08</u>	<u> </u>	<u> </u>

11. TRADE PAYABLES

Trade payables do not bear interest and are usually settled within 2 months.

	30 June 2025 (unaudited)	31 December 2024 (audited)
Payables for procurement of materials	288,008,123.37	283,881,250.13
Payables for services	228,148,896.20	210,723,785.00
Payables for constructions	150,886,352.12	118,326,565.73
Payables for equipment	24,530,482.59	44,902,109.55
Payables for transportation	23,220,712.02	22,798,835.44
Others	<u>7,284,766.99</u>	<u>3,938,637.89</u>
Total	<u>722,079,333.29</u>	<u>684,571,183.74</u>

An ageing analysis of the trade payables, based on the invoice dates, is as follows:

	30 June 2025 (unaudited)	31 December 2024 (audited)
Within 1 year	711,961,010.74	664,369,929.71
Over 1 year but within 2 years	7,185,666.12	17,022,892.99
Over 2 years but within 3 years	1,953,643.37	2,548,603.73
Over 3 years	979,013.06	629,757.31
Total	<u>722,079,333.29</u>	<u>684,571,183.74</u>

As at 30 June 2025, there are no significant trade payables over 1 year (as at 31 December 2024: nil).

12. RETAINED EARNINGS

	30 June 2025 (unaudited)	31 December 2024 (audited)
At the beginning of the period/year	5,427,338,050.01	3,811,493,217.07
Add: Net profit attributable to shareholders of the parent	1,106,901,651.88	1,764,339,650.99
Less: Appropriation to statutory surplus reserve	–	66,058,379.15
Less: Cash dividends payable for ordinary shareholders	304,065,788.48	82,436,438.90
At the end of the period/year	<u>6,230,173,913.41</u>	<u>5,427,338,050.01</u>

13. NET CURRENT ASSETS

	30 June 2025 (unaudited)	31 December 2024 (audited)
Current assets	8,857,046,783.79	6,404,182,464.01
Less: Current liabilities	3,574,680,368.24	4,051,014,537.31
Net current assets	<u>5,282,366,415.55</u>	<u>2,353,167,926.70</u>

14. TOTAL ASSETS LESS CURRENT LIABILITIES

	30 June 2025 (unaudited)	31 December 2024 (audited)
Total assets	23,167,941,546.80	20,328,568,613.12
Less: Current liabilities	<u>3,574,680,368.24</u>	<u>4,051,014,537.31</u>
Total assets less current liabilities	<u><u>19,593,261,178.56</u></u>	<u><u>16,277,554,075.81</u></u>

15. DEPRECIATION AND AMORTIZATION

	30 June 2025 (unaudited)	31 December 2024 (audited)
Depreciation of fixed assets	452,293,227.15	518,317,498.15
Depreciation of right-of-use assets	18,155,589.11	18,348,269.49
Amortisation of intangible assets	127,495,250.39	211,822,732.20
Amortisation of long-term deferred expenses	<u><u>24,375.00</u></u>	<u><u>24,375.00</u></u>

16. DIVIDEND

During the current interim period, a final dividend in respect of the year ended 31 December 2024 of RMB0.16 (before tax deduction) (six months ended 30 June 2024: final dividend in respect of the year ended 31 December 2023 of RMB0.50) per ordinary Share, in an aggregate amount of RMB304,065,788.48 (2024: RMB82,436,438.90), has been approved by the Shareholders at the annual general meeting of the Company held on 12 June 2025.

No dividend was paid or declared by the Company in respect of the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Update to Resources and Reserves

On 7 August 2025, the Company announced the first Mineral Resources estimate for the SND Gold-Copper Project, a new discovery within the Sepon Mine in Laos.

Mineralisation of the new discovery area was confirmed by LXML Sepon Exploration Department in December 2024.

The Sepon exploration team commenced exploration reconnaissance work at the regional concession area in May 2024, started diamond drilling on 3 December 2024, and phase 1 drilling campaign was completed in late June 2025. 65 holes involved in the resources estimate were drilled for a total of 35,460m. SRK Consulting (China) Limited (“SRK”), an internationally recognized mining and resource consultancy firm, compiled a Mineral Resources estimate on 7 August 2025 after completion of geological modelling and resources estimate. The Sepon exploration delivered this new discovery from reconnaissance to block modelling and JORC reports within a period of 14 months.

Sepon Mine is located in south-central Laos, situated about 180km east of Savannakhet Province and about 24km northeast of the Sepon township.

The new Mineral Resources estimations are based primarily on data from phase 1 drilling campaign completed up to late June 2025.

SND Project, Sepon, LXML, Resources as at 30 June 2025

	Tonnage (Mt)	Average Grade			Contained Metal				
		AuEq (g/t)	Au (g/t)	Cu (%)	AuEq (t)	(Moz)	Au (t)	(Moz)	Cu (Kt)
Indicated	93.7	0.86	0.57	0.27	80.4	2.58	53.2	1.71	250
Inferred	37.8	0.7	0.46	0.22	26.5	0.86	17.5	0.56	83
Total	<u>131.5</u>	0.81	0.54	0.25	<u>106.9</u>	<u>3.44</u>	<u>70.7</u>	<u>2.27</u>	<u>332</u>

Notes:

1. Mineral Resources are reported based on in-situ resources. The results of the estimate are used solely for the purpose of testing the conditions to have a “reasonable prospects for eventual economic extraction” by underground mining and do not represent the Mineral Reserves.
2. All figures are rounded to reflect the relative accuracy of the estimate. The insignificant differences are due to rounding.

A further update of the Mineral Resources for the new discovery will be announced following the completion of phase 2 drilling campaign and updated Mineral Resources estimations, scheduled for the first quarter of 2026.

As of 30 June 2025, SRK considered that the SND project might adopt the caving mining method for underground extraction in the future and only reported the Mineral Resources using the cut-off grade. SRK reported the Mineral Resources, under a cutoff grade of 0.40 g/t AuEq, there are 93.7Mt of Indicated Mineral Resources at an average grade of 0.57g/t Au and 0.27% Cu; and 37.8Mt of Inferred Mineral Resources at an average grade of 0.46g/t Au and 0.22% Cu.

Basic assumptions used for the Mineral Resources estimation:

Gold price	US\$3,100 per oz
Copper price	US\$11,000 per tonne
Equivalent factor (Cu to Au)	1.1 Cu: 1 Au
AuEq cut-off grade	0.4g/t

Sighter metallurgical test program has been conducted by LXML on SND ore. Metallurgical test work shows that the ore is of medium-hardness, amenable to flotation, with an overall gold recovery rate (by flotation and tailings cyanidation) of 88% and a copper recovery of up to 88.5%.

The information in this announcement which relates to Mineral Resources is based on information compiled by Ms. Yanfang Zhao and Mr. Pengfei Xiao who are full-time employees of SRK. Ms. Yanfang Zhao is a member of the AusIMM and Mr. Pengfei Xiao is a fellow of the AusIMM and a member of the Australian Institute of Geoscientists (“AIG”). In terms of the types of mineralisation and ore deposits involved, as well as the related work carried out, both of them have sufficient experience and are capable of meeting the requirements of the Competent Persons as defined in the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”, the JORC Code. Ms. Yanfang Zhao and Mr. Pengfei Xiao have consented to the disclosure of this information in the form and context in which it appears.

OPERATION DISCUSSION AND ANALYSIS

Performance review

In the first half of 2025, the Company maintained a stable financial performance. The operating income amounted to RMB5.272 billion, representing a growth of 25.64%. The net profit attributable to shareholders of the listed Company reached RMB1.107 billion, reflecting a 55.79% increase compared to the same period in the previous year. The net cash flow generated from operating activities stood at RMB1.613 billion, marking a 12.39% increase compared to the corresponding period last year, which indicates a notable improvement in financial performance. As of the end of the Reporting Period, the Company's gearing ratio was 37.19%, a decrease of 10.06 percentage points from the beginning of the year.

The growth in the Company's performance is primarily driven by the year-on-year increase in the price of gold products. During the first half of 2025, gold prices surged repeatedly reaching historic highs. By the end of June, the spot price of gold in London had increased by 24.31% compared to the beginning of the year, while the closing price of Au9999 gold on the Shanghai Gold Exchange had risen by 24.50% compared to the opening price at the beginning of the year. Meanwhile, in response to the ongoing rise in production costs across the industry, the Company has continued to intensify its efforts in cost reduction and expense control, strictly managing non-productive expenditures and effectively maintaining control over production costs.

The Company is committed to achieving high-quality, sustainable development over the medium to long term by continuously increasing investments in resource exploration and development, production infrastructure, and technological upgrades. At the same time, it actively capitalizes on favorable conditions in the gold price cycle, optimizing short-term production strategies and enhancing resource utilization efficiency by increasing the processing volume of low-grade ores. Although the output of certain mines was temporarily affected during the first half of the year due to factors such as decline in ore grade caused by the increased processing of low-grade ores in tunneling projects, as well as the early arrival of the rainy season impacting mining operations at overseas sites. This is attributed to the dynamic optimization of ore grades across mining areas in response to external conditions, along with enhanced operational environments and the progressive implementation of technological transformation initiatives. As a result, the Company expects its future growth potential to be progressively realized.

Globalization and capital market expansion

The Company has achieved a significant milestone in advancing its international capital market strategy. In August 2024, the Company submitted an application for listing on the Stock Exchange. During the first half of 2025, the Company prioritized the promotion of its Hong Kong listing and successfully listed and commenced trading in its H Shares on the Main Board on 10 March 2025. The Hong Kong listing represented the Company's most critical strategic objective during this period. This achievement not only broadens the Company's access to international financing channels but also enhances its equity structure, providing strong impetus for the subsequent development and capacity expansion of domestic and overseas mining operations, thereby ushering the Company into a new strategic phase of growth.

This global offering of H shares accounted for approximately 90% of the total issuance. It attracted renowned institutional investors from Asia, Europe, and Australia, raising a net amount of approximately HK\$3.1 billion (including over-allotment shares). The Hong Kong listing demonstrates the strong recognition and confidence of the global capital market in the Company's strategy of "gold as the main focus and global layout". This milestone not only provides substantial financial support to the Company but also significantly enhances its international reputation and credibility, thereby laying a solid foundation for future overseas resource allocation, international collaboration, and the advancement of its global strategy.

The Company will continue to leverage the capital market as a "booster" to accelerate the implementation of domestic and overseas mine capacity expansion, technological upgrading, and resource reserve enhancement projects, thereby gradually achieving a virtuous cycle of resource reserve growth, capacity improvement, and operational efficiency optimization.

Resource exploration and capacity development

The Company steadfastly adheres to the "gold-oriented" development strategy, simultaneously advancing in three key areas – resources, reserves, and production capacity – to establish a scale advantage and form a solid foundation for its core gold business. It has significantly increased investment in the exploration and development of both domestic and overseas mines, clearly identifying priority exploration zones, engineering arrangements, and reserve enhancement targets. This approach promotes the dual growth of resource volume and reserves, while continuously reinforcing the foundation of production capacity. All subsidiaries uphold the principle of "mining and excavation proceeding concurrently, with excavation taking precedence", intensifying geological exploration efforts and mineral prospecting in underground and peripheral areas, achieving notable outcomes. Following its successful listing in Hong Kong, the Company swiftly expedited the exploration of domestic and overseas mining opportunities, implemented technological upgrades, and advanced new project developments, thereby unlocking production potential, ensuring stable production capacity, and gradually realizing the benefits derived from listing and fundraising activities.

The Company has achieved phased outcomes in resource assessment for key overseas projects, including the Sepon Mine. Notably, LXML made a significant breakthrough in the initial phase of resource exploration at the Sepon Mine, which was completed by the end of June. In the SND project, a large-scale porphyry gold and copper ore body was identified for the first time. The initial proven resource volume amounts to 131.5 million tonnes, with a gold equivalent grade of 0.81 g/t AuEq and a gold equivalent metal content of 106.9 tonnes, establishing a solid foundation for future large-scale development. At the GSWL project, underground production drilling has completed a total of 33,000 meters, open-pit grade control drilling has reached 35,000 meters, and the full-mine construction drilling program has accumulated 119,000 meters. These efforts have effectively minimized potential inefficiencies in future development phases and significantly enhanced resource utilization efficiency. Deep drilling operations for the current year have been completed as scheduled, with core analysis expected to be finalized in the second half of the year, followed by the initiation of a feasibility study on deep mining.

In accordance with the capacity expansion plans of its domestic mining subsidiaries, the Company is systematically advancing the technological upgrading, expansion, and capacity enhancement of multiple domestic mines, thereby further strengthening its sustainable development capabilities and core competitiveness. During the Reporting Period, Jilong Mining completed 9,143 meters of in-pit drilling and 11,597 meters of surface drilling, totaling 20,740 meters. Industrial ore bodies were identified in multiple sub-deposits in the deep underground area, and promising ore body results were also obtained at several peripheral exploration sites, providing a solid resource foundation for future development. Following the completion of the deep expansion of one mining right, exploration activities will continue in both the peripheral and deep underground zones based on existing exploration achievements. Wulong Mining has achieved significant progress in key mineral exploration and resource reserve enhancement projects, completing a total of 12,560 meters of underground exploration and 8,360 meters of deep-hole drilling within the pit. The Company will continue to accelerate the integration of mining rights and has already obtained new exploration permits covering an area of 1.0705 square kilometers, further expanding its area of exploration.

Advancement of key engineering and technological transformation projects

During the Reporting Period, the Company's key new construction and technological transformation projects at its domestic and overseas mines progressed smoothly across production stages such as mining and mineral processing.

Jilong Mining: As of the reporting date, the upgrading and renovation of Shaft No. 27 has been completed. The remaining blind shaft projects, the first phase of the Xinglong Mine development, the optimization of beneficiation processes, and the renovation of the smelting facility have all commenced in accordance with the planned schedule.

Wulong Mining: In terms of efficiency improvement, the monthly footage achieved across multiple mining faces has exceeded 200 meters, effectively supporting the progress of key projects. Wulong Mining has collaborated with research institutions to conduct studies on mining methodologies, continuously refining operational processes in alignment with on-site conditions to enhance both mining efficiency and safety standards. In the production process, the filter press workshop within the beneficiation plant has undergone renovation, resulting in a stable increase in processing capacity to 3,000 tonnes per day. Concurrently, the construction of the new tailings storage facility is progressing steadily.

Hanfeng Mining: The design phase for the expansion and renovation project of the existing beneficiation plant at Dongfeng Molybdenum Mine has officially commenced. Additionally, the expansion of the Lishan tailings pond, the construction of the filling system, as well as the development of substations and transmission lines, are all advancing in accordance with the planned schedule.

Huatai Mining: The feasibility study report for the resumption project of the first mining area (Third mining area) has been completed. The extension of mining rights is progressing in accordance with the planned schedule. Infrastructure construction for the 30,000-tonne-per-year underground mining expansion project in the fifth mining area is being carried out in a systematic and orderly manner.

Jintai Mining: The first phase of the project is advancing smoothly and is expected to complete mining operations by the end of the year. The second phase of the project has completed the necessary investigation, as well as the transition from exploration to mining. Upon completion of the preliminary procedures, the project will proceed to the development and construction stage.

LXML: Through the continuous optimization of operations and management, significant accomplishments were achieved during the period. The open-pit mining project at Khanong Copper Mine commenced construction. By introducing high-quality domestic and international contractors, capital expenditures and operational risks were effectively mitigated, and overall operational efficiency was enhanced. The flotation column technical upgrading project has been successfully commissioned. Furthermore, a new gold extraction process, independently developed in the field of refractory gold ore processing, has been granted an invention patent by the China National Intellectual Property Administration, providing core technological support for improving resource utilization efficiency and enhancing profitability.

GSWL: Through business restructuring and technological enhancements, GSWL has gradually established a solid foundation for stable production and increased output. The development of the F-Shoot new area within the main geological mining zone is accelerating, while four new open-pit mining sites have been added in the Benso section of the central mining area. The filling system has been successfully restored to operation and is expected to reach full capacity by the third quarter, ensuring the continuity and efficiency of mining operations. The updated feasibility study and drainage design for the Father Brown open-pit to underground mining transition project have been completed. It is planned to commence the drainage and surface infrastructure rehabilitation in the second half of the year, with the objective of initiating underground mining development by the end of year. Additionally, the upgrade of the concentrator's legacy system is progressing steadily. The contracts for the new leaching tank installation and electrolysis system modernization have been finalized, and the crusher system upgrade project has entered the bidding phase, setting the stage for improved concentrator capacity and operational efficiency.

Workplace safety and sustainable development

During the Reporting Period, the Company has consistently upheld the principle of “safety first and green development”, with a strategic focus on three key areas: standardization of safety production, deepening efforts in energy conservation and consumption reduction, and the promotion of clean energy substitution. The Company has rigorously implemented the safety production responsibility system and complied with environmental protection requirements. Through systematic capacity building, it has continuously enhanced its ability to predict and control risks, as well as improved its level of refined management. Significant progress has been made in ESG performance. The Company’s MSCI ESG rating was upgraded from “CCC” to “B”, and its S&P CSA (S&P Global Corporate Sustainability Assessment) score reached 40 points – both representing first-time achievements and setting new benchmarks.

Further enhance the hierarchical safety training system, optimize the hidden danger investigation mechanism characterized by “full participation and closed-loop management”, prevent safety risks at the source, promote the digitalization, automation, and intelligent upgrading of the production system, and improve safety control efficiency and the level of green production through technological empowerment.

To achieve the long-term objectives of peaking carbon emissions by 2030 and attaining carbon neutrality by 2055, the Company is actively enhancing its ESG performance within the context of global sustainable development. This includes identifying underperforming areas through categorized and cyclical benchmarking, and developing and implementing short, medium, and long-term improvement plans. The Company is also strengthening the development of ecological and intelligent mining operations by introducing advanced information technologies and automated equipment. Furthermore, it is exploring carbon reduction pathways specific to each mining region, increasing the utilization of clean and renewable energy sources, and implementing measures aimed at energy conservation and consumption reduction.

In terms of employee care, the Company has integrated employee well-being into its core management strategy. During the first half of this year, the Company implemented a standardization upgrade of the mine canteen, initiated the development of logistics support facilities such as a reading area, and organized diverse cultural activities including photography exhibitions and English corners. Through the establishment of a dynamic tracking and feedback mechanism, the physical and mental health of employees was effectively safeguarded, thereby enhancing employees' sense of belonging and strengthening team cohesion.

The Company has also actively engaged in the development of the local community where the mines are located. It supported education, sports, and public welfare initiatives, promoting collaborative community development and shared benefits. These efforts demonstrate the Company's ongoing commitment to fulfilling its social responsibilities.

Internal control and risk management

After the Company became a dual-listed company on both the A-share and H-share markets, the requirements for compliance and internal control have been further strengthened. The Company continuously enhances its audit system, improves institutional frameworks, and elevates internal control standards through transparent process management. During the Reporting Period, the Company reinforced comprehensive planning across procurement, logistics, sales, and other key areas, promoting synergies and efficiency improvements within both the global and regional supply chains. Leveraging information technology and refined management practices, the Company has enhanced managerial precision and process transparency. In the first half of the year, the global supply chain center participated in 32 major domestic procurement projects, which are projected to yield cost savings of nearly RMB10 million. By integrating annual bidding and procurement processes for key materials domestically and internationally, the proportion of centralized procurement from overseas mines has steadily increased. This has led to the formation of a scale effect in centralized procurement of bulk materials and the establishment of a high-quality supplier network, both of which have become integral components of the Company's internal control system.

Meanwhile, the Company has further enhanced the performance standards across its global business units to ensure data accuracy, process compliance, and transparent decision-making. A standardized mechanism for contractor management, including access control, performance evaluation, and auditing procedures, is planned for implementation to ensure that all partners adhere to the Company's requirements regarding safety, environmental protection, and regulatory compliance. Additionally, the Company has reinforced its information security awareness and management framework. Through robust systems, targeted training programs, and advanced technical measures, it ensures the security of data and the integrity of its information systems, thereby providing comprehensive support for operational stability and risk mitigation.

During the Reporting Period, the primary risk factors identified by the Company included fluctuations in gold prices, risks related to the fluctuation of exchange rate, policy and compliance risks, as well as risks associated with production safety, etc.

Development of the gold industry during the Reporting Period

In the first half of 2025, the global economy is expected to continue facing a range of challenges. The interplay between geopolitical tensions and monetary policy adjustments in major economies will likely exert ongoing pressure on the development of the global mining industry.

Gold, as a strategic asset possessing both commodity and financial attributes, not only plays an indispensable role in safeguarding national financial stability and economic security, but also demonstrates enhanced safe-haven and reliability characteristics in times of market volatility.

According to the “Mineral Commodity Summaries 2025” published by the United States Geological Survey (USGS) in January 2025, Australia and Russia possess the largest gold reserves globally, followed by South Africa, Indonesia, and Canada. Collectively, these five countries account for 56% of the world’s gold reserves. Global gold mine production in 2024 reached approximately 3,300 metric tonnes, representing an increase of only 1.5%. China, Russia, Australia, Canada, and the United States continue to be the top five gold-producing countries, contributing 41% of the global output. Currently, the gold supply chain is encountering structural constraints, including inadequate investment in new mine development and limited supply elasticity. Meanwhile, many existing mines face challenges such as declining ore grades, outdated equipment, rising operational costs, and increasing compliance pressures related to environmental regulations. According to the “Gold Focus 2025” report issued by Metals Focus in June 2025, a leading metals consulting firm, global gold supply is projected to grow by only 1% in 2025, which is unlikely to keep pace with the steadily rising global demand.

China continues to maintain its leading position in the global gold market. According to data released by the China Gold Association, China’s mineral gold output reached 377 tonnes in 2024, marking its position as the global leader for 18 consecutive years. Gold consumption amounted to 985 tonnes, representing the 12th consecutive year of global leadership. In the first half of 2025, domestic raw material gold production totaled 179.083 tonnes, reflecting a slight decline of 0.31%. Meanwhile, gold production derived from imported raw materials reached 76.678 tonnes, showing an increase of 2.29% compared to the previous year. When including gold production from imported raw materials, the total national gold output in the first half of 2025 amounted to 252.761 tonnes, rising by 0.44% and maintaining the same level as the previous year.

The strategic demand for gold by global central banks remains robust. According to the World Gold Council’s “2025 Global Central Bank Gold Reserves Survey” (CBGR), 95% of the surveyed central banks anticipate continuing to increase their gold reserves within the next 12 months—a record high since the survey began. Furthermore, global central banks have purchased more than 1,000 tonnes of gold annually for three consecutive years, a volume that is twice the average level recorded during the previous decade. This underscores the critical role of gold as a strategic reserve asset. The Council’s “Global Gold Demand Trends Q2 2025 Report” also indicates that total global gold demand reached 2,423 tonnes in the first half of 2025, reflecting an approximate 3% year-on-year increase. This growing demand is closely linked to gold’s recognized safe-haven and value preservation attributes in the context of rising economic and geopolitical uncertainties.

Meanwhile, underpinned by a tight supply-demand balance and sustained robust demand, the gold price in US dollar terms demonstrated significant strength. By the end of the Reporting Period, it had increased by approximately 26%, and in between, reached a historical high of approximate US\$3,500 per ounce in April.

Business outlook

Based on the progress made in the first half of this year and the projected developments for the second half, the Company has revised its 2025 gold production and sales target to 16.0 tonnes. The Company remains committed to the principle of safe development, embraces the philosophy of green and sustainable growth, and will strive to achieve its annual objectives. In the second half of this year, the Company will closely align its efforts with the annual key projects and performance targets, and will make every effort to advance work related to safe production, increased output and reserves, as well as quality improvement and operational efficiency enhancement.

1. Emphasize workplace safety, strengthen the foundation for sustainable development, strive to enhance both productivity and operational efficiency

In the second half of the year, the Company will enhance the organization and management of safety production and optimize relevant performance indicators. It will prioritize key projects aimed at expanding mine production capacity and accelerating their completion and commissioning. By improving mining and beneficiation techniques to increase recovery rates, the Company can fully realize the potential for capacity expansion and production growth. At the same time, it will strengthen the integrated management of global mine operations to ensure coordinated progress in stable and increased production, resource exploration and reserve growth, as well as benefit expansion.

2. Enhance scientific research breakthroughs and the transformation of research outcomes to drive digital and intelligent transformation

The Company will prioritize initiatives aimed at enhancing the quality and efficiency of mine beneficiation and metallurgy, alongside achieving key scientific research breakthroughs, while accelerating the practical application of technological advancements. Furthermore, the Company will continue to advance digitalization and intelligent development, leveraging technological innovation to enhance production efficiency and elevate management standards.

3. Focus on enhancing resource reserves to expand long-term development potential

In response to the increasingly competitive environment in the gold industry, the Company will uphold its strategic determination and prioritize the enhancement of resource reserves. This includes continuously increasing investment in geological exploration across various mines, intensifying exploration efforts in key mine peripheries and unexplored areas. The Company will accelerate the acquisition of mining rights projects near existing mines and along significant domestic mineralization zones. Furthermore, it will steadily advance the procurement of high-quality overseas resources to continuously strengthen its resource guarantee capabilities.

4. Uphold the principle of sustainable development and ensure safe and reliable operations

Implement the ESG sustainable development strategy to advance safe, environmentally friendly, compliant and harmonious growth. Strengthen routine safety management by deepening the mechanisms for risk prevention and control as well as hazard identification and remediation. Enhance the compliance management framework, intensify oversight in key operational areas, and improve adherence to laws and regulations. Continuously promote the coordinated development of the Company and the communities in which it operates, further strengthen partnerships with local stakeholders, and enable a broader range of stakeholders to benefit from the development achievements of Chifeng Gold.

Standing at a new starting point, the Company will continue to uphold its core development strategy of “gold as the primary focus”. With firm determination and strategic foresight, it will significantly increase investment in exploration activities and advance the intelligent and large-scale technological upgrading of mining operations. This initiative aims to fully promote a virtuous cycle and leapfrog growth in “resource reserve expansion, capacity enhancement, and benefit realization”. Currently, gold prices are in an upward trend, and the Company is well positioned to capitalize on this momentum. It will proactively accelerate its exploration in both domestic and international markets, as well as expedite the construction of new projects. Through efficient execution, the Company will rapidly translate financing outcomes into operational effectiveness, continuously deepening its resource reserve base and strengthening its production capacity. These efforts will be directed toward achieving the long-term objective of becoming a globally recognized leading gold producer.

MAJOR OPERATING CONDITIONS DURING THE REPORTING PERIOD

In the first half of 2025, the Group recorded operating income from the principal business of RMB5,260.6110 million, among which, the mining segment produced 6.75 tonnes of mined gold, representing a decrease of 10.56% as compared to the same period last year, and 2.8 thousand tonnes of copper cathodes, representing an increase of 4.65% as compared to the same period last year. This segment recorded operating income from its principal business of RMB5,135.0293 million, accounting for 97.61% of the Group’s operating income from its principal business. As at the end of the Reporting Period, the Group’s total assets were RMB23,167.9415 million, and the net assets attributable to Shareholders of the parent company were RMB11,606.4449 million, representing an increase of 13.97% and 46.61% respectively, as compared to the end of last year.

(I) Analysis on Principal Business

1. Analysis of the changes in relevant items in the statement of profit or loss and cash flow

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the same period last year	Percentage of change (%)
Operating income	5,272,037,612.96	4,196,136,846.89	25.64
Operating costs	2,736,099,202.63	2,538,536,507.29	7.78
Selling expenses	190,444.16	249,804.58	-23.76
Administrative expenses	255,371,763.84	218,049,986.72	17.12
Finance expenses	37,419,700.15	76,668,660.70	-51.19
Research and development expenses	41,015,532.65	33,638,596.34	21.93
Net cash flows from operating activities	1,612,731,602.56	1,434,993,255.17	12.39
Net cash outflows used in investing activities	-865,457,832.42	-311,916,915.25	N/A
Net cash flows from/(used in) financing activities	1,846,249,384.88	-224,074,755.15	N/A

- (1) Operating income increased compared to the same period last year primarily due to the rise in gold selling price;
- (2) Operating costs increased compared to the same period last year mainly due to the increase in copper cathode sales volume and unit selling costs;
- (3) Selling expenses decreased compared to the same period last year mainly due to a reduction in material consumption costs and travel expenses;

- (4) Administrative expenses increased compared to the same period last year mainly due to an increase in the Group's labour expenses and share-based payment expenses;
- (5) Net finance expenses decreased compared to the same period last year primarily due to the finance expenses decreased the improvement in the Group's operating cash flow where extra cash was used to prepaid bank loans. Increase in interest income was resulted from increase in cash equivalent;
- (6) Research and development expenses increased compared to the same period last year mainly due to the increasing investment in research and development by Jilong Mining and LXML;
- (7) The increase in net cash flows from operating activities was mainly due to the rise in sales price of mined gold, which led to an increase in proceeds from sales during the current period;
- (8) The increase in the net cash outflows used in investing activities was mainly due to the combined impact from the recoup of about RMB453 million investment from the disposal of equity investment during the same period last year, coupled with an increase in capital expenditures during this period;
- (9) The increase in net cash inflows from financing activities was mainly due to the combined impact from the proceeds from the listing in the Hong Kong Stock Exchange, coupled with a significant decrease in net debt during the current period.

2. Operating Income and Operating Costs Analysis

(1) Principal business by sector, product and region

Unit: Yuan Currency: RMB

Analysis of the principal business by sector						
By sector	Operating income	Operating costs	Gross profit margin (%)	Change in operating income as compared to the same period last year (%)	Change in operating costs as compared to the same period last year (%)	Change in gross profit margin as compared to the same period last year
Mining sector	5,135,029,310.04	2,620,094,077.97	48.98	26.32	8.19	Increased by 8.55pp
Comprehensive resource recycling and utilization	125,581,727.73	105,864,014.91	15.70	6.43	-1.29	Increased by 6.60pp

Analysis of the principal business by product

By product	Operating income	Operating costs	Gross profit margin (%)	Change in operating income as compared to the same period last year (%)	Change in operating costs as compared to the same period last year (%)	Change in gross profit margin as compared to the same period last year
Mined gold	4,746,306,119.19	2,158,406,607.22	54.52	26.29	-0.32	Increased by 12.14pp
Copper cathode	198,148,299.50	318,933,544.24	-60.96	14.99	106.18	Decreased by 71.19pp
Copper concentrate powder	22,960,863.60	5,762,379.39	74.90	266.48	45.95	Increased by 37.92pp
Lead concentrate powder	19,410,482.79	8,889,020.40	54.21	-3.01	6.07	Decreased by 3.92pp
Zinc concentrate powder	59,364,285.22	43,204,879.06	27.22	49.83	33.18	Increased by 9.10pp
Molybdenum concentrate powder	37,923,719.11	25,675,558.08	32.30	-41.69	-53.22	Increased by 16.70pp
Rare earth products	50,915,540.63	59,222,089.58	-16.31	N/A	N/A	N/A
Others (Disassembly of electronic products)	125,581,727.73	105,864,014.91	15.70	6.43	-1.29	Increased by 6.60pp

Analysis of the principal business by region						
By region	Operating income	Operating costs	Gross profit margin (%)	Change in operating income as compared to the same period last year (%)	Change in operating costs as compared to the same period last year (%)	Change in gross profit margin as compared to the same period last year
Domestic regions	1,339,624,532.38	454,260,704.72	66.09	21.44	-5.50	Increased by 9.67pp
Overseas regions	3,920,986,505.39	2,271,697,388.16	42.06	27.30	10.91	Increased by 8.56pp

Approximately 74.53% of the Company's operating income from its principle activities is derived from overseas mining operations.

(2) *Analysis of Production and Sales Volume*

Major products	Unit	Production volume	Sales volume	Unit selling price	Change in production volume as compared to the same period last year (%)	Change in sales volume as compared to the same period last year (%)	Change in unit selling price as compared to the same period last year (%)
Mined gold	kg	6,754.34	6,764.89	699.95 RMB/gram	-10.56	-10.91	41.42
Copper cathode	tonne	2,798.45	2,842.12	69,718.53 RMB/tonne	4.65	5.13	9.38
Copper concentrate powder	tonne	1,187.64	1,115.14	20,590.08 RMB/tonne	39.76	60.69	128.07
Lead concentrate powder	tonne	1,847.70	1,701.54	11,407.57 RMB/tonne	24.82	12.95	-14.13
Zinc concentrate powder	tonne	11,419.44	8,311.48	7,142.44 RMB/tonne	90.93	45.77	2.78
Molybdenum concentrate powder	tonne	344.93	298.49	127,051.04 RMB/tonne	7.70	-37.51	-6.69
Rare earth products	tonne	447.88	298.28	170,695.13 RMB/tonne	N/A	N/A	N/A

(3) Analysis of Unit Operating Costs and Gross Profit Margin

Unit: Yuan Currency: RMB

Items		Unit operating costs			Gross profit margin (%)	
Name of the product	Unit	Current period	Previous period	Percentage of change (%)	Current period	Previous period
Mined gold	RMB/gram	319.06	285.17	11.88	54.52	42.38
Copper cathode	RMB/tonne	112,216.86	57,218.26	96.12	-60.96	10.23
Copper concentrate powder	RMB/tonne	5,167.40	5,689.04	-9.17	74.90	36.98
Lead concentrate powder	RMB/tonne	5,224.09	5,562.89	-6.09	54.21	58.13
Zinc concentrate powder	RMB/tonne	5,198.22	5,689.91	-8.64	27.22	18.12
Molybdenum concentrate powder	RMB/tonne	86,017.58	114,917.04	-25.15	32.30	15.60
Rare earth products	RMB/tonne	198,542.96	–	N/A	-16.31	N/A
Overall gross profit margin (Note)					48.10	39.50

Note: The comprehensive gross profit margin is the overall gross profit margin of the Group, including mining, comprehensive resource utilization and recycling, and others.

(4) *Analysis of the Unit Cost of Mined Gold*

Items	Unit cost for the current period		Unit cost for the previous period		Percentage of change	
	Operating costs	All-in sustaining cost	Operating costs	All-in sustaining cost	Change in operating costs as compared to the same period last year (%)	All-in sustaining cost change as compared to the same period last year (%)
Mined gold (RMB/gram)	319.06	355.41	285.44	264.67	11.78	34.28

Note 1: Operating costs refers to the cost of goods sold stated in the income statement. All-in sustaining cost comprises of direct cash cost, selling expenses, administrative expenses plus taxes and surcharges as well as sustaining capital expenditure.

Note 2: The exchange rate of USD to RMB used in the current period and the previous period is USD1: 7.1839 and USD1: 7.1051, respectively.

	Unit cost for the current period		Unit cost for the previous period		Percentage of change	
	Operating costs	All-in sustaining cost	Operating costs	All-in sustaining cost	Change in operating costs as compared to the same period last year (%)	All-in sustaining cost change as compared to the same period last year (%)
Domestic mines (RMB/gram)	179.92	271.42	168.96	227.96	6.49	19.06
LXML (USD/oz)	1,432.58	1,527.67	1,489.75	1,225.85	-3.84	24.62
GSWL (USD/oz)	1,702.61	1,788.09	1,290.82	1,177.80	31.90	51.82

Note: The unit cost for GSWL during the first half of 2025 has increased significantly compared to the same period last year, primarily due to the following reasons:

First, the rise in gold prices during the first half of 2025 led to an increase in operating income. Additionally, the growth and sustainability levy tax rate increased from 1% to 3% since April 2025. The combined effect of the tax calculation base and higher tax rate resulted in an increase in resources tax and growth and sustainability levy.

Second, GSWL had access to more operating chambers in the first half of 2025. To ensure annual ore output, preliminary investments were increased. Consequently, operating costs such as drilling, tunneling and mining rose accordingly.

Third, a decline in the grade of ore processed, coupled with the early arrival of the rainy season, led to a decrease in gold produced and sold.

(II) Key Accounting Data and Financial Indicators for the Reporting Period

1. *Non-recurring gains or losses items and amounts*

Unit: Yuan Currency: RMB

	For the six months ended 30 June 2025 (unaudited)
Gains or losses from disposal of non-current assets, including the write-off of the provision for impairment of assets	142,132.35
Government grants included in the current profit or loss, except those that are closely related to the Company's normal business operations, which comply with national policies and can be obtained based on established standards, and which have a continuing impact on the Company's profit or loss.	842,381.79
Profit or loss arising from changes in fair value of financial assets and financial liabilities held by non-financial enterprises, and profit or loss from the disposal of financial assets and financial liabilities other than effective hedging activities related to the Company's normal business operations	(124,661.93)
Reversal of impairment provision for trade receivables that had an impairment test individually	187,539.20
Non-operating income and expenses rather than those mentioned above	(6,578,469.75)
Other profit or loss items within the definition of non-recurring profit and loss	468,207.63
Subtotal	(5,062,870.71)
Less: Effect of income tax	318,426.12
Impact on minority interests (after tax)	(374,301.46)
Total	<u>(5,006,995.37)</u>

2. Items measured at fair value

Unit: Yuan Currency: RMB

Items	Balance at the beginning of the period	Balance at the end of the period	Current Change	Impact on the current profit
Financial assets held for trading	9,998,984.68	9,830,003.47	(168,981.21)	(124,661.93)
Derivative financial instruments	5,251,800.00	3,423,743.62	(1,828,056.38)	43,742,876.86
Financial liabilities held for trading	<u>707,020,000.00</u>	<u>–</u>	<u>(707,020,000.00)</u>	<u>(84,347,825.38)</u>

3. Key financial ratios

Financial Ratios	As at 30 June 2025	As at 31 December 2024	Change for the current period over the end of last year	Reasons for change
Current ratio (note 1)	247.77%	158.09%	Increase by 89.68 pp	The increase of the company's own funds and the proceeds from listing in the Hong Kong Stock Exchange
Quick ratio (note 2)	165.45%	88.56%	Increase by 76.89 pp	The increase of the company's own funds and the proceeds from listing in the Hong Kong Stock Exchange
Gearing ratio (note 3)	37.19%	47.25%	Decrease by 10.06 pp	The decrease in the scale of the debt and the increase in the scale of assets

- Notes:
1. Current ratio is calculated using total current assets divided by the total current liabilities.
 2. Quick ratio is calculated using total current assets less inventories and prepayments divided by total current liabilities.
 3. Gearing ratio is calculated as total liabilities of the Group divided by total assets of the Group.

4. *Liquidity and Financial Resources*

As at 30 June 2025, the Group had cash and bank balances of RMB5,125 million (as at 31 December 2024: RMB2,747 million).

As at 30 June 2025, the Group had interest-bearing bank liabilities of RMB1,680 million (as at 31 December 2024: RMB2,697 million), of which the interest-bearing bank liabilities due within one year amounted to RMB1,525 million (as at 31 December 2024: RMB2,097 million); the interest-bearing bank liabilities due within one to two years amounted to RMB140 million (as at 31 December 2024: RMB380 million); the interest-bearing bank liabilities due within two to five years amounted to RMB15 million (as at 31 December 2024: RMB220 million).

The interest-bearing bank liabilities consisted of three categories: short-term borrowings, financial liabilities held for trading and long-term borrowings.

Short-term borrowings: As at 30 June 2025, the short-term borrowings amounted to RMB1,172 million at an interest rate ranging from 2.35% to 3.20% per annum (as at 31 December 2024: RMB1,108 million, an interest rate ranging from 2.35% to 5.70% per annum).

Financial liabilities held for trading: the Group has entered into gold leasing contracts with banks for financing purposes, under which it leased gold within the bank's credit limit and sold the gold through the Shanghai Gold Exchange trading system. The Group repurchased an equivalent amount of gold with the same specifications through the system before the lease expiry date to repay the bank on the due date. The agreed lease fee is paid on schedule (generally on the bank's quarterly interest payment date), and the lease term is generally within 1 year (inclusive). The period-end balance of liabilities from gold leasing represents the fair value of gold borrowed from banks as at the balance sheet date. As at 30 June 2025, the amount of financial liabilities at fair value through profit or loss was nil (as at 31 December 2024: RMB707 million).

Long-term borrowings (including long-term borrowings due within one year): As at 30 June 2025, the long-term borrowings amounted to RMB508 million at an interest rate ranging from 2.70% to 5.57% per annum (as at 31 December 2024: RMB882 million at an interest rate of 3.20% to 5.69% per annum).

For the six months ended 30 June 2025, the Group financed its operations through equity financing, bank loans and internally generated cash flows. The Group pursues a prudent treasury management policy and actively manages its liquidity position with sufficient standby banking facilities to cope with daily operation and any demands for capital in future development.

5. *Foreign Exchange Risk Management*

The reporting currency of the Group and the functional currencies of its domestic subsidiaries is RMB, while the functional currencies of the Group's overseas gold mining and rare earth mining subsidiaries are respectively USD and RMB. Some of the Group's assets are located in Laos and Ghana. The operating costs and expenses of overseas subsidiaries are, in some cases, denominated in local currencies and therefore the Group is exposed to fluctuations in the USD, KIP and GHC. In addition, as the presentation currency of the Group is RMB, the financial reporting amounts of the overseas subsidiaries, whose functional currency is USD are translated into RMB for consolidation purposes.

The Group manages its foreign exchange business in a coordinated manner and uses forward exchange contracts to minimize its exposure to exchange rate risk when necessary, depending on the market trend. At the same time, the Group usually holds a very small amount of cash in local currencies to avoid exposure to local currency fluctuations and purchases local currencies only when local payments are required. The Group is able to use all Ghanaian Cedis received from bank of Ghana or Lao Kip and Ghanaian Cedis converted from U.S. dollar operating incomes for the Group's operating and capital expenditures at short notice to keep our local currency cash at a minimum level. The Group continuously monitors its exposure to foreign currency exchange risk.

(III) Analysis of Assets and Liabilities

1. Assets and liabilities

Unit: Yuan Currency: RMB

Items	Closing balance at the end of the reporting period	Proportion to total assets at the end of the reporting period (%)	Closing balance at the end of 2024	Proportion to total assets at the end of 2024 (%)	Change of the closing balance (%)	Explanations
Cash and bank balances	5,125,312,017.64	22.12	2,747,442,442.93	13.52	86.55	Cash equivalent of the Group increased during the current period due to the inflow of free cash flow and the proceeds from the listing in the Hong Kong Stock Exchange.
Trade receivables	558,458,334.08	2.41	587,165,738.54	2.89	-4.89	The receipt of the receivables from customers increased during the current period.
Prepayments	180,278,026.83	0.78	276,484,571.30	1.36	-34.80	The consolidation of rare earth business to the Group beginning in the current period.
Construction in progress	1,171,292,284.79	5.06	677,866,937.65	3.33	72.79	Investment in production expansion projects for the period increased
Other non-current assets	146,776,772.91	0.63	206,516,336.78	1.02	-28.93	The rare earth business is combined in the Group during the current period.
Financial liabilities held for trading	–	–	707,020,000.00	3.48	-100	The gold leases under the previous model were all repaid by the end of the current period. The new gold leasings were all hedged by the banks and recognized in “Short-term borrowings”.

Items	Closing balance at the end of the reporting period	Proportion to total assets at the end of the reporting period (%)	Closing balance at the end of 2024	Proportion to total assets at the end of 2024 (%)	Change of the closing balance (%)	Explanations
Employee benefits payable	102,946,509.43	0.44	171,273,575.15	0.84	-39.89	The Group paid the accrued salary and bonus.
Other payables	433,427,052.67	1.87	225,263,620.79	1.11	92.41	The Company received the funds from Phase III Employee Stock Ownership Plan and the vesting criteria have not been met by the end of this period.
Long-term borrowings	154,970,934.95	0.67	599,502,985.86	2.95	-74.15	Part of long-term borrowings were prepaid.

2. Overseas assets

(1) Asset Size

Overseas assets were RMB15,371.2261 million, accounting for 66.35% of total assets.

(2) Relevant explanations on the overseas assets with a relatively large proportion

Unit: ten thousands Yuan Currency: RMB

Name of overseas assets	Initial recognition	Operational model	Operating income for the Reporting Period	Net profit/ (loss) for the Reporting Period
LXML	Merger and acquisition	Self-operation	236,773.21	56,818.99
Golden Star Resources	Merger and acquisition	Self-operation	150,320.30	15,851.99
Chixia Mining	Merger and acquisition	Self-operation	4,773.11	(1,578.81)

3. Main restrictions on assets as at the end of the Reporting Period

Unit: Yuan Currency: RMB

Item	Carrying amount at the end of the period	Reasons for restriction
Cash and bank balances	25,201,736.55	<i>Note 1</i>
Other current assets	10,159,699.88	<i>Note 2</i>
Other non-current assets	120,269,577.13	<i>Note 3</i>
Fixed assets	<u>205,393,517.22</u>	<i>Note 4</i>
Total	<u><u>361,024,530.78</u></u>	

Note 1: As at 30 June 2025, the Group's cash and bank balances restricted from being used was RMB25,201,736.55, listed under "Other Monetary Fund". Among them, RMB14,592,906.03 is the fund provided for mine geological environment governance and restoration, with the relevant amount deposited in a designated bank account and restricted for use in land reclamation and environmental protection after mine closure; RMB10,608,830.52 is the bank deposit for handling gold leasing business;.

Note 2: As at 30 June 2025, other current assets of the Group restricted from being used amounted to RMB10,159,699.88, with the restriction due to futures margin occupation.

Note 3: As at 30 June 2025, other non-current assets of the Group restricted from being used (including the portion due within one year) amounted to RMB120,269,577.13, which were restricted due to the Group's contribution to the mine geological environment governance and restoration fund that cannot be withdrawn reading on demand.

Note 4: As at 30 June 2025, the Group's long-term borrowings of RMB150,452,782.79 were secured by fixed assets of Wulong Mining and Jilong Mining with carrying amounts of RMB140,616,279.82 and RMB64,777,237.40, respectively.

Apart from the above, the Group has no material pledge of assets or contingent liabilities as at 30 June 2025.

(IV) Analysis on Investments

During the Reporting Period, the Company did not carry out any significant external equity investments.

1. Derivative Investments

On 29 March 2025, the Company held the 35th meeting of the eighth session of the Board and considered and approved the “Proposal on the Launch of Futures Hedging Activities in 2025”. It was agreed that the Company would make use of the hedging function of financial instruments to mitigate risks associated with the prices of major products such as gold and copper cathodes, as well as foreign exchange rate fluctuations, to ensure profit margins from product sales, control funding costs related to gold leasing financing and foreign currency borrowings, and carry out hedging activities on major products related to production and operation and foreign exchange risk exposures at appropriate times. This aims to enhance the Company’s risk resistance capability and ensure stable operations.

2. Analysis of Major Companies in Which the Company has Invested

Unit: ten thousands Yuan Currency: RMB

Company name	Type of company	Principal operation	Registered capital	Total assets	Net assets/ (liabilities)	Operating income	Net profit/ (loss)
Jilong Mining	Subsidiary	Gold mining and processing	17,500	209,838.62	141,597.47	41,404.46	20,866.51
Huatai Mining	Subsidiary	Gold mining and processing	2,000	29,778.87	(2,811.74)	118.65	(1,314.09)
Wulong Mining	Subsidiary	Gold mining and processing	4,000	189,968.16	140,474.75	52,738.72	26,799.90
Xinhenghe Mining	Subsidiary	Gold mining and processing	4,000	39,691.21	30,190.70	13,302.84	8,007.52
Hanfeng Mining	Subsidiary	Non-ferrous metal mining and processing	42,920	68,440.62	55,274.84	14,000.46	3,154.48
LXML	Subsidiary	Non-ferrous metal mining and processing	1,436,516.83 million Lao Kip	654,979.47	359,918.23	236,773.21	56,818.99
Golden Star Resources	Subsidiary	Gold mining and processing	US\$932.9285 million	902,821.04	436,953.18	150,320.30	15,851.99
Guangyuan Technology	Subsidiary	Disassembling of waste electrical and electronic products	4,477.60	47,350.07	35,911.52	12,577.55	1,018.69
Chijin Xiawu	Subsidiary	Rare earth mining and processing	40,000	44,550.22	39,547.83	5,967.57	-1,540.42

- Notes:**
1. The principal operation of Xinhenghe Mining are held by its subsidiary Jintai Mining. The principal operation of Golden Star Resources are held by its subsidiary GSWL. The principal operation of Chijin Xiawu are held by its subsidiaries Rare Earth Mining and Rare Earth Mining Xiangkhouang.
 2. The financial data of Xinhenghe Mining, Golden Star Resources and Chijin Xiawu are based on their consolidated financial statement figures.

REMUNERATION POLICY

The Company formulated the Compensation Management Implementation Measures in accordance with relevant national laws and regulations and based on its actual circumstances, standardizing the Company's salary management, fully mobilizing employee enthusiasm and creativity, improving work efficiency, and attracting outstanding talents.

The Company's compensation management reflects a leading compensation strategy, with competitive salary levels for the same positions in the industry. While maintaining a leading salary position, the internal salary levels of positions fully consider the impact of the positions on the Company's development goals, the value of contributions, and the size of responsibilities. Positions are fairly and reasonably classified into tiers, and salaries are determined accordingly, with compensation leaning towards frontline positions. In addition, the Company's employee salary management is linked to performance assessment, with remuneration tied to position performance, stimulating the potential of employees in their roles and fully leveraging individual capabilities.

Business operations within China

Employees are the key to the success of the Group. The Group is committed to recruiting, training, and retaining skilled and experienced employees throughout its operations, aiming to achieve this by offering competitive remuneration packages (above market average) and focusing on training and career development. The remuneration package, which includes salary, bonuses, commercial insurance, and other benefits, is designed to reward employees based on their work performance measured against specific work objectives. The Group conducts annual research on the current market remuneration conditions and adjusts its remuneration packages accordingly to ensure that they remain attractive compared to competitors. In addition, the Group provides orientation training and regularly offers various on-the-job training to enrich employees' professional knowledge, enhance their work skills, and strengthen internal teamwork within the Company.

Business operations in Ghana and Laos

The Group has established a comprehensive human resources system to manage recruitment, employee development, remuneration and compensation matters. The Group designs its remuneration package with reference to local mining industry benchmarks, ensuring it remains competitive compared to its competitors. The Group also makes contributions to mandatory social insurance for employees and provides commercial insurance and other employee benefits in accordance with the relevant laws and regulations of Laos and Ghana.

As at 30 June 2025, the Group employed a total of 7,066 employees in locations including China, Ghana, and Laos (as at 31 December 2024: 6,911), with positions covering exploration, mining, processing, environmental and social, sales, technical, financial, and administrative fields.

ANALYSIS OF CORE COMPETITIVENESS DURING THE REPORTING PERIOD

The Company adheres to the development strategy of “focusing on gold”, steadily promoting its international layout. From 2021 to 2025, it has outperformed the industry average in terms of gold production growth and operational efficiency improvement. The steady development of the Company is attributed to the following core competitive advantages:

1. Professional management team and effective incentive mechanism

The Company’s management team comprises senior experts with extensive experience in mining, capital markets, and enterprise management. the Chairman, Mr. Wang Jianhua, and the Chief Executive Officer, Ms. Yang Yi-fang, along with other core executives, have accumulated substantial management experience and achieved notable accomplishments within globally recognized mining enterprises. Furthermore, the Board includes experts from prestigious universities and research institutions, thereby enhancing the professionalism and expertise of corporate decision-making.

The Company upholds the corporate culture of “coexistence and mutual growth”, and promotes the trinity of owners, managers, and employees. It has established a long-term internal incentive mechanism that extends to frontline staff through initiatives such as employee stock ownership plans. These measures effectively align the interests of core personnel with the Company’s development goals, thereby enhancing the motivation of the management team and key employees. As a result, a strong alignment in mission, vision, and action has been formed. In addition, the Company is actively exploring long-term equity incentive programs tailored to overseas employees, aiming to further strengthen its international management capabilities and operational efficiency.

2. High-quality resource reserves and the potential for sustained capacity expansion

The Company has developed sustainable development strategies encompassing resource exploration, as well as enhancements in capacity and production output for each mine. The medium to long-term plans are both highly feasible and well-defined.

The Company’s domestic gold mines are located among the rare high-grade deposits in China. The ore exhibits relatively high grades, and the mineralization conditions are favorable. Most mining zones demonstrate significant potential for further exploration and resource expansion. Furthermore, the Company’s effective cost control measures have resulted in unit costs and gross profit margins that outperform the industry average of domestic gold mining peers. Ongoing deep exploration efforts, coupled with technological upgrades and process optimization, have substantially increased ore production and mineral processing capacity. These initiatives have positioned the Company on a steady path toward achieving its strategic objective of “discovering and developing large-scale mining operations”.

The Sepon gold-copper mine, operated by the Company, is the largest non-ferrous metal mine in Laos. The Company holds exclusive exploration and mining rights for mineral resources across a total area exceeding 1,000 square kilometers, including the Sepon mining area, offering substantial potential for future development. The initial resource estimation of the Sepon Mine SND project has further reinforced the strategic importance of the Sepon Mine within the Company's long-term development framework.

The Wassa Gold Mine, operated by GSR, a wholly-owned subsidiary of the Company, is situated on the eastern margin of the southern segment of the globally renowned Ashanti Gold Belt, which extends for approximately 70 kilometers. It represents one of the largest gold mining entities in Ghana in terms of the area covered by mining rights, and the mine site, along with its surrounding regions, holds significant exploration potential. Through continuous improvements in mining capacity and the optimization of mineral processing equipment and systems, the volume of ore processed and gold output have shown steady growth, laying a solid foundation for the future expansion of production capacity and resource reserves.

The Company has accumulated extensive experience in overseas merger and acquisition as well as resource integration. It has established an efficient system for target identification, transaction execution, and business integration, ensuring the rapid implementation and tangible outcomes of exploration, capacity expansion, and production growth initiatives. By combining internal exploration with external merger and acquisition, the Company is driving rapid growth in resource and reserves and production capacity, and accelerating the development of a globally competitive gold mining enterprise.

3. Diversified financing capabilities and robust financial structure

The Company issued H shares through its initial public offering (“**IPO**”) in Hong Kong, thereby establishing an international platform for market financing and diversifying its financing channels. The Hong Kong listing has effectively attracted overseas investors, enhancing the internationalization of the shareholder structure and laying a solid foundation for the global expansion of the Company’s brand and overseas operations.

The dual listing of A Shares and H Shares provides a wide variety of financing channels to the Company, offering more flexible and efficient financing options during the period of rapid business expansion. This strategy will provide critical financial momentum for the Company’s continued global resource mergers and acquisitions, core mine exploration and development, as well as intelligent technological transformation and expansion. Going forward, the Company will closely align with the pace of business growth, flexibly leverage various forms of equity financing to reduce reliance on debt, and simultaneously employ structured financial instruments such as asset securitization and project-specific financing for mining initiatives. These efforts aim to unlock the value of existing assets and achieve optimal capital allocation efficiency.

With ample operating cash flow and through the dynamic refinancing of existing debt in line with prevailing market interest rate cycles, the Company has steadily reduced its interest-bearing liabilities. Meanwhile, non-productive expenditures have been strictly controlled. By implementing refined fund management and control measures, capital utilization efficiency has been enhanced, and the liability structure has been continuously optimized.

Currently, the Company has established a high-quality financial structure characterized by “low interest-bearing debt combined with strong cash flow”. The scale of interest-bearing debt remains among the lowest compared to global peers, interest expenses have declined significantly, and cash flow remains robust. This financial structure not only ensures stable financial support for strategic initiatives such as global high-quality mine mergers and acquisitions and the enhancement of resource operational capabilities, but also substantially strengthens financial resilience against cyclical fluctuations and geopolitical risks, thereby laying a solid foundation for sustainable and high-quality development in the medium to long term.

4. High-efficiency operations and coordinated resource allocation

Under the guidance of the management team, each mine within the Company focuses on enhancing operational efficiency by leveraging its specific circumstances. The Company consistently advances technological innovation and management optimization through the accelerated research and application of new technologies, the implementation of global centralized procurement, and the refinement of organizational structures. As a result, resource allocation efficiency and operational coordination capabilities have been significantly improved, further strengthening the Company’s competitive position within the industry.

In recent years, domestic mines have enhanced operational efficiency and resource utilization through progressive investment and systematic modernization. Overseas mines are operating in a stable manner and employ internationally advanced mining and production technologies. Among these, Sepon Mine has continuously optimized its ore beneficiation and recovery processes through independent technological innovation and external collaboration, achieving significant success in processing complex ores. Meanwhile, Wassa Gold Mine has progressively unlocked its production capacity and improved overall operational efficiency by implementing measures such as outsourcing mining operations, optimizing production scheduling, and expanding output through new projects.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

Acquisition of China Investment Mining (Laos) Sole Co., Ltd.

Reference is made to the section headed “History, Development and Corporate Structure – Post-Track Record Period Acquisition” in the Prospectus and the announcement of the Company dated 25 March 2025 in relation to (among others) the transaction of the Group’s acquisition of China Investment Mining (Laos) Sole Co., Ltd. In light of the Group’s overseas expansion and to facilitate its planning of rare earth exploration in Laos, on 4 March 2024, China Investment (Properties) Limited (“**China Investment**”) (as seller), China Investment Mining (Laos) Sole Co., Ltd (as the target company, the “**Target Company**”), Chixia Laos (as purchaser) and Chijin Xiawu (as guarantor) entered into an equity transfer agreement, pursuant to which Chixia Laos shall acquire from China Investment 90% of the equity interest in the Target Company, which was wholly owned by China Investment, at a total consideration of US\$18,963,000.

The Target Company holds 86% equity interest in each of its two subsidiaries, namely CIRE Mining and CIREX Mining, and the remaining 14% equity interest in each of CIRE Mining and CIREX Mining is held by DDC Mining Sole Co., Ltd., an independent third party. The Target Company operates the Mengkham Rare Earth Element Project which is still at the construction stage covering the mining area of 50 km², whereby the genetic type of the mineral deposit belongs to the weathering crust ion-adsorbed rare earth deposit. CIRE Mining holds a rare earth mineral processing permit (experimental) and a mineral extraction permit (experimental). CIREX Mining holds a rare earth exploration permit.

The rare earth project represents an opportunity for the Group to tap into the potential for quality rare earth resources with a relatively higher economic value to be realised through the medium-heavy rare earth ore held by the project. The Directors are of the view that the proposed acquisition is in our ordinary and usual course of business and on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As at 25 March 2025, all transacting parties confirmed in writing that the transaction was completed, and accordingly, the acquisition of the Target Company was completed. Following the completion, the Target Company has become an indirect non-wholly owned subsidiary of the Company and the financial results of the Target Group have been consolidated into the Group's financial statements. The Target Company has been renamed as Chixia Mining (Laos) Co., Ltd.

Save as the above, there were no significant investments, material acquisitions or disposals in respect of subsidiaries, associates and joint ventures during the Reporting Period. Other than as disclosed in this MD&A, there was no plan authorized by the Board for other material investments or additions of capital assets at the date of this MD&A.

PROFIT DISTRIBUTION

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2025.

EMPLOYEE STOCK OWNERSHIP PLAN AND THEIR IMPACT

Summary of the Event

On 30 December 2024, the Company convened the 33rd meeting of the eighth session of the Board of Directors to consider and approve, among others, the “Proposal on the Phase III Employee Stock Ownership Plan (Draft) of Chifeng Jilong Gold Mining Co., Ltd. and its Summary”, the “Proposal on the Administrative Measures for the Phase III Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd.”, and the “Proposal on Requesting the General Meeting to Authorize the Board to Handle Matters Related to the Company’s Phase III Employee Stock Ownership Plan”. On the same day, the Company convened the staff representative meeting to consider and approve the “Proposal on the Phase III Employee Stock Ownership Plan (Draft) of Chifeng Jilong Gold Mining Co., Ltd. and its Summary”.

Inquiry Index

The “Announcement of Resolutions Passed at the 33rd Meeting of the Eighth Session of the Board of Directors of Chifeng Gold” (Announcement No.: 2024-069) and the “Announcement of Resolutions of the Employee Representative Meeting of Chifeng Gold” (Announcement No.: 2024-071) published on 31 December 2024 on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated media for information disclosure.

Summary of the Event

On 15 January 2025, the Company held its first extraordinary general meeting in 2025. The meeting approved the “Proposal on the Phase III Employee Stock Ownership Plan (Draft) of Chifeng Jilong Gold Mining Co., Ltd. and its Summary”, the “Proposal on the Administrative Measures for the Phase III Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd.”, and the “Proposal on Requesting the General Meeting to Authorize the Board to Handle Matters Related to the Company’s Phase III Employee Stock Ownership Plan”.

The holders of the Company’s Phase III Employee Stock Ownership Plan held their first meeting on 17 February 2025, and passed the following proposals: “Proposal on Establishing the Management Committee of the Phase III Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd.”, “Proposal on Electing the Members of the Management Committee of the Phase III Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd.”, and “Proposal on Authorizing the Management Committee of the Phase III Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd. to Handle Relevant Matters of This Employee Stock Ownership Plan”.

Inquiry Index

The “Announcement of the Resolution of the First Extraordinary General Meeting of Chifeng Gold in 2025” (Announcement No.: 2025-003) published on 16 January 2025 on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated media for information disclosure.

The “Announcement of the First Meeting Resolution of the Phase III Employee Stock Ownership Plan of Chifeng Gold” (Announcement No.: 2025-005) published on 18 February 2025 on the website of the Shanghai Stock Exchange and designated information media.

Summary of the Event

On 24 February 2025, the Company received the “Confirmation of Securities Transfer Registration” issued by China Securities Depository and Clearing Corporation Limited. The dedicated securities account of the Company’s Phase III Employee Stock Ownership Plan has acquired 15,182,600 shares of the Company’s repurchase dedicated securities account through non-trading transfer on 21 February 2025. It accounts for 0.9125% of the Company’s current total share capital, and the transfer price is 14.50 yuan per share. So far, the Company’s Phase III Employee Stock Ownership Plan has completed the stock transfer. The lock-up period for the stock is 12 months, from 25 February 2025 to 24 February 2026.

As of 1 April 2025, all the Company’s stocks held in the Phase I Employee Stock Ownership Plan have been sold out through centralized competitive bidding. All the assets held in the Company’s Phase I Employee Stock Ownership Plan have been converted into monetary funds. The management committee of the Company’s Phase I Employee Stock Ownership Plan will carry out liquidation and distribution work in accordance with relevant laws and regulations and the authorization of the holders’ meeting. Once the relevant work is completed, the Company’s Phase I Employee Stock Ownership Plan will be terminated in advance.

Inquiry Index

The “Announcement of Chifeng Gold on the Completion of Stock Transfer for the Phase III Employee Stock Ownership Plan” (Announcement No.: 2025-008) disclosed on 25 February 2025 on the website of the Shanghai Stock Exchange and designated information media.

The “Announcement of Chifeng Gold on the Completion of the Sale of Stocks under the Phase I Employee Stock Ownership Plan” (Announcement No.: 2025-028) disclosed on 2 April 2025 on the website of the Shanghai Stock Exchange and designated information media.

CHANGES IN SHARE CAPITAL

During the Reporting Period, the changes in the Company's total number of Shares and structure of the share capital are as follows,

Upon approval by the Listing Committee of the Hong Kong Stock Exchange, the 205,652,000 H Shares issued by the Company (before the exercise of the over-allotment options) were listed and traded on the Main Board of the Hong Kong Stock Exchange on 10 March 2025. The overallotment Option described in the Prospectus has been fully exercised by the Overall Coordinators (for themselves and on behalf of the International Underwriters) on April 4, 2025 in respect of an aggregate of 30,847,800 H Shares. The total share capital of the Company increased from 1,663,911,378 A Shares to 1,900,411,178 Shares (comprising 1,663,911,378 A Shares and 236,499,800 H Shares).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, the Company did not repurchase its A Shares on the Shanghai Stock Exchange. At the beginning of the Reporting Period, the Company had repurchased an aggregate of 15,182,600 A Shares, all of which were deposited in the Company's repurchased securities account and yet to be cancelled for the use of the Company's A Share incentive plan (i.e. the Phase III Employee Stock Ownership Plan, please refer to the section "C. Further Information about our Directors, Supervisors and Substantial Shareholders — 4. Employee Stock Ownership Plans" in Appendix VII to the Prospectus for details). Such repurchase of A Shares was conducted in accordance with the resolution considered and passed at the eighteenth meeting of the eighth session of the Board of the Company held on 27 June 2023, which approved the "Proposal on the Repurchase of Shares (Phase III) through Centralised Price Bidding" to approve that the Company repurchased certain listed ordinary shares (A Shares) in issue of the Company using its own funds through centralised price bidding for the purpose of employee stock ownership plan or equity incentive plan.

On 24 February 2025, the Company received the Confirmation Letter on Securities Transfer and Registration (證券過戶登記確認書) issued by the China Securities Depository and Clearing Corporation Limited. There were 15,182,600 A Shares transferred from the Company's repurchase securities account to the employee stock ownership plan securities account by way of non-trade transfer on 21 February 2025, at a transfer price of RMB14.50 per Share. As such, the share transfer has been completed for the Phase III Employee Stock Ownership Plan of the Company.

As of April 1, 2025, all the Company's shares held under the Phase I Employee Stock Ownership Plan have been sold out through centralized competitive bidding.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including the sale of treasury shares) for the half year ended 30 June 2025.

Save as disclosed above, the Company did not hold any other treasury shares as at 30 June 2025.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a set of standards no less stringent than the Model Code as the model code for the trading of securities by the Directors of the Company. The effective date is 10 March 2025, which is the listing date of the H Shares of the Company on the Main Board of the Hong Kong Stock Exchange. All Directors and relevant employees, having made specific enquiries, confirmed that they have been in compliance with the Model Code during the period from the listing date of the H Shares and up to the date of this annual report.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Since the listing date of the H Shares, the Company has complied with Rules 3.10(1), 3.10(2), and 3.10A of the Hong Kong Listing Rules regarding the appointment of a sufficient number of independent non-executive Directors, and at least one independent non-executive Director must possess appropriate professional qualifications or accounting or related financial management expertise. The appointed independent non-executive Directors must constitute at least one-third of the Board members. The Company has appointed four independent non-executive Directors, with the number of independent non-executive Directors accounting for at least one-third of the Board members, and one of the independent non-executive Directors possesses accounting or related financial management expertise.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high level of corporate governance. The Board is responsible for the implementation of corporate governance, including: (a) formulating, developing and reviewing the corporate governance policies and practices of the Company; (b) reviewing and supervising the training and continuous professional development of the Directors and senior management; (c) reviewing and supervising the policies and practices for the compliance of laws and regulatory requirements by the Company; (d) developing, reviewing and supervising the code of conduct and compliance manual, if any, for employees and the Directors; (e) revising the terms of reference of the Nomination Committee of the Company and add one Director of a different gender to the members of the Nomination Committee; and (f) reviewing the compliance of the Corporate Governance Code by the Company and the disclosure in the corporate governance report. During the reporting period, actions and measures were taken by the Board to improve the corporate governance gradually and further strengthen the development of the Company's corporate governance system. The Board believes that an effective corporate governance system can safeguard the best interests of the Shareholders and promote the value and accountability of the Company.

The Company has adopted all applicable code provisions of the Corporate Governance Code. Pursuant to code provision B.2.2 of the Corporate Governance Code, every Director, including those appointed for a specific term, is subject to retirement by rotation at least once every three years. The Eighth Session of the Board of the Company would ordinarily have expired on 4 January 2025. In view of the fact that the nomination of candidates for the new session of the Board of the Company has not yet been completed, in order to ensure the continuity and stability of the work of the Board, the general election of the Board is postponed, and the terms of office of the specialized committees of the Board is postponed accordingly. Until the completion of the general election of the Board, the Eighth Session of the Board of the Company will continue to perform its duties and responsibilities as a director in accordance with relevant laws, regulations, regulatory documents and the Articles of Association.

Save for the above, the Board confirmed that during the six months ended 30 June 2025, the Company has adopted and complied with the code provisions of the Corporate Governance Code and has followed most of its recommended best practices.

The Board will continue to review and improve its corporate governance system to ensure compliance with the Corporate Governance Code.

AUDIT COMMITTEE

During the six months ended 30 June 2025, the Audit Committee comprises the independent non-executive Directors, namely Dr. Wong Yet Ping Ambrose, Mr. Zhang Xudong and Mr. Hu Nailian, including one independent non-executive Director who possesses the appropriate professional qualifications or accounting or related financial management expertise.

As of the date of this announcement, the composition of the Audit Committee is in compliance with relevant requirements of the Listing Rules. The Audit Committee has adopted the terms of reference in line with the Corporate Governance Code issued by the Stock Exchange. The principal duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors and arrangements to enable employees of the Company, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company. The Audit Committee, in conjunction with management, has reviewed the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters, including a review of the unaudited interim results for the six months ended 30 June 2025.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The H Shares of the Company (before the exercise of the over-allotment options) were successfully listed on the Main Board of the Hong Kong Stock Exchange on 10 March 2025. 205,652,000 H Shares were allotted and issued. The net proceeds from the Global Offering received by the Company were approximately HK\$2,676 million after deducting underwriting commissions and listing expenses, which will be utilized for the purposes set out in the Prospectus. As at the date of this report, there was no change in the intended use of net proceeds as previously disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus. To the extent that net proceeds are not immediately used for the intended use, the Company will place the net proceeds as short-term interest-bearing accounts at licensed commercial banks and/or other authorised financial institutions (as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), or applicable laws and regulations in other jurisdictions).

The over-allotment option described in the Prospectus was fully exercised on 4 April 2025 in respect of an aggregate of 30,847,800 H Shares, representing approximately 15% of the total number of H Shares initially available under the Global Offering before any exercise of the over-allotment option.

The additional net proceeds of approximately HK\$423.20 million received by the Company from the issue of the additional H Shares after deduction of the underwriting fees and commissions and other estimated expenses payable by the Company in connection with the full exercise of the over-allotment option, will be used by the Company on a pro rata basis for the purposes as set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.

As of 30 June 2025, the details of the use of the proceeds in accordance with the planned purposes and proportions set out in the Prospectus are as follows,

Use of proceeds	Percentage (%)	The planned net proceeds (Ten thousand Hong Kong dollars)	The planned net proceeds (Ten thousand RMB)	As of 30 June 2025	
				The proceeds used (Ten thousand RMB)	The surplus proceeds (Ten thousand RMB)
Exploration and mine development for the mines in the PRC	30	92,986.71	84,799.23	5,000.00	79,799.23
Exploration and mine development for the overseas mines	20	61,991.14	56,532.82	3,579.30	52,953.52
Acquisitions of projects	40	123,982.29	113,065.65	-	113,065.65
General corporate purposes	10	30,995.57	28,266.41	3,579.30	24,687.11
Total	100	<u>309,955.71</u>	<u>282,664.11</u>	<u>12,158.60</u>	<u>270,505.51</u>

Note: The amount in RMB is converted from Hong Kong dollars to RMB based on the exchange rate as of 30 June 2025.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There is no significant event affecting the Group which occurred after the end of the Reporting Period to the date of this announcement.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The 2025 interim report of the Company will be dispatched (if requested) to Shareholders of the Company and published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.cfgold.com by the end of September 2025. This announcement can also be accessed on these websites.

The future operation and financial figures (if any) in this announcement are goals of the Company and shall not constitute a profit forecast of the Company. There is no guarantee that the Company will achieve such goals. In light of the risks and uncertainties, the inclusion of forward-looking statements in this announcement should not be regarded as nor does it constitute any representations or commitments by the Board or the Company to investors that the plans and objectives outlined in this announcement will be achieved, and investors should not place undue reliance on such statements. The Company does not undertake any obligations to update or revise any forward-looking statements or information in this announcement, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws and regulations.

This announcement is written in both Chinese and English. In the case of any discrepancies, the Chinese version shall prevail.

Any discrepancies between the last digits of the total number and those of the sum of individual items in this announcement are mainly due to rounding.

DEFINITION

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

“A Share(s)”	domestic ordinary share(s) in the share capital of the Company with nominal value of RMB1.00 each, which are traded in Renminbi and listed on the Shanghai Stock Exchange
“AISC”	all-in sustaining costs, a metric which means cost of sales excluding amortisation and depreciation, plus all costs not included therein relating to sustaining current production including sustaining capital expenditure. It generally comprises of cash costs (including by-product credits), sustaining capital, exploration expenses and general and administrative expenses
“Articles of Association”	the articles of association of the Company
“AUD”	Australian dollars, the lawful currency of Australia
“Audit Committee”	the audit committee of the Board
“Au”	the chemical symbol for gold
“AuEq”	gold equivalent; including gold and other saleable elements converted into gold equivalent
“AusIMM”	the Australasian Institute of Mining and Metallurgy
“Board” or “Board of Directors”	the board of Directors
“Cedi”, “GH¢” or “Ghanaian Cedi”	the lawful currency of Ghana

“Chifeng Gold”, “Company” or “Listed Company”	Chifeng Jilong Gold Mining Co., Ltd. (赤峰吉隆黃金礦業股份有限公司), a joint stock company incorporated under the laws of the PRC with limited liability on 22 June 1998, the A Shares and H Shares of which are listed on the Shanghai Stock Exchange (stock code: 600988) and the Main Board of the Hong Kong Stock Exchange (stock code: 6693) respectively
“Chijin HK”	Chijin International (HK) Limited (赤金國際(香港)有限公司), a company incorporated in Hong Kong with limited liability and a direct wholly owned subsidiary of the Company
“Chijin Xiawu”	Xiamen Chijin Xiawu Metal Resources Limited (廈門赤金廈鎢金屬資源有限公司), previously known as Shanghai Chijin Xiawu Metal Resources Limited (上海赤金廈鎢金屬資源有限公司), a private limited liability company established under the PRC laws and a direct non-wholly owned subsidiary of the Company
“Chixia Laos”	CHIXIA Laos Holdings Limited (赤廈老撾控股有限公司), a company registered in the Cayman Islands with limited liability and wholly owned by Chijin Xiawu
“Chixia Mining”	Chixia Mining (Laos) Co., Ltd (赤廈礦業老撾有限公司), a company registered in Laos, a subsidiary of Chixia Laos with 90% of shares owned by Chixia Laos
“CIRE Mining”	China Investment Rare Earth Mining Co., Ltd, a company registered in Laos with limited liability, a subsidiary of China Investment Mining (Laos) Sole Co., Ltd., and the operator of the trial mining area of the Mengkham Rare Earth Element Project

“CIREX Mining”	China Investment Rare Earth Mining Xiangkhouang Co. Ltd, a company registered in Laos with limited liability and a subsidiary of China Investment Mining (Laos) Sole Co., Ltd., and the operator of the exploration area of the Mengkham Rare Earth Element Project
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Hong Kong Listing Rules
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Cu”	the chemical symbol for copper
“Director(s)”	director(s) of the Company
“ESG”	environmental, social and governance
“Ghana”	the Republic of Ghana
“Global Offering”	the offer of the H Shares for subscription by the public in Hong Kong and outside the United States in offshore transactions, details of which are set out in the Prospectus
“Golden Star Resources” or “GSR”	Golden Star Resources Ltd., a company registered in Canada and an indirect non-wholly owned subsidiary of the Company
“grade”	ratio of the content of a useful element or its compounds in an ore, for which the greater the content, the higher the grade. For gold, grade is commonly expressed in grams per tonne of milled ore (g/t Au)
“Group”	the Company and its subsidiaries

“GSWL”	Golden Star (Wassa) Ltd, a company registered in Ghana and an indirect non-wholly owned subsidiary of GSR
“g/t”	gram(s) per metric tonne – metal concentration
“Guangyuan Environmental Protection”	Hefei Guangyuan Environmental Protection Technology Co., Ltd. (合肥廣源環保技術有限公司), a wholly owned subsidiary of Guangyuan Technology
“Guangyuan Technology”	Anhui Guangyuan Technology Development Co., Ltd. (安徽廣源科技發展有限公司), a private limited liability company established under the PRC laws and a direct non-wholly subsidiary of the Company
“H Share(s)”	overseas listed foreign ordinary shares in the share capital of the Company with nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
“Hanfeng Mining”	Jilin Hanfeng Mining Technology Co., Ltd. (吉林瀚豐礦業科技有限公司), a direct wholly owned subsidiary of the Company
“HK\$”	Hong Kong dollars, being the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Hong Kong Listing Rules” or “Listing Rules”	the Rules Governing the Listing of Securities on The Hong Kong Stock Exchange

“Huatai Mining”	Chifeng Huatai Mining Co., Ltd. (赤峰華泰礦業有限責任公司), which is registered in the PRC and is a wholly owned subsidiary of Jilong Mining
“Indicated Mineral Resources”	that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit
“Inferred Mineral Resources”	that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes
“Jilong Mining”	Chifeng Jilong Mining Co. Ltd. (赤峰吉隆礦業有限責任公司), a private limited liability company established under the PRC laws and a direct wholly owned subsidiary of the Company
“Jintai Mining”	Eryuan Jintai Mining Development Co., Ltd. (洱源錦泰礦業開發有限責任公司), a private limited liability company established under the PRC laws and a direct non-wholly owned subsidiary of Xinhenghe Mining
“KIP” or “Lao Kip”	the lawful currency of Laos
“Laos”	the Lao People’s Democratic Republic
“LXML”	Lane Xang Minerals Limited Company, a company registered in Laos, an indirect non-wholly owned subsidiary of the Company and is the operator of the Sepon Gold and Copper Mine

“Mengkham Rare Earth Element Project”	a rare earth mine project operated by CIRE Mining in Laos
“Mineral Reserves”	the economically mineable part derived from a Measured and/or Indicated Mineral Resource, including diluting materials and allowances for losses which might occur when the material is mined or extracted and is defined by studies at the appropriate pre-feasibility or feasibility level with application of Modifying Factors and providing reasonable justification for extraction
“Mineral Resources”	A concentration or occurrence of solid material of economic interest in or on the Earth’s crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into inferred, indicated and measured categories
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Hong Kong Listing Rules
“Mt”	million tonnes
“Moz”	million ounces
“oz”	ounce(s)
“pp”	percentage points

“PRC”	the People’s Republic of China, and solely for the purpose of this announcement, excluding Taiwan, the Macao Special Administrative Region of the PRC and Hong Kong
“Prospectus”	the prospectus of the Company in connection with the Global Offering dated 28 February 2025
“Reporting Period” or “Period”	half-year ended 30 June 2025
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising our A Shares and our H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“Supervisor(s)”	supervisor(s) of the Company
“t”	tonnes
“US\$” or “USD” or “U.S. dollars”	United States dollars, the lawful currency of the United States of America
“Wulong Mining”	Liaoning Wulong Gold Mining Co., Ltd. (遼寧五龍黃金礦業有限責任公司), a private limited liability company established under the PRC laws and a direct wholly owned subsidiary of Jilong Mining

“Xinhenghe Mining”

Kunming Xinhenghe Mining Co., Ltd. (昆明新恒河礦業有限公司), a private limited liability company established under the PRC laws and is a direct non-wholly owned subsidiary of the Company

“%”

per cent

By Order of the Board
Chifeng Jilong Gold Mining Co., Ltd.
Wang Jianhua
Chairman and Executive Director

Beijing, the PRC

22 August 2025

As of the date of this announcement, the executive Directors are Mr. Wang Jianhua, Ms. Yang Yi-fang, Mr. Lyu Xiaozhao and Mr. Gao Bo, the non-executive Director is Mr. Zhang Xudong, and the independent non-executive Directors are Dr. Mao Jingwen, Dr. Shen Zhengchang, Mr. Hu Nailian and Dr. Wong Yet Ping Ambrose.