Yunnan Jinxun Resources Co., Ltd.
雲南金潯資源股份有限公司

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

(Stock Code: 3636)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL SUMMARY

	For the year ended 31 December	
	2025	2024
	RMB'000	*RMB'000*
Revenue	**2,271,071**	1,769,833
Gross profit	**518,850**	367,667
Gross profit margin	**22.8%**	20.8%
Profit for the year	**328,823**	202,438
Net profit margin	**14.5%**	11.4%
Profit attributable to owners of the Company	**328,823**	202,438
Basic earnings per share (RMB per share)	**2.98**	1.84

- For the year ended 31 December 2025, the total revenue of the Group was approximately RMB2,271.1 million, representing an increase of approximately 28.3% from approximately RMB1,769.8 million for the same period in 2024.

- For the year ended 31 December 2025, the gross profit of the Group was approximately RMB518.9 million, representing an increase of approximately 41.1% from approximately RMB367.7 million for the same period in 2024. The Group's gross profit margin was 22.8%, representing an increase of 2 percentage points from the same period in 2024.

- For the year ended 31 December 2025, the profit of the Group was approximately RMB328.8 million, representing an increase of approximately 62.4% from approximately RMB202.4 million for the same period in 2024.

- The Board has resolved to recommend the distribution of a final dividend in cash of RMB0.33 per share of the Company (tax inclusive) for the year ended 31 December 2025.

ANNUAL RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Yunnan Jinxun Resources Co., Ltd. (the "**Company**") hereby announces the audited consolidated annual results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2025, together with comparative figures for the year ended 31 December 2024.

In this announcement, "we", "us" and "our" refer to the Company and where the context otherwise requires, the Group. Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments or have been rounded to one or two decimal places, as appropriate. Any discrepancies in any table, chart or elsewhere totals and sums of amounts listed therein are due to rounding.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	**2025** *RMB'000*	2024 *RMB'000*
Revenue	*3*	**2,271,071**	1,769,833
Cost of sales		**(1,752,221)**	(1,402,166)
Gross profit		**518,850**	367,667
Other income		**5,524**	1,865
Other gains and losses	*4*	**33,564**	(7,101)
Distribution and selling expenses		**(15,501)**	(11,626)
Administrative expenses		**(129,516)**	(81,173)
Profit from operations		**412,921**	269,632
Finance costs	*5*	**(15,395)**	(26,870)
Profit before taxation		**397,526**	242,762
Income tax	*6*	**(68,703)**	(40,324)
Profit for the year		**328,823**	202,438
Other comprehensive income for the year			
Item that are or may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of overseas subsidiaries		**(10,480)**	3,464
Other comprehensive income for the year		**(10,480)**	3,464
Total comprehensive income for the year		**318,343**	205,902
Earnings per share			
Basic and diluted (RMB)	*8*	**2.98**	1.84

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Note	**31 December 2025 RMB'000**	31 December 2024 RMB'000
Non-current assets			
Property, plant and equipment		**765,785**	617,621
Intangible assets		**9,128**	9,433
Right-of-use assets		**19,925**	20,160
Deferred tax assets		**13,868**	11,041
Prepayments, deposits and other receivables		**123,047**	36,196
		931,753	694,451
Current assets			
Inventories	*9*	**776,079**	432,129
Trade receivables at amortised cost	*10*	**2,347**	264
Trade receivables at fair value through profit or loss ("**FVTPL**")	*10*	**37,353**	36,517
Prepayments, deposits and other receivables		**150,176**	81,554
Time deposit		**–**	5,000
Cash and cash equivalents		**295,170**	123,901
		1,261,125	679,365
Current liabilities			
Trade payables at amortised cost	*11*	**124,660**	82,868
Trade payables designated at FVTPL	*11*	**408,156**	271,527
Accrued expenses and other payables		**217,656**	104,402
Contract liabilities		**58,870**	62,782
Income tax payable		**82,225**	34,848
Bank and other borrowings	*12*	**350,719**	207,171
Lease liabilities		**121**	90
Financial liabilities at FVTPL		**251**	–
		1,242,658	763,688
Net current assets/(liabilities)		**18,467**	(84,323)

	Note	**31 December 2025** *RMB'000*	31 December 2024 *RMB'000*
Total assets less current liabilities		**950,220**	610,128
Non-current liabilities			
Bank and other borrowings	*12*	**86,099**	61,456
Lease liabilities		**341**	–
Provision for restoration, rehabilitation and environmental costs		**37,376**	10,746
Deferred tax liabilities		**3,247**	2,944
		127,063	75,146
NET ASSETS		**823,157**	534,982
CAPITAL AND RESERVES			
Share capital		**110,297**	110,297
Reserves		**712,860**	424,685
TOTAL EQUITY		**823,157**	534,982

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

As at 31 December 2025

	Share capital *RMB'000*	Capital reserve *RMB'000*	Statutory reserve *RMB'000*	Special reserves *RMB'000*	Exchange reserve *RMB'000*	Retained profits *RMB'000*	Total equity *RMB'000*
Balance at 1 January 2024	110,297	43,255	15,638	–	4,396	215,687	389,273
Changes in equity for 2024:							
Profit and total comprehensive income for the year	–	–	–	–	3,464	202,438	205,902
Appropriation to reserve	–	–	6,600	–	–	(6,600)	–
Employees share-based payments	–	470	–	–	–	–	470
Dividends declared *(Note 7)*	–	–	–	–	–	(60,663)	(60,663)
Balance at 31 December 2024	110,297	43,725	22,238	–	7,860	350,862	534,982
Profit and total comprehensive income for the year	**–**	**–**	**–**	**–**	**(10,480)**	**328,823**	**318,343**
Appropriation to reserve	**–**	**–**	**5,578**	**3**	**–**	**(5,581)**	**–**
Employees share-based payments	**–**	**715**	**–**	**–**	**–**	**–**	**715**
Dividends declared *(Note 7)*	**–**	**–**	**–**	**–**	**–**	**(30,883)**	**(30,883)**
Balance at 31 December 2025	**110,297**	**44,440**	**27,816**	**3**	**(2,620)**	**643,221**	**823,157**

CONSOLIDATED STATEMENT OF CASH FLOWS
As at 31 December 2025

	Note	**2025** *RMB'000*	2024 *RMB'000*
Net cash generated from operating activities		**297,117**	292,558
Net cash used in investing activities		**(240,623)**	(171,001)
Net cash generated from/(used in) financing activities		**118,406**	(38,406)
Net increase in cash and cash equivalents		**174,900**	83,151
Cash and cash equivalents at 1 January		**123,901**	39,876
Effect of foreign exchange rate changes		**(3,631)**	874
Cash and cash equivalents at end of the year		**295,170**	123,901

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Yunnan Jinxun Resources Co., Ltd. (雲南金潯資源股份有限公司, the "**Company**") was established in the People's Republic of China (the "**PRC**") on 21 January 2010 as a limited liability company under the laws of the PRC and was converted into a joint stock limited liability company on 15 July 2016. Its shares have been quoted on the National Equities Exchange and Quotations (the "**NEEQ**") since February 2017 (Stock Code: 870844). The Company's H shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 9 January 2026.

The Company and its subsidiaries (together, the "**Group**") are principally engaged in the mineral processing, smelting and trading of non-ferrous metals.

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards, which collective term includes all applicable individual International Financial Reporting Standards ("**IFRSs**"), International Accounting Standards ("**IASs**") and Interpretations issued by the International Accounting Standards Board ("**IASB**") and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). Material accounting policies adopted by the Group are disclosed below.

The IASB has issued certain new and revised IFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries.

The financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

(c) Changes in accounting policies

The Group has applied amendments to IAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability issued by the IASB to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(d) Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 31 December 2025

Up to the date of issue of these financial statements, the IASB has issued a number of new or amended standards, which are not yet effective for the year ended 31 December 2025 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting period beginning on or after
Amendments to IFRS 9 and IFRS 7—*Amendments to the classification and measurement of financial instruments*	1 January 2026
Amendments to IFRS 9 and IFRS 7, *Contracts Referencing Nature-dependent Electricity*	1 January 2026
Annual improvements to IFRS Accounting Standards-Volume 11	1 January 2026
IFRS 18, *Presentation and disclosure in financial statements*	1 January 2027
IFRS 19, *Subsidiaries without public accountability: disclosures*	1 January 2027
Amendments to IFRS 10 and IAS 28, *Sale or contribution of assets between an investor and its associate or joint venture*	To be determined

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

IFRS 18, Presentation and disclosure in financial statements

IFRS 18 will replace IAS 1 Presentation of financial statements and aims to improve the transparency and comparability of information about an entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively.

Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18 and is still in the process of assessing the impact of the adoption.

3 REVENUE AND SEGMENT REPORTING

The Group is principally engaged in metal production and processing and trading business. Further details regarding the Group's principal activities are disclosed in Note 3(b).

(a) Revenue

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines and by the timing of revenue recognition is as follows:

	2025	2024
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15 and recognised at a point in time		
Disaggregated by major products lines		
Copper production and processing		
– Copper cathodes	**1,970,690**	1,228,967
– Copper concentrate	**1,173**	946
– Cobalt hydroxide	**10,739**	–
Cobalt production and processing		
– Ammonium sulfate	**72**	–
Trading revenue	**288,397**	539,920
	2,271,071	1,769,833

Disaggregation of revenue from contracts with customers by geographic markets, based on the delivery location is as follows:

	2025	2024
	RMB'000	*RMB'000*
Disaggregated by delivery location		
The Democratic Republic of the Congo ("**DRC**")	**1,395,926**	877,004
Zambia	**410,260**	352,912
The PRC	**350,913**	409,070
Peru	**113,972**	130,847
	2,271,071	1,769,833

Disaggregation of revenue from contracts with customers by geographic markets, based on the place of registration of the customers is as follows:

	2025	2024
	RMB'000	*RMB'000*
Disaggregated by place of registration		
Singapore	**969,331**	406,455
Chinese Mainland	**397,227**	634,035
Switzerland	**368,402**	265,917
British Virgin Islands	**325,972**	266,201
Hong Kong	**96,089**	25,598
Luxembourg	**94,166**	170,167
Peru	**18,711**	514
Zambia	**1,173**	946
	2,271,071	1,769,833

During the year ended 31 December 2025 and 2024, the Group's customers with whom transactions have exceeded 10% of the total revenue of the Group in the respective years are as follows.

	2025	2024
	RMB'000	*RMB'000*
Customer K	**607,341**	*
Customer B	**325,972**	266,201

*: The corresponding customer did not contribute over 10% of the total revenue of the Group in the respective year.

The Group applies the practical expedient in paragraph 121(a) of IFRS 15 of not disclosing the transaction price allocated to the remaining performance obligation as the original expected duration of substantially all the contracts of the Group are within one year or loss.

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segment.

- Metal production and processing – Production and sale of copper cathodes which are produced using the solvent extraction electrowinning technology, processing and sale of copper concentrate, and processing and sale of cobalt and related material.

- Trading business – Trading business for non-ferrous metal.

(i) Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments. The measure used for reporting segment result is gross profit.

The Group's other operating income and expenses, such as other income, other gains and losses, distribution and selling expenses and administrative expenses are not measured under individual segments. The Group's most senior executive management monitor the Group's assets and liabilities as a whole, accordingly, no segment assets and liabilities is presented.

Disaggregation information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance is set out below.

	2025		
	Metal production and processing *RMB'000*	**Trading business** *RMB'000*	**Total** *RMB'000*
Revenue from external customers and reportable segment revenue	**1,982,674**	**288,397**	**2,271,071**
Reportable segment gross profit	**494,407**	**24,443**	**518,850**

	2024		
	Metal production and processing *RMB'000*	Trading business *RMB'000*	Total *RMB'000*
Revenue from external customers and reportable segment revenue	1,229,913	539,920	1,769,833
Reportable segment gross profit	337,782	29,885	367,667

4 OTHER GAINS AND LOSSES

	2025 *RMB'000*	2024 *RMB'000*
Losses on disposal of property, plant and equipment, net	**(48)**	(2,062)
Impairment (losses)/reversals recognised in respect of		
– input VAT receivables	**(20,128)**	3,774
– financial assets under ECL	**(622)**	(680)
– property, plant and equipment	**–**	(4,438)
Foreign exchange gains/(losses), net	**19,866**	(1,482)
Gains/(losses) from changes in fair value of financial liabilities/assets at FVTPL		
– trade receivables at FVTPL	**36,477**	2,871
– trade payables designated at FVTPL	**(1,007)**	(94)
– other financial liabilities at FVTPL	**(974)**	(4,990)
	33,564	(7,101)

5 FINANCE COSTS

	2025	2024
	RMB'000	*RMB'000*
Interest on bank and other borrowings	**16,017**	26,472
Interest on lease liabilities	**26**	10
Unwinding of discount	**2,509**	1,025
Less: interest expense capitalised into plant under development	**(3,157)**	(637)
	15,395	26,870

6 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2025	2024
	RMB'000	*RMB'000*
Current tax		
– Income tax in the PRC	**13,770**	14,835
– Income tax in Singapore	**23,839**	4,021
– Income tax in Peru	**258**	578
– Income tax in DRC	**16,163**	14,517
– Income tax in Zambia	**17,157**	–
Provision for the year	**71,187**	33,951
Deferred tax		
(Reversal)/origination and temporary differences	**(2,484)**	6,373
	68,703	40,324

Income tax in the PRC is calculated at 25% on the estimated taxable profit.

Income tax in Singapore is calculated at 17% on the estimated taxable profit.

Income tax in Peru is calculated at 29.5% on the estimated taxable profit.

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

Income tax in Zambia is calculated at 30% on the estimated taxable profit.

The Group enjoyed the following income tax incentives:

- Tibet Huiyi Information Technology Co., Ltd. 西藏匯益信息科技有限公司("**Tibet Huiyi**") located in the PRC, is eligible for a 15% income tax rate from 1 January 2021 to 31 December 2030. Tibet Huiyi is also eligible for an additional 6% income tax rate relief (2024: 6%).

- Upon meeting certain requirements for trading businesses in Singapore, Jinxun (Singapore) International Trade PTE. Ltd. ("**Jinxun (Singapore)**") is eligible for a 10% income tax rate for profit arising from certain specified commodities trading revenue from 1 April 2025 to 31 March 2028.

- In Singapore, the income tax is eligible for progressive tax relief. The subsidiary of the Company is eligible for 75% income tax relief when the profit before taxation is less than SGD10,000, 50% income tax relief when the profit before taxation is SGD10,000 or greater but less than SGD200,000.

Certain dividend income of Jinxun (Singapore) from subsidiaries in the PRC and DRC is subject to withholding tax at tax rate of 10%.

Certain dividend income of the Company and Jinxun (Singapore) from a subsidiary in Peru is subject to withholding tax at tax rate of 5%.

According to the Convention between the Republic of Zambia and the PRC for the Avoidance of Double Taxation, certain dividend income of the Company from a subsidiary in Zambia is subject to withholding tax at tax rate of 5%.

Certain dividend income of the Company from a subsidiary in Singapore is subject to withholding tax at tax rate of 10%.

7 DIVIDENDS

In May 2024, cash dividends in respect of the year ended 31 December 2023 of RMB0.05 per share, in an aggregate RMB5,515,000 was approved by the shareholders of the Company.

In August 2024, cash dividends in respect of the six-months ended 30 June 2024 of RMB0.5 per share, in an aggregate RMB55,148,000 was approved by the shareholders of the Company.

In September 2025, cash dividends in respect of the six-months ended 30 June 2025 of RMB0.28 per share, in an aggregate RMB30,883,000 was approved by the shareholders of the Company.

8 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic and diluted earnings per share is based on the profit attributable to equity shareholder of the Company of RMB328,823,000 (2024: RMB202,438,000), and the weighted average of 110,296,643 ordinary shares in issue during the year (2024: 110,296,643 ordinary shares).

(b) Diluted earnings per share

There were no dilutive potential shares outstanding during the ended 31 December 2025 and 2024. Hence, the diluted earnings per share is the same as basic earnings per share.

9 INVENTORIES

	2025 ***RMB'000***	2024 *RMB'000*
Raw materials	**446,033**	230,502
Spare parts and consumables	**61,270**	28,396
Work in progress	**101,645**	79,981
Finished goods	**167,131**	93,250
	776,079	432,129

10 TRADE RECEIVABLES AT AMORTISED COST AND TRADE RECEIVABLES AT FVTPL

	2025 *RMB'000*	2024 *RMB'000*
Trade receivables at amortised cost-contracts with customers	**2,471**	278
Less: Allowance for credit losses	**(124)**	(14)
	2,347	264
Trade receivables at FVTPL – contracts with customers	**37,353**	36,517

Ageing analysis

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

	2025 *RMB'000*	2024 *RMB'000*
0 to 30 days	**2,347**	264

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

	2025 *RMB'000*	2024 RMB'000
0 to 30 days	**35,819**	32,612
31 to 90 days	**1,534**	3,905
	37,353	36,517

11 TRADE PAYABLES AT AMORTISED COST AND TRADE PAYABLES DESIGNATED AT FVTPL

	2025 *RMB'000*	2024 *RMB'000*
Trade payables at amortised cost	**124,660**	82,868
Trade payables designated at FVTPL	**408,156**	271,527

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

	2025 *RMB'000*	2024 *RMB'000*
0 to 30 days	**89,466**	58,545
31 to 90 days	**33,841**	19,505
91 to 180 days	**1,169**	2,506
181 to 365 days	**184**	208
Over one year	**–**	2,104
	124,660	82,868

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

	2025	2024
	RMB'000	*RMB'000*
0 to 30 days	**245,231**	254,244
31 to 90 days	**162,098**	16,272
91 to 180 days	**–**	–
181 to 365 days	**–**	53
Over one year	**827**	958
	408,156	271,527

All trade payables are expected to be settled within one year or are repayable on demand.

12 BANK AND OTHER BORROWINGS

(a) The Group's bank and other borrowings comprise:

Bank loans:	**2025**	2024
	RMB'000	*RMB'000*
Guaranteed by related parties and/or third parties	**–**	66,098
Secured by property, plant and equipment, right-of-use assets and trade receivables of the Group	**130,516**	28,754
Guaranteed by related parties, pledged by securities of the related parties, and secured by property, plant and equipment and right-of-use assets of the Group	**–**	61,703
Secured by time deposits of the Group	**–**	4,503
Unguaranteed and unsecured bank loans	**206,288**	–
	336,804	161,058
Other borrowings:		
Unguaranteed and unsecured loans from third parties	**100,014**	107,569
	100,014	107,569
	436,818	268,627

(b) The Group's bank and other borrowings are repayable as follows:

As of the end of the reporting period, bank and other borrowings of the Group were repayable as follows:

	2025 *RMB'000*	2024 *RMB'000*
Within 1 year or on demand	**350,719**	207,171
After 1 year but within 2 years	**24,120**	22,991
After 2 years but within 3 years	**20,000**	20,000
After 3 years but within 4 years	**20,000**	18,465
After 4 years but within 5 years	**20,000**	–
More than 5 years	**1,979**	–
	86,099	61,456
	436,818	268,627

(c) Certain bank and other borrowings are secured by the following assets of the Group:

	2025 *RMB'000*	2024 *RMB'000*
Property, plant and equipment	**186,987**	190,665
Right-of-use assets	**14,145**	14,493
Bank deposits	**–**	5,000

(d) Certain bank and other borrowings are guaranteed by third parties, where related parties provide counter-guarantee and/or are secured by time deposits to these third parties:

	2025 *RMB'000*	2024 *RMB'000*
Counter-guarantee by related parties	**–**	15,015

(e) At 31 December 2025, the Group's unutilised banking facilities amounted to RMB352,144,000. All of the Group's banking facilities were utilised as at 31 December 2024.

(f) Certain of the Group's bank loans are subject to the fulfilment of covenants commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the loans would become repayable on demand. The Group regularly monitors its compliance with these covenants.

(g) At 31 December 2025 and 2024, certain bank loans were guaranteed by the subsidiaries within the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

In 2025, despite facing multiple complex challenges across the global copper industry chain, the overall resilience of the industry remained evident. Copper prices fluctuated at a high level throughout the year, while demand for metals related to the new energy sector steadily increased. The industry prosperity remained high, providing a solid external market foundation for business operation and development.

The Company seized opportunities arising from industry development, executed precise planning and maintained stable operation, while fully committed to enhancing the quality and efficiency of production and operation, resulting in steady growth in operating performance, with core operating indicators hitting historical new highs. The Company delivered outstanding annual operating results achieving operating revenue of RMB2,271.1 million, representing a 28.3% increase compared to the same period in 2024; and net profit of RMB328.8 million, representing a 62.4% increase compared to the same period in 2024, demonstrating significant growth in both operating revenue and profit and consistently highlighting the Company's development resilience and profitability.

Reviewing the rationale of the full-year performance growth, the core driving forces mainly stemmed from three aspects: Firstly, the improvement in quality and efficiency of overseas production capacity, with both volume and efficiency of core products increasing. The overseas production bases in DRC and Zambia maintained stable and efficient operation, achieving improvements in both capacity release and operational efficiency. In 2025, the DRC subsidiary produced approximately 23,263.4 tons of cathode copper and approximately 295.5 tons of cobalt hydroxide, while the Zambian subsidiary produced approximately 4,970.5 tons of cathode copper, demonstrating the stable capacity and increasingly prominent economies of scale in the Group's core cathode copper business, thereby laying a solid production foundation for performance growth. Secondly, lean upgrades in internal management. Through a combination of technological innovation and refined control, cost reduction and efficiency improvements, the Company achieved significant cost reductions and efficiency gains, with core technical indicators and material consumption indicators continuing to be optimized and remaining industry-leading. Thirdly seizing on market cycle opportunities by leveraging the prosperous upward trend in the global bulk commodity market to efficiently coordinate all aspects of production and sales, precisely capitalizing on the high-level copper price environment, successfully translating the favorable industry conditions into tangible operating results, and achieving a deep integration of industry tailwinds with business operations.

At the same time, the Company continued to improve our capacity layout of its industrial chain to secure a solid foundation for long-term development, with the Anhui cobalt processing plant successfully completed and put into operation in October 2025, providing ample momentum for the subsequent expansion of the new energy metal business and collaborative development within the industry chain.

INDUSTRY OVERVIEW

1. Copper

Copper, serving as a fundamental industrial raw material and a critical strategic resource, possesses dual attributes of both commodity and finance. Revered as the "Mother of Industry," copper plays an irreplaceable role in global energy transition and the development of high-end manufacturing. On the global commodities map, China, being the world's largest copper consumer and the second-largest producer of refined copper, has developed a pivotal market force within the global copper industry chain, providing essential support for the Chinese real economy. In recent years, China's copper industry has established a comprehensive industrial system encompassing geological exploration, mining, smelting and processing, trade logistics, and end-user applications.

In 2025, volatility in international copper prices increased significantly, with prices repeatedly reached new record highs. As of 31 December 2025, the London Metal Exchange ("LME") 3-month copper futures closed at US$12,496.5 per ton, representing a 42.0% increase from the opening price of US$8,801.0 at the beginning of the year. Similarly, the Shanghai Futures Exchange (SHFE) main contract closed at RMB98,240.0 per ton, up 34.0% from the opening price of RMB73,310.

In contrast to the soaring copper prices, growth in global copper mine supply remained sluggish. Several large-scale mines were forced to reduce production or suspend operations due to safety incidents and natural disasters, further exacerbating the tight supply landscape. Concurrently, the proportion of copper demand from the new energy sector (photovoltaics, wind power, and new energy vehicles) continued to climb. This has become the core engine driving copper consumption growth, significantly altering the structure of the traditional copper consumer market.

Furthermore, major multinational mining companies accelerated their resource deployment in 2025, consolidating resource barriers through mergers and acquisitions. Under the dual logic of tightening supply and green transition demand, the strategic attribute of copper as the "Oil of the New Era" has become increasingly prominent, with industry prosperity remaining at elevated levels.

2. Cobalt

Cobalt is a silvery-white, hard metal that belongs to the ferromagnetic elements. It possesses excellent high-temperature resistance, corrosion resistance, and magnetic properties. Cobalt is commonly found in nature in ore form, often coexisting with copper and nickel, and is considered an important strategic metal. Cobalt is primarily used in battery materials, alloy manufacturing, catalysts, magnetic materials, and other high-tech fields. It is one of the key raw materials for modern industry and high-tech industries. As the world's largest cobalt refiner and consumer, China's industrial chain relies heavily on imported resources.

In 2025, the global cobalt market underwent a fundamental shift in the supply-demand dynamics, primarily dictated by policy adjustments in DRC, the world's largest cobalt producer. The DRC initially imposed a temporary export ban on cobalt products for several months, followed by the formal implementation of a strict annual export quota system starting in October 2025 – capping exports at 96,600 tons per annum for 2026-2027. This measure significantly tightened global raw material supply.

Driven by this major supply-side policy shift, international cobalt prices rebounded strongly from historical lows.

BUSINESS REVIEW

The Group's core business focuses on developing and supplying premium copper resources to cater China's substantial copper demand. Leveraging Africa's rich copper reserves, the Group has strategically expanded production capacity and achieved significant integration across the industrial value chain. The Group has established advanced copper cathode smelting operations in DRC and Zambia, considerably enhancing economic efficiency and market position. Furthermore, capitalizing on the natural coexistence of copper and cobalt within African ore reserves, the Group is proactively developing downstream cobalt-related production, strategically positioning the Group in the rapidly growing new energy materials sector.

The Group's business model is built upon an integrated approach that encompasses copper ore procurement, advanced hydrometallurgical processing, and the sale of high-purity copper cathodes and copper concentrates. The Group leverages extensive industry experience, technological innovation, and effective resource management to maintain competitive edge. The Group's operations begin with the procurement of copper ores, primarily sourced from reliable suppliers in resource-rich regions such as DRC and Zambia. These copper ores include oxide ores, sulfide ores, and oxide-sulfide mixed ores, which the Group processes using advanced hydrometallurgical techniques.

During the year ended 31 December 2025, the Group derived its revenue primarily from (i) the production and sale of copper cathodes; (ii) the production and sale of copper concentrates; (iii) the production and sale of cobalt hydroxide; and (iv) the trading of non-ferrous metal products.

The following table sets out the production volume of copper cathodes, copper concentrates and cobalt hydroxide:

	Year ended 31 December	
	2025	2024
	(tons)	*(tons)*
Copper cathodes	**28,223.9**	20,934.8
Copper concentrates	**9.0**	32.0
Cobalt hydroxide	**295.5**	128.2
Total	**28,528.4**	21,095.0

The following table sets forth the breakdown of the sales volume of copper cathodes, copper concentrates and cobalt hydroxide:

	Year ended 31 December	
	2025	2024
	(tons)	*(tons)*
Copper cathodes	**28,695.0**	19,851.1
Copper concentrates	**21.2**	17.8
Cobalt hydroxide	**83.7**	–
Total	**28,799.9**	19,868.9

Copper Cathodes

Copper cathode is pure copper refined through the electrodeposition process, containing copper greater than or equal to 99.95%.

In 2024 and 2025, the Group produced 20,934.8 tons and 28,223.9 tons, respectively, of copper cathodes. The increase in the production of copper cathodes in 2025 was primarily due to increased production at the DR Congo copper smelter I by procuring and deploying new equipment, and increasing power supply.

The Group primarily sells copper cathodes to metal trading companies for onward sale to end customers.

Copper Concentrates

Copper concentrate is the concentrate obtained from copper ore through beneficiation and enrichment processes, usually containing 25% to 30% copper, which is one of the raw materials for electrolytic copper production.

In 2024 and 2025, the Zambia flotation plant had an output of 32.0 tons and 9.0 tons of copper concentrates, respectively, as a result of the Group's decision to downsize the copper concentrate production.

The Group primarily sells its copper concentrates to non-ferrous metal producers.

Cobalt Hydroxide

The Group uses cobalt, which is a by-product generated during the copper smelting process, to produce and sell cobalt (II) hydroxide. The original ore used in the Group's production facility in DRC contained a mix of copper and cobalt, and the Group produces cobalt hydroxide as a by product in the copper smelting process. In 2025, the Group produced 295.5 tons of cobalt hydroxide. As of 31 December 2025, the effective annual production capacity of cobalt (II) hydroxide was 4,500 tons (equivalent to 1,350 tons of cobalt based on a 30% cobalt content). Cobalt (II) hydroxide can be used to produce cobalt sulfates and cobalt chlorides, which are raw materials for new energy batteries.

The Group primarily sold 83.7 tons of cobalt hydroxide to non-ferrous metal producers located in the PRC.

Non-ferrous metal products

The Group trades a variety of non-ferrous metal products, such as copper, silver, lead, and zinc, purchased from suppliers and sell such metal products to metal trading companies or other non-ferrous metal producers.

PROSPECTS

Advancing Capacity Expansion to Unlock Growth Momentum

The Capacity Doubling Expansion Project serves as the Company's core strategy for driving future profit growth and solidifying its competitive edge in the industry. The ongoing Cathode Copper Capacity Doubling Expansion Project plays a pivotal role in supporting the Company's large-scale business expansion and improving the quality of its revenue and profit. In 2026, the Company will closely monitor project construction milestones and make every effort to ensure that the Zambia Technical Retrofit Project, the DRC Phase I Technical Retrofit Project and the DRC Phase II Hydrometallurgical Plant Project progress steadily and completed as planned, and are put into efficient operation. The Company will coordinate and allocate various high-quality resources, enforce construction responsibilities, refine implementation measures and strictly control project quality to systematically advance the implementation of these three major projects, steadily release cathode copper production capacity, inject strong momentum into the Company's high-quality development and further expand the profit growth potential.

Expanding Resource Channels to Strengthen the Foundation for Growth

The Company will remain focused on the core objective in resource development, striving to achieve substantial results with a pioneering and innovative spirit while adopting multiple measures to broaden diverse resource acquisition pathways, thereby solidifying the core foundation for industrial development. The Company will flexibly adopt market-oriented models to improve the resource security system. On one hand, we will focus on mining resources, rapidly securing in-production resources through acquiring, leasing and contracting mines, deeply exploring the potential for incremental resources through the acquisition of mining rights for independent exploration, integrating high-quality industry resources by holding premium mining rights through joint ventures and partnerships, and precisely securing stable supply sources through long-term commercial contracts. On the other hand, we will also target existing valuable resources by actively promoting the acquisition layout of high-quality tailings reservoirs, revitalizing existing valuable resources and broadening resource supply channels, and establishing a comprehensive and sustainable resource supply system, so as to lay a solid resource foundation for the Company's long-term and stable development.

Advancing Core Technologies to Drive Cost Reduction and Efficiency Improvement

The Company will concentrate on achieving breakthroughs in core technologies to drive cost reduction and efficiency gain. Leveraging the Research Institute for Beneficiation and Metallurgy Technology Innovation of New Energy Metal, a collaborative platform established with a university, to deepen industry-academia-research collaboration on innovation and drive the targeted R&D and implementation of key technologies, and empower cost control and efficiency improvement through technological innovation. Closely addressing the Company's pain points in production and operation and industrial upgrading needs, we will prioritize R&D in core processes such as oxygen pressure leaching, bio-metallurgy, calcination leaching, sulfide ore beneficiation, low-temperature roasting and cobalt electrowinning. By optimizing existing production processes, elevating comprehensive resource recovery rates, reducing production energy consumption and operating costs, and overcoming production technological bottlenecks, the Company will convert technological advancements into tangible cost savings and efficiency gains, thereby enhancing product quality, reducing resource consumption and boosting profitability to continuously strengthen the core competitiveness and empower high-quality and sustainable business development.

FINANCIAL REVIEW

Revenue

The following table sets forth a breakdown of the Group's revenue by business line:

	Year ended 31 December			
	2025		2024	
	RMB'000	*%*	*RMB'000*	*%*
Copper production and processing				
Copper cathodes	**1,970,690**	**86.7**	1,228,967	69.4
Copper concentrates	**1,173**	**0.1**	946	0.1
Cobalt hydroxide	**10,739**	**0.5**	–	–
Cobalt production and processing				
Ammonium sulfate	**72**	**–**		
Subtotal	**1,982,674**	**87.3**	1,229,913	69.5
Trading of non-ferrous metal products	**288,397**	**12.7**	539,920	30.5
Total	**2,271,071**	**100.0**	1,769,833	100.0

Revenue of the Group increased by approximately 28.3% from approximately RMB1,769.8 million for the year ended 31 December 2024 to approximately RMB2,271.1 million for the year ended 31 December 2025, primarily due to the following:

(i) revenue from Copper and cobalt production and processing increased by approximately 61.2% from approximately RMB1,229.9 million for the year ended 31 December 2024 to approximately RMB1,982.7 million for the year ended 31 December 2025, primarily due to increased sales volume of copper cathodes from 19,851.1 tons in 2024 to 28,695.0 tons in 2025 following the stability of electricity supply at our production facilities in DR Congo.

(ii) revenue from trading of non-ferrous metal products decreased by approximately 46.6% from approximately RMB539.9 million for the year ended 31 December 2024 to approximately RMB288.4 million for the year ended 31 December 2025, primarily due to due to the decrease in the sales volume of our non-ferrous trading business. The decline was mainly due to the Group's strategic reduction in exposure to low profit margin businesses in light of the overall market conditions.

Cost of Sales

The cost of sales primarily consists of (i) cost of trading goods, representing costs of non-ferrous metals for the trading business; (ii) cost of raw materials, representing costs of ores materials for the production; (iii) other materials and consumables, such as sulfuric acid used in production; (iv) utilities; (v) depreciation, mainly arising from production facilities; (vi) direct labor costs; (vii) resource tax; and (viii) custom duties.

The Group's cost of sales increased from approximately RMB1,402.2 million for the year ended 31 December 2024 to approximately RMB1,752.2 million for the year ended 31 December 2025 which is in line with our increase of revenue.

Gross Profit and Gross Profit Margin

	Year ended 31 December			
	2025		2024	
	RMB'000	*%*	*RMB'000*	*%*
Copper production and processing				
Copper cathodes	**492,935**	**25.0**	339,821	27.7
Copper concentrates	**457**	**39.0**	(2,039)	(215.5)
Cobalt hydroxide	**1,011**	**9.4**	–	–
Cobalt production and processing				
Ammonium sulfate	**4**	**5.6**		
Subtotal	**494,407**	**24.9**	337,782	27.5
Trading of non-ferrous metal products	**24,443**	**8.5**	29,885	5.5
Total	**518,850**	**22.8**	367,667	20.8

The Group's gross profit increased by approximately 41.1% from approximately RMB367.7 million for the year ended 31 December 2024 to approximately RMB518.9 million for the year ended 31 December 2025.

The Group's gross profit margin for the year ended 31 December 2025 was 22.8%, representing an increase of 2 percentage points from the same period in 2024. This improvement was mainly attributable to the Group's focus on its high-margin copper production and processing business, which led to a year-on-year expansion in the scale of this segment in 2025.

Other Gains and Losses

The Group's other gains and losses was approximately a loss of RMB7.1 million for the year ended 31 December 2024 and approximately a gain of RMB33.6 million for the year ended 31 December 2025, the turnaround was primarily due to (i) an increase of approximately RMB21.3 million in foreign exchange gains, mainly resulting from the fluctuations between ZMK and USD arising from input VAT recoverable in Zambia; and (ii) an increase of approximately RMB33.6 million in gains from changes in fair value of trade receivables at FVTPL given the increased volatility in copper prices during the 2025 compared to the same period in 2024, as we typically determine copper product pricing based on the average LME Cash Settlement Price over the quotation period (i.e. M+N) and the applicable discount level stipulated in the agreement; (iii) a decrease of approximately RMB23.9 million arising from impairment losses recognised on input VAT recoverable in Zambia.

Distribution and Selling Expenses

The Group's distribution and selling expenses increased by approximately 33.3% from approximately RMB11.6 million for the year ended 31 December 2024 to approximately RMB15.5 million for the year ended 31 December 2025, primarily due to an increment in staff costs following the increased headcounts of our sales and marketing staff at our production facilities in Zambia and DRC in the corresponding periods.

Administrative Expenses

Administrative expenses increased by approximately 59.6% from approximately RMB81.2 million for the year ended 31 December 2024 to approximately RMB129.5 million for the years ended 31 December 2025, primarily due to increase in staff costs, traveling and insurance expenses, business and marketing expenses, which is in line with our business expansion.

Finance Costs

Finance cost decreased by approximately 42.7% from approximately RMB26.9 million for the year ended 31 December 2024 to approximately RMB15.4 million for the year ended 31 December 2025, primarily due to a decrease in our borrowings in the corresponding period.

Income Tax

Income tax increased by approximately 70.4% from approximately RMB40.3 million for the year ended 31 December 2024 to approximately RMB68.7 million for the year ended 31 December 2025, primarily due to an increase in the profit from the sale of copper cathodes.

Profit for the Year

As a result of the foregoing, profit for the year increased from approximately RMB202.4 million for the year ended 31 December 2024 to approximately RMB328.8 million for the year ended 31 December 2025.

Property, Plant and Equipment

Property, plant and equipment increased by approximately 24.0% from approximately RMB617.6 million for the year ended 31 December 2024 to approximately RMB765.8 million for the year end 31 December 2025, primarily due to the construction of the DRC copper smelter II and increases investment in machinery, equipment, and transportation vehicles.

Intangible Assets

Intangible assets decreased by approximately 3.2% from approximately RMB9.4 million as of 31 December 2024 to approximately RMB9.1 million as of 31 December 2025, primarily due to the reduction in the original value of Exploitation certificate through annual amortization.

Right-of-Use Assets

Right-of-use assets remained at approximately RMB20.2 million and RMB19.9 million as of 31 December 2024 and as of 31 December 2025, respectively.

Trade Receivables

The Group's trade receivables increased by approximately 7.9% from approximately RMB36.8 million as of 31 December 2024 to approximately RMB39.7 million as of 31 December 2025, primarily due to an increase of RMB2.9 million in trade receivables amortised at cost and trade receivables at FVTPL, reflecting the increased in accounts receivable from trading of non-ferrous metal products.

Deferred Tax Assets/(Liabilities)

Deferred tax assets increased by approximately 25.6% from RMB11.0 million as of 31 December 2024 to RMB13.9 million as of 31 December 2025, primarily due to an increase in deferred tax arising from credit loss allowance on financial assets.

Deferred tax liabilities remained at RMB2.9 million as of 31 December 2024, and RMB3.2 million as of 31 December 2025.

Prepayments, Deposits and Other Receivables

The Group's prepayments, deposits and other receivables increased by approximately 131.9% from approximately RMB117.8 million as of 31 December 2024 to RMB273.2 million as of 31 December 2025, primarily due to (i) an increase in tax refund and deposit; (ii) an increase in prepaid equipment procurement funds for the construction of DR Congo copper smelter II; and (iii) an increase in listing expenses.

Inventories

The Group's inventories comprised (i) raw materials, primarily including copper ore, tailings, sulfuric acid, diesel, extractants and other auxiliary materials required during the production; (ii) spare parts and consumables, (iii) work-in-progress, primarily including copper sulfate solution and cobalt sulfate solution; and (iv) finished goods, primarily including copper products from the production and non-ferrous metal products for trading purpose. Inventories increased by approximately 79.6% from approximately RMB432.1 million as of 31 December 2024 to RMB776.1 million as of 31 December 2025, primarily due to the increase in monthly production of copper cathodes at the DR Congo copper smelter I from 2024 to 2025, which pushed up the inventory level as of 31 December 2025.

Trade Payables

Trade payables primarily arose from purchases of raw materials, such as copper ore, non-ferrous metal products and chemical products. The Group's trade payables increased by approximately 50.3% from approximately RMB354.4 million as of 31 December 2024 to approximately RMB532.8 million as of 31 December 2025, primarily due to a further increase in purchases as the production in DR Congo ramped up during the year.

Accrued Expenses and Other Payables

Other payables and accruals represent (i) payables for properties, plant and equipment and intangible assets, mainly relating to the construction of production plants; (ii) deposits, mainly representing security deposits received from customers; (iii) payroll payables, mainly representing the salaries, bonuses, pension and other social security payable by us; (iv) other tax payables, mainly representing the withholding individual income tax and resource tax, value-added tax and other taxes payable by us; and (v) others, mainly representing accrued fees and other daily operation expenses.

The Group's accrued expenses and other payables increased by approximately 108.5% from approximately RMB104.4 million as of 31 December 2024 to approximately RMB217.7 million as of 31 December 2025, primarily due to (i) an increase in deposits of RMB80.3 million arising from the expansion of our operations; (ii) an increase in payables of RMB10 million for costs incurred in connection with the proposed initial public offering of H share; (iii)the general increase in accruals and other payables attributed to the expansion of our operations in DR Congo.

Contract Liabilities

Contract liabilities represented advances received from customers. The Group's contract liabilities decreased by approximately 6.2% from approximately RMB62.8 million as of 31 December 2024 to approximately RMB58.9 million as of 31 December 2025, primarily driven by decreased advances received from customers.

Net Current Assets/(Liabilities)

The Group's total current assets increased by approximately 85.6% from approximately RMB679.4 million as of 31 December 2024 to approximately RMB1,261.1 million as of 31 December 2025, primarily due to (i) an increase in inventories of RMB344.0 million as the operations of our DR Congo copper smelter I ramped up during the year; (ii) an increase of cash and cash equivalents of RMB171.3 million, mainly caused by the cash inflow from operation; (iii) an increase of prepayment, deposits and other receivables totalled of RMB68.6 million, mainly arising from input VAT recoverable in Zambia. Total current liabilities increased by approximately 62.7% from approximately RMB763.7 million as of 31 December 2024 to approximately RMB1,242.7 million as of 31 December 2025, primarily due to (i) the increase in trade payables (including those recognized at amortized costs and designated at FVTPL) of RMB178.4 million as a result of the increase in purchases as our production in DR Congo ramped up during the year; (ii) an increase in short-term bank borrowings and other borrowings of RMB143.5 million; (iii) an increase of accrued expenses and other payables of RMB113.3 million, mainly attributed to the expansion of our operations.

LIQUIDITY AND CAPITAL RESOURCES

The Group's main source of liquidity mainly came from cash flow from operations and interest-bearing borrowings. As of 31 December 2025, cash and cash equivalents of the Group amounted to approximately RMB295.2 million, as compared with 123.9 million as of 31 December 2024.

Bank and other Borrowings

As of 31 December 2025, bank and other borrowings of the Group amounted to approximately RMB436.8 million.

The table below sets forth a repayment schedule of the interest-bearing bank and other borrowings as of the dates indicated:

	31 December 2025	31 December 2024
	RMB'000	*RMB'000*
Repayable within one year or on demand	**350,719**	207,171
Repayable within two to five years, inclusive	**84,120**	61,456
Beyond five years	**1,979**	–
Total	**436,818**	268,627

Pledge of Assets

As at 31 December 2025, the Group's bank loan of approximately RMB130.5 million were secured by the Group's assets. Please refer to note 12 of the notes of this result announcement.

Gearing Ratio

Gearing ratio is calculated based on total bank and other borrowings divided by total equity as of the end of that period. The Group's gearing ratio for the year ended 31 December 2025 was 53.1% (31 December 2024: 50.2%).

Contingent Liabilities

As of 31 December 2025, the Group did not have any outstanding material contingent liabilities.

Capital Expenditures

The Group's capital expenditure primarily consists of expenditures on property, plant and equipment and intangible assets. During the year ended 31 December 2025, the Group incurred capital expenditures of approximately RMB241.1 million (31 December 2024: RMB171.4 million).

MARKET RISK ANALYSIS

The Company is exposed to a variety of financial risks, including credit, liquidity, commodity and currency risks. The Directors manage and monitor these exposures to ensure that appropriate measures are implemented in a timely and effective manner.

Credit Risk

Credit risk exposures are primarily attributable to trade receivables at amortized cost and trade receivables at FVTPL, other receivables, time deposit and bank balances. In order to minimize the credit risk, the Group's management continuously monitors the level of exposure to ensure that follow up action is taken to recover overdue debts. Except for trade receivables at FVTPL, the Group performed impairment assessment for financial assets and other items under ECL model individually.

Liquidity Risk

The Company's policy is to regularly monitor its liquidity requirements and compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

Commodity Risk

Commodity price risk is mainly the exposure to fluctuations in the prevailing market price of copper which are the major commodities purchased, produced and sold by us. To minimize this risk, the Group enters into copper futures contracts and provisional price arrangement to manage our exposure in relation to forecasted sales of copper products, forecasted purchases of copper concentrates, inventories and firm commitments to sell our copper products.

Currency Risk

Transactional exchange rate risk exposures mainly arising from sales or purchases by subsidiaries in currencies other than the subsidiaries' functional currencies. The Group has subsidiaries using U.S. dollar and RMB as their functional currencies. These subsidiaries have transactions in currencies other than their functional currencies. In addition, the Group has exchange rate exposures arising from foreign currency borrowings. The Group adopts an overall management on our foreign exchange business.

As at 31 December 2025, the Group did not have a foreign exchange hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arises.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Except as disclosed below, the Company did not have any significant investment or significant acquisition and disposals of subsidiaries, associates and joint ventures during the year ended 31 December 2025.

The company made the following investment decisions related to its subsidiaries in 2025:

1. The company held the 18th meeting of the 3rd Board of Directors and the 4th extraordinary general meeting of shareholders in 2025 on August 1, 2025 and August 18, 2025 respectively, and deliberated and adopted the *Proposal on the Company's Intended Investment in the Jinxun Congo (DRC) Copper-Cobalt Smelting Project (Phase II)*. The specific contents are as follows:

   In accordance with the needs of business development and to promote the better and faster improvement of the company's operating performance, the company intends to invest in the Jinxun Congo (DRC) Copper-Cobalt Smelting Project (Phase II). The project will be constructed in Kolwezi, Congo (DRC), with an annual production scale of 30,000 tons of cathode copper (copper content ≥ 99.95%). The company intends to purchase assets related to production and operation, such as factory buildings and mechanical equipment, within next year. The investment funds for this project may be raised by the company and its subsidiary Jinxun Congo (DRC) Mining Co., Ltd. through self-owned funds or financing. The specific planning, implementation, adjustment and other matters of the project investment and construction shall be steadily promoted by the operating management of the subsidiary Jinxun Congo (DRC) Mining Co., Ltd. according to the actual situation. During the implementation of this project, if the company adjusts the content of the project investment and construction according to macro policies, market conditions and the actual needs of the company, it shall perform the corresponding decision-making procedures and information disclosure obligations in accordance with the *Articles of Association of the Company*, the *Rules for the Governance of Listed Companies on the National Equities Exchange and Quotations*, the *Rules for the Information Disclosure of Listed Companies on the National Equities Exchange and Quotations* and other relevant provisions.

   As at 31 December 2025, the Company has commenced the Phase II investment.

2. The company internally deliberated and approved the external investment matter of its holding subsidiary on December 15, 2025, with the contents as follows: Jinxun (Singapore) International Trading Co., Ltd. (hereinafter referred to as "**Singapore Jinxun**"), a wholly-owned subsidiary of Yunnan Jinxun Resources Co., Ltd., intends to increase its capital by US$10 million to its subsidiary Anhui Jinxun New Energy Materials Co., Ltd. with self-owned funds in accordance with the needs of strategic development. After the completion of the capital increase, the company's shareholding ratio remains unchanged.

   As of 31 December 2025, the Company has commenced the capital increase work and plans to complete it by the end of 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The investment decisions set out in "SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES" are expected to be fully completed in 2026.

Except as disclosed above, as at 31 December 2025, the Company did not have any future plans for material investments or additions of capital assets.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No event has taken place subsequent to 31 December 2025 and up to the date of this announcement that may have a material impact on the Group's operating and financial performance that needs to be disclosed.

PROCEEDS FROM LISTING

On 9 January 2026, Company's H shares were listed on the Main Board of the Stock Exchange. 42,280,400 new H shares of RMB1.0 each were issued at a price of HK$30.00. The net proceeds of the global offering (taking into account the full exercise of the over-allotment option) was approximately RMB1,094.5 million.

Since the H shares of the Company were listed on 9 January 2026 (the "**Listing Date**"), details of the utilization of net proceeds from the global offering were not available during the reporting period.

The Company intends to utilise the net proceeds according to the plans set out in the section headed "Future Plans and Use of Proceeds" in the prospectus.

EMPLOYEES AND REMUNERATION POLICY

As of 31 December 2025, the Group had a total of 1,092 employees, located in the PRC, Zambia, DR Congo, Singapore and Peru.

The Group provides employees with a good office environment, as well as professional training opportunities, through the establishment of a systematic and perfect talent training system, continuous attention to the performance of employees, and continue to improve the staff promotion policy and process, standardize the selection, appointment and training of talents, and establish a fair, just and open employment mechanism.

The remuneration package of employees of the Group includes salary and bonus, which are generally based on their qualifications, industry experience, position and performance. In terms of training and development, the Group assign or transfer employees to different positions to arrange occasional vocational training according to business development needs. Combined with the self-growth and development demands of employees, the Group focuses on key stages and key groups, and carry out key training specialties in different fields and modules, covering new employee training, technical training, professional ability training, among others, to meet the growth and development needs of different stages, different fields and different forms.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

As the H shares were not listed on the Stock Exchange during the reporting period, the Corporate Governance Code as contained in Appendix C1 to the Listing Rules (the "**Corporate Governance Code**") was not applicable to the Company during the reporting period.

Since listing, the Company has applied the principles of good corporate governance and complied with the code provisions set out in Part 2 of the Corporate Governance Code save for the deviation below:

According to code provision C.2.1 of Part 2 of the Corporate Governance Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Yuan Rong is currently the chairman of the Board and the chief executive officer of the Company. In view of the fact that Mr. Yuan is the founder and has been assuming the responsibilities in the overall management and operation and formulation of business strategies of the Group since 2011, the Board believes that it is in the best interest of the Group to have Mr. Yuan taking up both roles for effective management and operations. Therefore, the Directors consider that the deviation from such code provision is appropriate.

Notwithstanding such deviation, the Directors are of the view that the Board is able to work efficiently and perform its responsibilities with all key and appropriate issues discussed in a timely manner. In addition, as all major decisions will be made in consultation with members of the Board and the relevant committees of the Board, and there are three independent non-executive Directors on the Board offering independent perspective, the Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board shall nevertheless review the structure and composition of the Board and senior management from time to time in light of prevailing circumstances to maintain a high standard of corporate governance practices of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealings in the securities of the Company by the Directors. As the H shares of the Company were not yet listed on the Stock Exchange during the reporting period, the Model Code was not applicable to the Company during the reporting period.

Specific enquiry has been made of all the Directors and they have confirmed that they have complied with the Model Code since the Listing Date up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

36,765,600 H shares of the Company became listed on the Main Board of The Stock Exchange of Hong Kong Limited on the Listing Date by way of global offering at an offer price of HK$30.00 per H Share. A further 5,514,800 H shares were allotted and issued on 10 February 2026 pursuant to the full exercise of the over-allotment option as disclosed in the announcement of the Company dated 5 February 2026.

Since the Listing Date up to the date of this announcement, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

As of 31 December 2025, the Group did not hold any treasury shares.

FINAL DIVIDEND

The Board proposed the distribution of a final dividend of RMB0.33 per Share (including tax) for the year ended 31 December 2025 (the "**Final Dividend**"), which will be subject to the approval of the Shareholders at the AGM.

The Final Dividend will be denominated and declared in RMB.

The Final Dividend payable to the holders of Non-H Shares will be paid in Renminbi.

The Final Dividend payable to the holders of H Shares will be paid in Hong Kong dollars, being HK$0.373371 per Share (including tax), calculated with reference to the exchange rate of RMB against Hong Kong dollars published by The People's Bank of China on 30 March 2026, which is one business days prior to the date of the passing of the relevant board resolution on 31 March 2026 at HKD:RMB = 1:0.88384.

Subject to obtaining approval of the Shareholders at the annual general meeting, the Final Dividend will be paid to the H Shareholders on or about Friday, 10 July 2026.

Subject to obtaining approval of the Shareholders at the annual general meeting, the Final Dividend will be paid to the Shareholders whose names appear on the register of members of the Company as at the close of business on Wednesday, 24 June 2026.

For the purpose of determining the entitlement of holders of H Shares to the Final Dividend, the H Share register of members of the Company will be closed from Monday, 22 June 2026 to Wednesday, 24 June 2026, both days inclusive, during which period no transfer of H Shares will be registered. The record date for determining the entitlement of holders of H Shares to the Final Dividend is Wednesday, 24 June 2026 (the "**Record Date**"). In order for holders of H Shares to qualify for the proposed Final Dividend, all properly completed share transfer forms together with the relevant share certificates must be lodged with the Company's H share registrar Computershare Hong Kong Investor Services Limited at 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration no later than 4: 30 p.m. on Thursday, 18 June 2026.

Withholding and payment of corporate income tax for non-resident enterprise shareholders

According to the Corporate Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and the relevant implementing rules which came into effect on 1 January 2008, the Company is required to withhold and pay corporate income tax at the rate of 10% before distributing dividends to non-resident enterprise Shareholders whose names appear on the register of H Shareholders of the Company. Any H Shares registered in the name of non-individual H Shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations will be treated as being held by non-resident enterprise Shareholders and therefore the dividends will be subject to the withholding and payment of corporate income tax. Should any H Shareholder wish to change its Shareholder status, please consult your agent or trust institution over the relevant procedure. The Company will withhold and pay the corporate income tax strictly in accordance with the relevant laws or requirements of the relevant governmental departments and strictly based on what has been registered on the Company's register of H Shareholders on the Record Date.

Withholding and payment of individual income tax for individual foreign shareholders

According to the regulation promulgated by the State Administration of Taxation of the People's Republic of China (Guo Shui Han [2011] No. 348) (中華人民共和國稅務總局國稅函[2011]348號), the Company is required to withhold and pay the individual income tax for its individual H Shareholders (the "**Individual H Shareholder(s)**") and the Individual H Shareholders are entitled to the relevant tax preferential treatments according to the tax agreements between those countries where the Individual H Shareholders are residents and the PRC and the provisions in respect of tax arrangements between Chinese Mainland and Hong Kong (Macau). The Company would withhold and pay the individual income tax at the tax rate of 10% on behalf of the Individual H Shareholders who are Hong Kong residents, Macau residents or residents of those countries having agreements with the PRC for individual income tax rate in respect of dividends of 10%. For Individual H Shareholders who are residents of those countries having agreements with the PRC for individual income tax rates lower than 10% in respect of a dividend, the Company would make applications on their behalf to seek entitlement of the relevant agreed preferential treatments under Measures for the Administration of Non-Resident Taxpayers' Enjoyment of the Treatment under Tax Agreements (Announcement No. 35 of the State Taxation Administration (2019))《非居民納稅人享受稅收協議待遇管理辦法》((國家稅務總局公告2019年第35號)) if such Shareholders claim refund of the amount in excess of the individual income tax payable under the tax agreements, provided that the relevant Shareholders shall submit the relevant documents and data in accordance with the requirements of the relevant tax agreements in a timely manner and provide supplemental information on their entitlements of treatments under the relevant agreements. The Company would assist with the refund of the paid amount in excess of the tax paid and payable under the tax agreements subject to approval of the competent tax authority. For Individual H Shareholders who are residents of those countries having agreements with the PRC for individual income tax rates in respect of a dividend higher than 10% but lower than 20%, the Company would withhold the individual income tax at the agreed effective tax rate. For Individual H Shareholders who are residents of those countries without any taxation agreements with the PRC or having agreements with the PRC for individual income tax in respect of a dividend of 20% and other circumstances, the Company would withhold the individual income tax at the tax rate of 20%.

The Company will determine the country of domicile of an Individual H Shareholder based on the registered address as recorded in the register of members of the Company and will accordingly withhold and pay the individual income tax. The Company shall not entertain any claims or be held liable for any disputes arising from the late determination or inaccuracy of the status of the Shareholders in relation to the withholding and payment of tax.

Shareholders should seek advice from their taxation advisors regarding the PRC, Hong Kong and other tax implications for their holding and disposing of the H Shares.

AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") consists of three members, namely Mr. Wong Hok Bun Mario, Ms. Zheng Dongyu and Mr. Xia Hongying, with Mr. Wong Hok Bun Mario, an independent non-executive Director having appropriate professional qualification, being the chairman.

REVIEW OF ANNUAL RESULTS

The Audit Committee has reviewed the annual financial results for the year ended 31 December 2025 and also discussed with the management the accounting principles and practices adopted by the Group.

2025 AGM

The 2025 AGM will be convened and held on 18 May 2026. The notice of the 2025 AGM will be published on the Company's website (www.jinxunec.com) and the website of the Stock Exchange (www.hkexnews.hk) in due course.

CLOSURE OF REGISTER OF MEMBERS

(i) Attending the 2025 AGM

For the purpose of determining the H Shareholders entitled to attend and vote at the AGM, the register of members of H Shares will be closed from Wednesday, 13 May 2026 to Monday, 18 May 2026 (both days inclusive). H Shareholders and Non- H Shareholders whose names appear on the register of members of the Company on Monday 18 May 2026 are entitled to attend and vote at the AGM. In order to qualify for the entitlement to attend and vote at the AGM, H Shareholders must lodge all transfer forms accompanied by the relevant H share certificates with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong by no later than 4: 30 p.m. on Tuesday, 12 May 2026.

(ii) Payment of the proposed Final Dividend

For the purpose of determining the entitlement of holders of H Shares to the Final Dividend, the H Share register of members of the Company will be closed from Monday, 22 June 2026 to Wednesday, 24 June 2026, both days inclusive, during which period no transfer of H Shares will be registered. The record date for determining the entitlement of holders of H Shares to the Final Dividend is Wednesday, 24 June 2026. In order for holders of H Shares to qualify for the proposed Final Dividend, all properly completed share transfer forms together with the relevant share certificates must be lodged with the Company's H share registrar Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for registration no later than 4: 30 p.m. on Thursday, 18 June 2026.

SCOPE OF WORK OF KPMG

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Company's auditor, KPMG, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by KPMG in this respect does not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by KPMG on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS AND 2025 ANNUAL REPORT

This announcement is published on the websites of the Company (www.jinxunec.com) and the Stock Exchange (www.hkexnews.hk). The 2025 annual report, containing all the information required by the Listing Rules will be despatched to the shareholders of the Company, who request printed copies and will be made available on the websites of the Company and the Stock Exchange as and when appropriate.

By order of the Board
Yunnan Jinxun Resources Co., Ltd.
Mr. Yuan Rong
Chairman of the Board, Executive Director and Chief Executive Officer

Hong Kong, 31 March 2026

As at the date of this announcement, the Board comprises Mr. Yuan Rong, Ms. Yuan Mei and Mr. Yang Yongchang as executive Directors; and Ms. Zheng Dongyu, Mr. Xia Hongying and Mr. Wong Hok Bun Mario as independent non-executive Directors.