洛阳钼业

洛陽欒川鉬業集團股份有限公司
CMOC Group Limited*

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

(Stock Code: 03993)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of CMOC Group Limited* (the "**Company**") is pleased to announce the unaudited consolidated financial results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026. This announcement contains the full text of the interim report of the Group for the six months ended 30 June 2026 and the contents were prepared in accordance with the relevant disclosure requirements pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The unaudited consolidated financial results of the Group have been reviewed by the audit and risk committee of the Company. This results announcement is also published on the websites of the Company (www.cmoc.com) and the Stock Exchange (www.hkexnews.hk). The interim report of the Company for the six months ended 30 June 2026 will be sent to shareholders and will also be available at the abovementioned websites in due course.

IMPORTANT NOTICE

I. **The Board of Directors, Directors and senior management of the Company undertake that the information in this interim report is true, accurate and complete and contains no false record, misleading statement or material omission, and assume individual and joint legal liabilities for the information contained herein.**

II. **All Directors of the Company have attended the meeting of the Board. The Audit and Risk Committee have reviewed the financial statements of the Company for the six months ended 30 June 2026 and considered that the statements complied with relevant accounting standards and that the Company has made appropriate and relevant disclosures.**

III. **This interim report has not been audited.**

IV. **Liu Jianfeng, the person in charge of the Company, Chen Xingyao, the person in charge of accounting affairs, and Bao Yiqing, the person responsible for accounting institution (accounting executive), hereby warrant and guarantee that the financial report contained in the interim report is true, accurate and complete.**

V. **The proposal of profit distribution or capital conversion from capital reserve for the reporting period approved by resolutions of the Board**

As considered and approved at the tenth meeting of the seventh session of the Board of the Company, the Company proposes to distribute an interim cash dividend for 2026 of RMB0.95 (tax inclusive) for every 10 shares to all Shareholders. As at 30 June 2026, the total share capital of the Company was 21,394,310,176 shares, and the total amount of the proposed 2026 interim dividend is RMB2,032,459,466.72 (tax inclusive).

VI. **Risk statement with respect to the forward-looking statements**

Forward-looking statements including future plans and development strategies contained in this report, other than statements of historical facts, are subject to various variables and uncertainties. The Company's actual results or developments in the future may differ materially from those indicated by these forward-looking statements. The Company made the forward-looking statements in this report on 19 August 2026 and undertakes no obligation or responsibility to update these statements, therefore, they do not constitute the Company's substantive undertakings to investors. Investors and relevant parties are advised to maintain sufficient risk awareness in this regard and shall understand the difference between plans or estimates and undertakings.

Investors are advised to beware of investment risks.

VII. Any appropriation of funds of the Company by any controlling shareholders or other related parties for non-operating purposes

No

VIII. Any provision of external guarantees in violation of the prescribed decision-making procedures

No

IX. Whether more than half of the Directors could not guarantee the authenticity, accuracy and integrity of the interim report disclosed by the Company

No

X. Warning on major risks

Please refer to paragraph under "Possible Risks" in Section IV "Management Discussion and Analysis" in this report for details.

XI. Others

The Company has the right to interpret and supplement the information disclosed in this report with reference to international laws, international treaties, laws and regulations of jurisdictions where our projects locate, applicable international mining standards and as well as agreements entered into by parties thereto.

CONTENTS

Index of Documents for Inspection

Financial statements signed and sealed by the Company's responsible person, the person responsible for accounting affairs and the person responsible for accounting institutions

Original documents and manuscripts of announcements of the Company publicly disclosed on the websites of Shanghai Stock Exchange (www.sse.com.cn), The Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and the Company's website (www.cmoc.com) during the Reporting Period

Interim Results Announcement published on the Hong Kong stock market

Document storage location: Office of the Board of Directors of the Company

COMPANY INTRODUCTION

COMPANY PROFILE

The Company engages in the non-ferrous metal industry, mainly engaged in mining, beneficiation, smelting and refining of non-ferrous metals, and metal trading business. With its main business located over Asia, Africa, South America and Europe, the Company is the world's leading producer of copper, cobalt, gold, molybdenum, tungsten and niobium. It is a leading producer of phosphate fertilizer in Brazil. In terms of trading business, the Company is among the top three base metal traders in the world. In 2025, the Company increased gold resources, creating a "copper + gold" dual-pillar structure. As of the first half of 2026, the Company ranks 12th in Mining.com Top 50, 135th in 2025 Fortune China 500, and 410th in 2025 Forbes Global 2000.

BUSINESS MODEL

The Company adopts a "mining + trading" model.

Mining

Following its layout of "multiple commodities, multiple countries and multiple phases", the Company covers "exploration – mining – beneficiation – smelting", producing copper, cobalt, gold, molybdenum, tungsten, niobium and phosphate fertilizers.

Products of the Company are sold through IXM, while the Company leverages the latest market insights to provide information reference in resource merger and acquisitions, scientific exploration, project planning and refined operation.

Trading

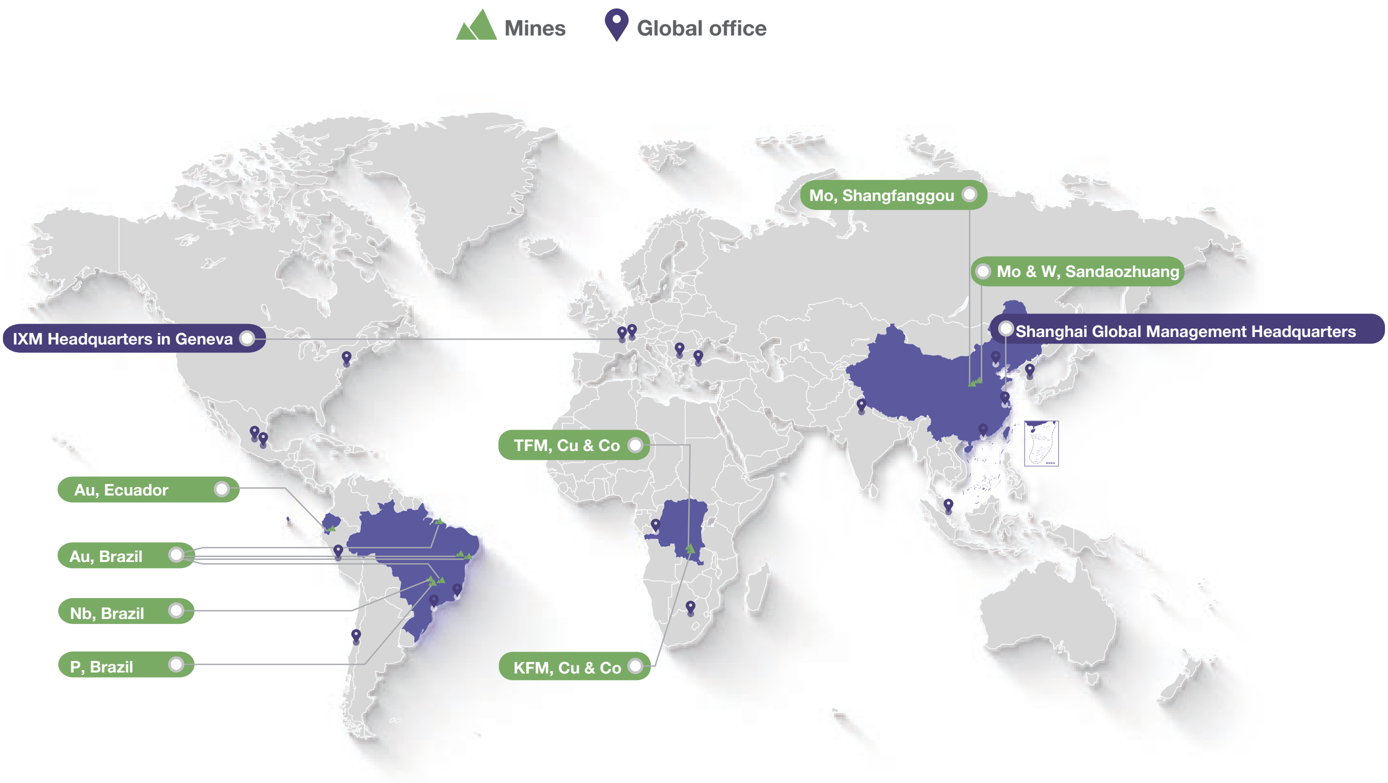
IXM established a global metals trading network in over 80 countries, covering the 5 steps: procurement – warehousing – transportation – sales – intelligence.

IXM leverages its outstanding research strengths and market intelligence capabilities to not only drive its own spot and proprietary trading business but also actively assist CMOC in formulating effective product marketing strategies and ancillary operational mechanism; and optimizes the pacing of product sales through its global sales network and solid partnerships.

IN THE FIRST HALF OF 2026

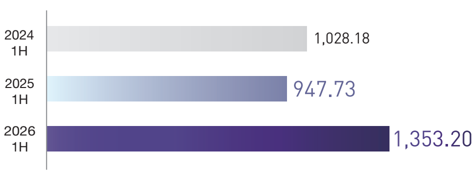
Global promotion of platform-based development Results setting a new record high for the same period

Net profit attributable to the parent company reached **RMB16.152 billion**, YoY up **86.27%**
Operating cash flow reached **RMB16.334 billion**, YoY up **36.02%**



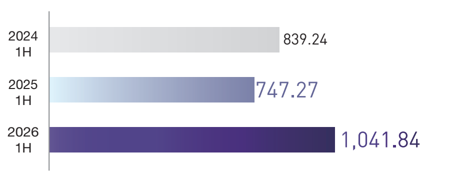
Operating revenue (RMB 100 million)

1,353.20 YoY up 42.78%



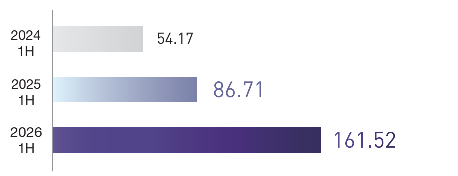
Operating costs (RMB 100 million)

1,041.84 YoY up 39.42%



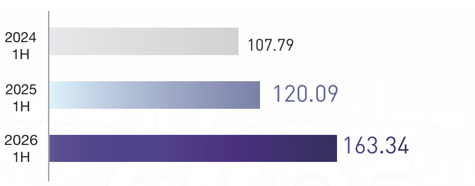
Net profit attributable to the parent company (RMB 100 million)

161.52 YoY up 86.27%



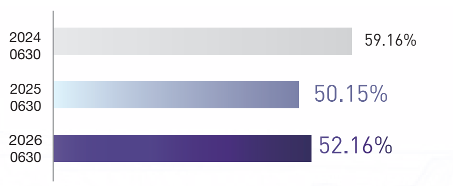
Operating net cash flow (RMB 100 million)

163.34 YoY up 36.02%



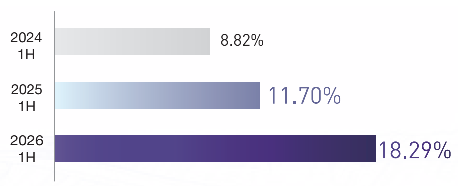
Gearing ratio

52.16% up 2.01 percentage points compared with the end of the same period last year



Return on net assets

18.29% YoY up 6.59 percentage points



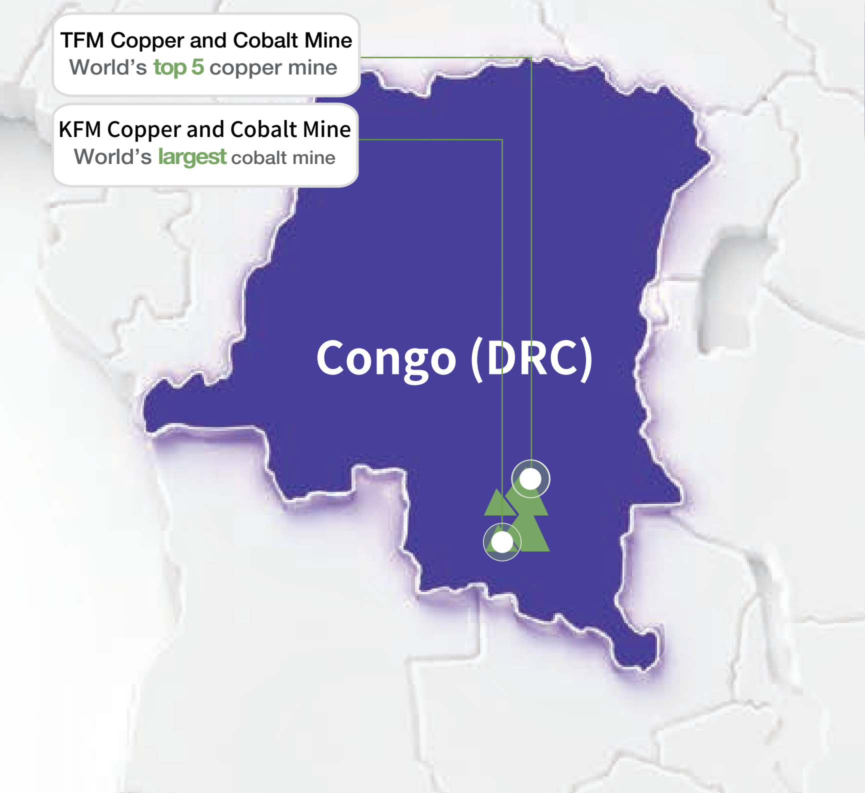
COPPER AND COBALT

6
production lines

Over 700kt
annual copper production capacity

KFM Phase II
progressing smoothly

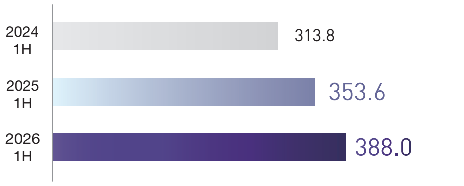
RMB35.7 billion
segment mining sector operating revenue
record high for the same period



Copper

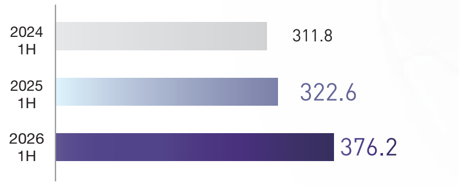
Production volume

388.0 kt YoY up 9.73%



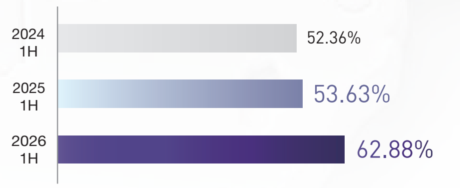
Sales volume

376.2 kt YoY up 16.60%



Gross profit margin

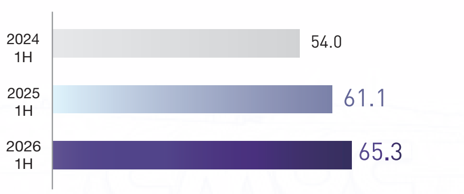
62.88% YoY up 9.25 percentage points



Cobalt

Production volume

65.3 kt YoY up 6.93%

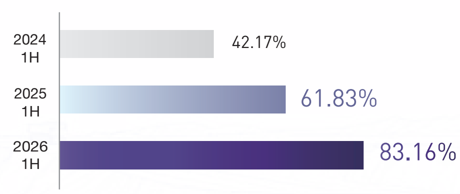


Sales volume

5.7 kt YoY down 87.60%

Gross profit margin

83.16% YoY up 21.33 percentage points



GOLD

Milestone

Odin Mining efficiently signed a mining agreement

RMB3 billion

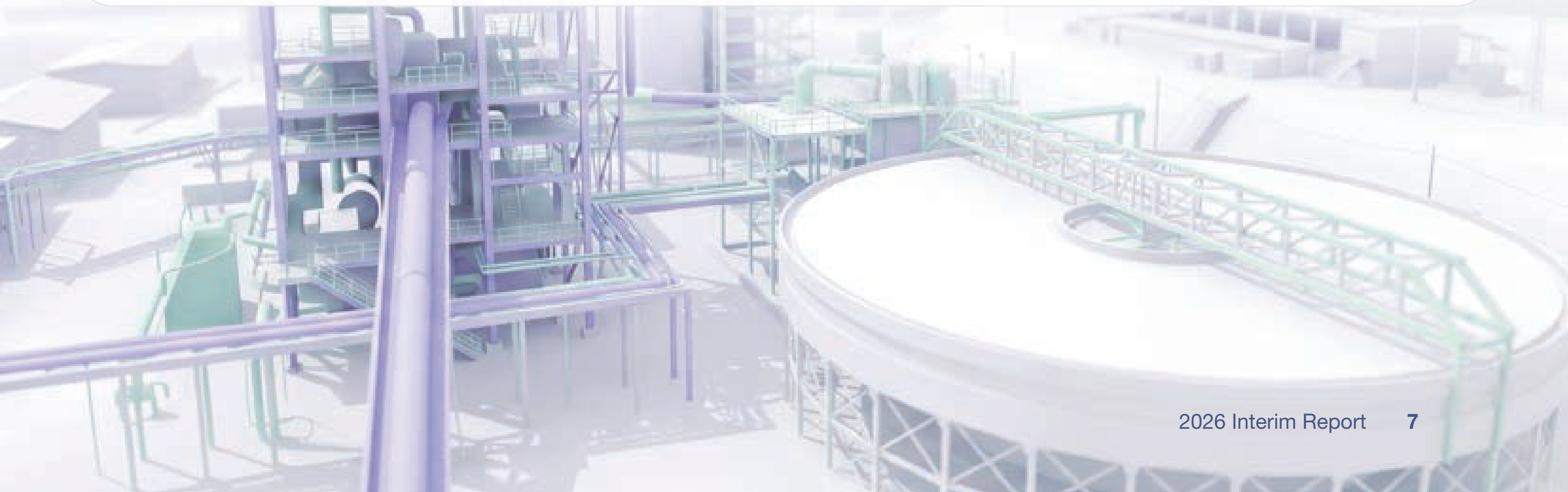
Mining sector (Brazilian Gold Mine) operating revenue

20 tonnes or above

Expected gold production capacity by **2029**

Brazilian Gold Mine

Production volume	100,432 oz	Sales volume	97,526 oz	Gross profit margin	41.12%



MOLYBDENUM AND TUNGSTEN

Technical indicators **reaching new highs**
Continuous rise in recovery rates

Another outstanding performance
in resources recovery
Stable production of rhenium was achieved

RMB7.1 billion
mining sector operating revenue
A new record high for the same period

Molybdenum

Production volume

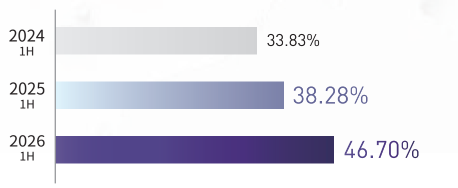
6,779 tonnes YoY down 3.00%

Sales volume

6,772 tonnes YoY down 6.45%

Gross profit margin

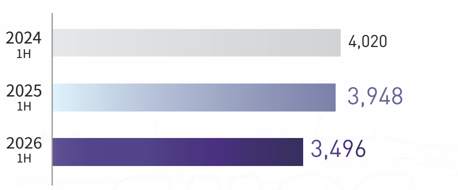
46.70% YoY up 8.42 percentage points



Tungsten

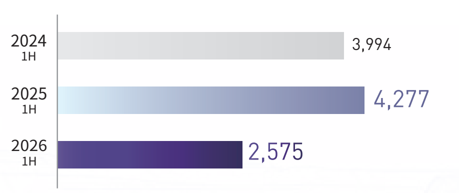
Production volume

3,496 tonnes YoY down 11.45%



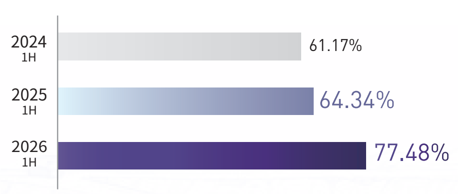
Sales volume

2,575 tonnes YoY down 39.79%



Gross profit margin

77.48% YoY up 13.14 percentage points



NIOBIUM AND PHOSPHATE

Historic high for the same period
Niobium metal production volume

Optical sorting technology
Increase in recovery rate of crushing stations

RMB3.7 billion
Mining sector operating revenue

NIOBIUM

Production volume

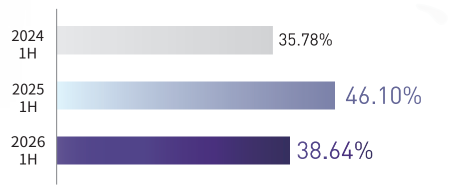
5,351 tonnes YoY up 2.29%

Sales volume

5,583 tonnes YoY up 2.22%

Gross profit margin

38.64% YoY down 7.46 percentage points



PHOSPHATE

Production volume

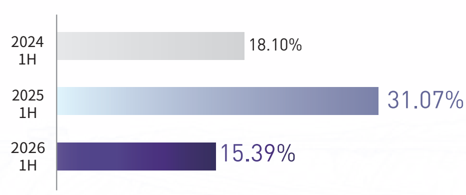
587,226 tonnes YoY up 0.79%

Sales volume

579,264 tonnes YoY down 1.62%

Gross profit margin

15.39% YoY down 15.68 percentage points



IXM

IXM have years of experience in the market, primarily engaged in the trading of **concentrates** and **refined metals**.

In the first half of 2026, IXM strengthened physical trading, **achieving a new record high for the same period in terms of operating revenue**.

Main traded commodities

copper, cobalt, niobium, nickel, lead, zine, aluminium and iron ore

Futures and spot trading combination

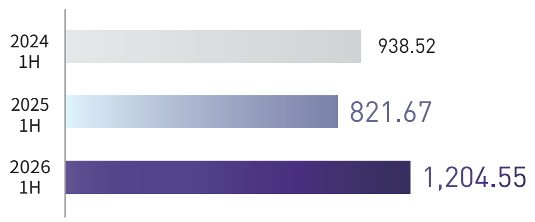
In the upward cycle of the spot market, profits from the spot trading side under the business model that combines futures and spot trading offset losses from the futures business side;

in the downturn of the spot market, profits from the futures business side offset losses from the spot business side. This business model reduces the risk of industry cyclicality and price fluctuations and creates stable and sustainable profits for enterprise.

Key Operating Indicators

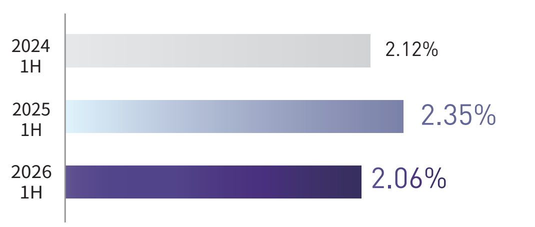
Operating revenue (RMB 100 million)

RMB **120.455** billion YoY up 46.60%



Gross profit margin (In accordance with international generally accepted accounting principles)

2.06% YoY down 0.29 percentage points



In this report, unless the context otherwise requires, the following terms and expressions shall have the meanings set forth below:

"CMOC", "Company", "Group"	洛陽欒川鉬業集團股份有限公司(CMOC Group Limited*)
"CFC"	Cathay Fortune Corporation, the controlling shareholder of the Company
"Luoyang Times"	Luoyang Times Resources Holdings Co., Ltd. (formerly known as Luoyang Mining Group Co., Ltd. "LMG"), the second largest shareholder of the Company
"Sichuan CATL"	CATL (Sichuan) New Energy Technology Co., Ltd. (formerly known as Sichuan Contemporary Amperex Technology Limited)
"CATL"	Contemporary Amperex Technology Co., Limited
"CMOC Limited"	CMOC Limited, a wholly-owned subsidiary of the Company
"Fuchuan Mining", "Fuchuan"	Luoyang Fuchuan Mining Co., Ltd., a joint venture of the Company
"Yulu Mining"	Luoyang Yulu Mining Co., Ltd., an associate company of the Company
"Sandaozhuang Molybdenum and Tungsten Mine"	located in Luanchuan County, Henan Province, China, the major operating molybdenum and tungsten mine of the Company at present
"Shangfanggou Molybdenum Mine"	located in Luanchuan County, Henan Province, China, which is owned by Fuchuan Mining, a joint venture of the Company
"TFM"	Tenke Fungurume Mining S.A. (DRC)
"KFM"	CMOC KISANFU MINING SARL (DRC)
"TFM Copper and Cobalt Mine"	Tenke Fungurume Copper and Cobalt Mine Area located in Democratic Republic of the Congo (DRC)
"KFM Copper and Cobalt Mine"	Kisanfu Copper and Cobalt Mine Area located in Democratic Republic of the Congo (DRC)
"Gécamines"	La Généraledes Carrières et des Mines S.A., the state-owned mining company in the DRC
"CMOC Brasil"	CMOC Brasil Mineração Indústriae Participações Ltda

"Niobium Mine in Brazil"	the Boa Vista niobium mine located in the Catalão mining area in Brazil, which is owned by CMOC Brasil
"Phosphate Mine in Brazil"	the Chapadão phosphate mine located in the Catalão mining area in Brazil, which is owned by CMOC Brasil
"Aurizona Gold Mine"	the Aurizona gold mine located near the town of Godofredo Viana in Maranhão State, northeastern Brazil
"RDM Gold Mine"	RDM gold mine located in Minas Gerais State, Brazil
"Fazenda Gold Mine"	Fazenda gold mine located in the Maria Preta mining district, Bahia State, Brazil
"Santa Luz Gold Mine"	Santa Luz gold mine located in the Maria Preta mining district, Bahia State, Brazil
"Brazilian Gold Mine Business"	the Company's mining, processing and smelting operations at the Aurizona Gold Mine, RDM Gold Mine, Fazenda Gold Mine and Santa Luz Gold Mine located in Brazil
"Odin Mining"	Odin Mining Corp., a wholly-owned subsidiary of the Company
"Huayue Nickel Cobalt"	PT. Huayue Nickel Cobalt (Indonesia) Co., Limited, an associate company of the Company
"IXM"	generally refers to IXM Holding S.A., its subsidiaries and affiliates
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Reporting Period"	1 January 2026 to 30 June 2026

SECTION III COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS

I. COMPANY INFORMATION

Chinese name of the Company	洛陽欒川鉬業集團股份有限公司
Abbreviation of Chinese name of the Company	洛陽鉬業
English name of the Company	CMOC Group Limited
Abbreviation of English name of the Company	CMOC
Legal representative of the Company	Liu Jianfeng

II. CONTACT

	Secretary to the Board and Company Secretary	Securities affairs representatives
Name	Xu Hui	Wang Chunyu Lu Ye
Address	North of Yihe, Huamei Shan Road, Chengdong New District, Luanchuan County, Luoyang City, Henan Province, the PRC	North of Yihe, Huamei Shan Road, Chengdong New District, Luanchuan County, Luoyang City, Henan Province, the PRC
Tel.No.	021-80330506	021-80330506
Email	603993@cmoc.com	603993@cmoc.com

III. BASIC INFORMATION

Registered address of the Company	North of Yihe, Huamei Shan Road, Chengdong New District, Luanchuan County, Luoyang City, Henan Province, the PRC
Office address of the Company	North of Yihe, Huamei Shan Road, Chengdong New District, Luanchuan County, Luoyang City, Henan Province, the PRC
Postal code of the office address of the Company	471500
Company's website	www.cmoc.com
Investor hotline	021-80330506
Email	603993@cmoc.com

IV. INFORMATION DISCLOSURE AND LOCATION OF DOCUMENTS

Newspaper designated by the Company for Information Disclosure	Securities Times (www.stcn.com) Securities Daily (www.zqrb.cn) China Securities Journal (www.cs.com.cn) Shanghai Securities News (www.cnstock.com)
Websites for publication of the interim report	Shanghai Stock Exchange (www.sse.com.cn) The Stock Exchange of Hong Kong Limited (www.hkex.com.hk)
Location of the interim report of the Company for inspection	Office of the Board of Directors of the Company

V. SHARES OF THE COMPANY

Types of shares	Stock exchange for listing	Stock name	Stock code
A Shares	Shanghai Stock Exchange	洛陽鉬業	603993
H Shares	The Stock Exchange of Hong Kong Limited	洛陽鉬業	03993

VI. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS OF THE COMPANY

(I) Major Accounting Data

Unit: Thousand Yuan Currency: RMB

Major accounting data	During the reporting period (from January to June)	Same period last year	Increase/decrease for the reporting period as compared with the same period last year (%)
Operating income	135,319,886	94,772,504	42.78
Total profit	25,704,799	14,902,531	72.49
Net profit attributable to shareholders of listed company	16,152,187	8,671,260	86.27
Net profit after deduction of non-recurring profits or losses attributable to shareholders of listed company	15,605,833	8,723,864	78.89
Net cash flow from operating activities	16,333,691	12,008,668	36.02

	At the end of the reporting period	At the end of last year	Increase/decrease for the reporting period as compared with last year (%)
Net assets attributable to shareholders of listed company	89,963,053	82,435,342	9.13
Total assets	227,735,727	200,932,365	13.34

(II) Major Financial Indicators

Major financial indicators	During the reporting period (from January to June)	Same period last year	Increase/decrease for the reporting period as compared with the same period last year (%)
Basic earnings per share (RMB Yuan per share)	**0.76**	0.41	85.37
Diluted earnings per share (RMB Yuan per share)	**0.75**	0.41	82.93
Basic earnings per share after deduction of non-recurring profits or losses (RMB Yuan per share)	**0.73**	0.41	78.05
Weighted average return on net assets (%)	**18.29**	11.70	Increased by 6.59 percentage points
Weighted average return on net assets after deduction of non-recurring profits or losses (%)	**17.67**	11.77	Increased by 5.90 percentage points

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

Unit: Thousand Yuan Currency: RMB

Non-recurring profits or losses items	Amounts
Profits or losses from disposal of non-current assets, including write-off of provision for asset impairment	13,791
Government grants included in profit and loss for the Current Period, except for those closely relevant to the Company's normal business and in compliance with national policies and regulations and granted according to the determined criteria or have a continuous impact on the Company's profit or loss	18,759
Profit and loss of changes in fair value arising from holding of financial assets and financial liabilities by non-financial enterprises and the profit and loss arising from disposal financial assets and financial liabilities, except for effective hedging activities associated with normal business operations of the Company	600,872
Capital occupation fee charged to non-financial enterprises included in profit or loss for the current period	16,853
Other non-operating income and expenses other than the above items	-26,388
Other profit or loss items falling within the definition of non-recurring profit or loss	-680
Less: Income tax effects	80,308
Effects attributable to minority interests (after tax)	-3,455
Total	546,354

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS

I. DESCRIPTIONS OF THE INDUSTRY AND MAIN BUSINESS OF THE COMPANY DURING THE REPORTING PERIOD

The Company engages in the non-ferrous metal industry, mainly the mining and processing business, which includes mining, beneficiation, smelting and refining of non-ferrous metals, and metal trading business. With its main business located over Asia, Africa, South America and Europe, the Company is a leading producer of copper, cobalt, gold, molybdenum, tungsten and niobium in the world. It is also a leading producer of phosphate fertilizer in Brazil. In terms of trading business, the Company is one of the leading metal traders in the world. Since 2025, the Company has been actively expanding its gold resources, completing the acquisitions of Odin Mining del Ecuador and four gold mines in Brazil, thereby enhancing its diversified product portfolio. The Company ranks 135 in 2026 Fortune China 500 and 410 in 2026 Forbes Global 2000.

II. DISCUSSION AND ANALYSIS OF OPERATIONS

(I) Operation Review

In the first half of 2026, the Company steadfastly advanced the development strategy of "Copper-Gold Dual Core", coordinated and promoted resource acquisitions, capital operations, globalized operations, and sustainable development. The overall operations maintained a steady momentum, while the core competitiveness and industry influence continued to enhance.

1. *Steady Growth in Performance with Continuous Enhancement in Operational Quality and Efficiency*

In the first half of 2026, the Company's operational performance achieved steady growth and its financial structure remained robust, realizing an operating revenue of RMB135.32 billion, representing a year-on-year increase of 42.78%; the net profit attributable to shareholders of listed company amounted to RMB16.152 billion, representing a year-on-year increase of 86.27%; the asset-liability ratio was 52.16%, maintaining at a reasonable level in the industry.

In terms of production and operations, relying on independently innovated processes such as the intelligent production system and the highly efficient resource utilization of low-grade ores, the Company scientifically coordinated its production organization, continuously unleashing the production capacity of its core products. In the first half of 2026, the copper production volume reached 387,961 tonnes, representing a year-on-year increase of 9.73%. The Company continued to rank among the world's top ten copper producers. The production and operations of all major mines remained stable, and the annual operational targets were advanced in an orderly manner.

2. *Continuous Deepening of the Copper and Gold Layout, with the Gold Business Entering a New Stage*

The Company continuously improved its global resource layout and efficiently advanced the implementation of merger and acquisition projects. The scale and quality of the gold business increased simultaneously, further consolidating the "Copper-Gold Dual Core" strategy.

On 23 January 2026, the Company successfully completed the closing of 100% equity in four producing gold mines in Brazil. It took only 40 days from the initiation of the acquisition to the completion of closing, fully demonstrating the Company's mature cross-border acquisition capabilities and global project execution efficiency. The project possesses retained gold resources of approximately 156 tonnes, and is expected to produce 6 to 8 tonnes of gold in 2026. With well-established infrastructure and mature processing technologies, the mines can rapidly contribute to production volume and profit.

Following the completion of the acquisition of the Odin Gold Mine in Ecuador in 2025, the aforesaid transaction further improved the Company's gold business layout, propelled the annual gold production capacity towards the target of over 20 tonnes, and laid a foundation for creating a new profit growth driver.

3. *Continuous Advancement of Production Expansion and Efficiency Enhancement, and Continuous Enhancement of Global Operational Capabilities*

The Company continuously advanced production expansion and efficiency enhancement on its key mines, expediting the transformation of its resource advantages into operating benefits.

In terms of African business, the TFM and KFM copper-cobalt mines in the DRC maintained stable production. The construction of the KFM Phase II project was advanced in an orderly manner and is scheduled to be completed and put into production in 2027. Upon reaching its production capacity, the project is expected to add run-of-mine ore processing capacity of 7.26 million tonnes/year and new copper production capacity of approximately 100,000 tonnes/year, which will further elevate the Company's competitive advantage in the global copper industry.

In terms of PRC business, the recovery rates of molybdenum and tungsten continued to increase, with technical indicators hitting another record high. The industrial application of the pre-discarding process in the Shangfanggou mining area was realized, and the industrial trial for the coarse particle recovery process was completed. Both the discarding rate and the recovery rate exceeded expectations, effectively reducing the grinding volume. The Company proactively advanced the research and development of key technologies such as the new sulphur-phosphorus mixed acid process for tungsten smelting and the catalytic tail-gas desulphurisation. The rhenium recovery project successfully passed the acceptance check, further strengthening the comprehensive utilization capabilities of associated resources.

In terms of Brazilian business, the Company continued to deepen its cooperation with Chinese research institutions, with the recovery rates of niobium and phosphate steadily increasing. The construction of the Odin Gold Mine project in Ecuador progressed as planned, and the newly acquired four gold mines maintained stable operations.

In terms of trading business, IXM continued to advance product line optimization and the construction of its risk management system, deepened the operating model of integrating futures and spot markets, and adhered to improving quality and controlling volume. The operating benefits reached another record high.

4. *Successful Completion of Offshore Financing and Continuous Optimization of Capital Structure*

The Company proactively expanded diversified financing channels, flexibly utilized financing tools in the offshore capital markets, and precisely matched the capital requirements of its globalized business. The Company successfully completed the issuance of US dollar-denominated zero-coupon convertible bonds, providing funding guarantees for overseas project construction, production capacity expansion, and operational development.

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

The proceeds will be primarily applied towards the production expansion and operational optimization of offshore projects, thereby further enhancing the Company's global resource allocation capabilities and development momentum.

5. *Continuous Deepening of Global Collaboration and Continuous Enhancement of Compliance Brand*

The Company continued to deepen international industry cooperation, continuously enhanced the international recognition of its products and the level of its global compliance governance, further strengthening its global operational capabilities.

On 1 January 2026, the Company formally joined the International Copper Association (ICA), actively participated in global industry cooperation and sustainable development initiatives, further deepening cooperation with international industry chain partners, and jointly promoting the high-quality development of the copper industry.

On 27 March 2026, the copper product brand TFM-1, operated by the Company's TFM in the DRC, was formally registered and certified by the London Metal Exchange (LME) and was included in the global mainstream delivery brand system, marking that the quality and production management of the Company's copper products have reached an advanced international level.

At the same time, the Company successfully passed the dual certifications of the ISO 37301 Compliance Management System and the ISO 37001 Anti-Bribery Management System from the British Standards Institution (BSI), becoming one of the first batch of enterprises in the mining industry to simultaneously obtain these two authoritative international certifications, further enhancing its global compliance governance capability.

6. Continuous Leading Position in ESG Initiatives and Fruitful Results in Sustainable Development

The Company adhered to comprehensively integrating the concept of sustainable development into its strategic planning, production and operations, and daily management. It continuously improved its ESG governance system and persistently enhanced its environmental, social and corporate governance performance, thereby maintaining an industry-leading position over the long term.

In the first half of 2026, the Company was included in "S&P Global's Sustainability Yearbook (China Edition) 2026" for the fourth consecutive year. Out of nearly 1,800 evaluated enterprises this year, only over 190 were selected; and out of the 44 participating enterprises in the mining industry, only 4 were selected. The Company's sustainable development capability was once again recognized by authoritative international organization.

Going forward, the Company will continue to adhere to the concept of sustainable development, continuously improve its ESG management system, deepen its global compliance operations and social responsibility practices, and continuously enhance its long-term corporate value and global competitiveness.

(II) Business Review

Major products	Unit	Production guidance and physical trade volume guidance, 2026	Production volume/ physical trade volume of the first half of 2026
Copper metal	tonne	760,000-820,000	387,961
Cobalt metal	tonne	100,000-120,000	65,305
Gold	oz	192,904-257,206	100,432
Molybdenum metal	tonne	11,500-14,500	6,779
Tungsten metal	tonne	6,500-7,500	3,496
Niobium metal	tonne	10,000-11,000	5,351
Phosphate fertilizer	10kt	105-125	58.72
Physical trade volume	10kt	400-450	246.11

Note: The above gold production represents annualized production, calculated on the basis that 1 oz is approximately equivalent to 31.1035 grams.

The above production guidance is based on the judgement of current economic environment and expected economic development trend. Whether they may be realized or not depends on the macro-economic environment, industry development, market circumstance and other factors, which is subject to uncertainty, and the Company will make timely adjustments to the above production guidance based on the market conditions and the actual business situation.

(III) Conditions of the Industry where the Company Operates during the Reporting Period

Market price of relevant products of the Company

Products		2026H1	2025H1	Change YoY (%)
Cu	Copper (USD/tonne)	**13,083.97**	9,431.05	38.73
Co	Cobalt (USD/lb)	**25.56**	13.16	94.22
	Payable Ratio for cobaltous hydroxide (%)	**99.23**	69.10	Increased by 30.13 percentage points
Au	Gold (USD/oz)	**4,713.00**	2,999.00	57.15
Mo	Ferromolybdenum (RMB'0,000/tonne)	**29.08**	22.88	27.10
W	APT (RMB'0,000/tonne)	**103.10**	22.23	363.79
Nb	Ferroniobium (USD/kg of niobium)	**50.24**	45.87	9.53
P	MAP (USD/tonne)	**814.33**	677.62	20.18

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

1. *Copper Market*

In H1 2026, LME copper spot averaged USD13,083.97/tonne, up 38.73% YoY. Per CRU data, global refined copper production was 14.23 million tonnes and consumption 13.80 million tonnes in H1 2026. Entering 2026, AI-driven long-term copper demand expectations remained positive, extending the price uptrend. The US-Iran conflict then triggered concerns over global growth and stagflation, pressuring prices, but copper price rebounded swiftly on sulfur supply tightness and associated copper supply risks. Additionally, potential US import tariffs on refined copper pushed COMEX copper price above global levels, attracting large import flows and tightening non-US markets. Since May, copper has held firmly above USD13,000/tonne despite Fed rate uncertainty. Fundamentally, mine supply remained weak while consumption stayed solid, with the US continuing to draw excessive imports and exacerbating tightness elsewhere.

2. *Cobalt Market*

In H1 2026, cobalt metal averaged USD25.56/lb, up 94.22% YoY. DRC export quotas kept the market tight. Shipments resumed in Q2 but export progress remained a key market driver. Demand was broadly stable with some sectoral divergence in the first half of the year: consumer electronics was subdued with LCO growth slightly below expectations, while EV market expansion supported moderate growth in cathode material demand. Early-year destocking in China pushed hydroxide payables near 100% of the metal price; as Q2 arrivals replenished supply, payables eased from peak levels. Overall, H1 2026 saw a firm market with constrained supply and relatively stable demand.

3. *Gold Market*

In H1 2026, international spot gold averaged USD4,713/oz, up 57.15% YoY. The year opened with a continuation of 2025's strong rally, surging from USD4,330/oz to USD5,600/oz on dollar debasement trades, central bank purchases, and rate-cut expectations. As the US-Iran conflict escalated and oil prices spiked, inflation expectations and real rates rose, triggering periodic fluctuations of gold as a highly liquid asset. By end-June, gold consolidated near USD4,000/oz, still at historically elevated levels.

4. *Molybdenum Market*

In H1 2026, ferromolybdenum averaged RMB290,800/tonne, up 27.10% YoY, gradually establishing above RMB300,000/tonne in Q2. Per Antaike data, global molybdenum supply was 152.1k tonnes versus consumption of 158.7k tonnes, a 6.6k tonne deficit; domestic supply was 69.4k tonnes versus consumption of 81.2k tonnes, an 11.8k tonnes deficit. In H1 2026, shutdown of certain overseas ferromolybdenum smelter caused international prices to spike, nearly closing the import arbitrage and preventing foreign material from filling the domestic gap. Following the outbreak of the US-Iran conflict, oil & gas-related molybdenum consumption improved significantly including that of molybdenum-containing pipelines and molybdenum-based catalysts, while high oil prices stimulated green energy substitution, further boosting wind power steel demand.

5. *Tungsten Market*

In H1 2026, APT price averaged RMB1,031,000/tonne, up 363.79% YoY. Per Antaike data, domestic tungsten concentrate supply was 36.5k tonnes versus consumption of 37.4k tonnes in the first half of the year, a 900-tonne deficit. Strict enforcement of mining quotas kept supply tight. The US-Iran conflict and domestic export controls caused APT prices to spike, briefly exceeding RMB1,500,000/tonne in March. Extreme prices strained working capital across the chain, slowing downstream procurement while increasing scrap supply, leading to a price correction and consolidation.

6. *Niobium Market*

In H1 2026, ferroniobium spot averaged USD50.24/kg of niobium, up 9.53% YoY. Concentrated global supply remained generally tight, providing effective price support. Traditional steelmaking continued as the primary demand source with resilient offtake, while niobium oxide in emerging applications cultivated new growth drivers. Asia, particularly China and India, remained strong demand drivers for niobium units. Ferroniobium prices maintained resilience.

7. *Phosphate Market*

In H1 2026, Brazil CFR MAP averaged USD814.33/tonne, up 20.18% YoY. The Company's phosphate fertilizer products are produced and sold locally in Brazil. On the supply side, raw material uncertainty and restricted availability from key exporting regions caused local supply disturbances. On the demand side, the market underwent structural adjustment with more rational purchasing patterns, buyers prioritizing immediate needs – this cautious approach has built pent-up demand for H2 release. Phosphate fertilizer prices received solid support.

(IV) Major Products and Market Outlook

1. *Copper*

Looking ahead to H2 2026, the copper market is expected to remain tight. Supply constraints are unlikely to ease: declining ore grades, increasing extraction difficulty, plus extreme weather and other short-term disruptions will constrain existing mine output, while prolonged weak capex limits new supply additions. Potential US tariffs on refined copper will likely sustain structural global misallocation. On the demand side, grid construction and new energy applications maintain high bases with strong growth, while AI and data center buildouts provide ample support, expected to continue contributing incremental consumption. Supply constraints and demand expansion should support a steady, positive copper price trajectory.

2. *Cobalt*

Looking ahead to H2 2026, the cobalt market is expected to remain relatively tight. DRC export quotas will continue restricting supply. Additionally, sulfur shortages and Indonesian mining/export policy uncertainty may delay HPAL ramp-ups, further pressuring supply. Demand is expected to improve gradually as post-destocking lean inventories increase restocking demand; rising EV penetration and LCO demand from new consumer electronics upgrades and launches should provide additional support. Cobalt prices are expected to receive strong support in H2 2026.

3. *Gold*

Looking ahead to H2 2026, the international gold market is expected to trade in a wide range amid intersecting factors. The structural trend of major central banks increasing gold reserves remains intact, while slowing global mine supply growth and rising production costs provide long-term floor support. Geopolitical uncertainty and global trade restructuring should drive periodic safe-haven demand. Meanwhile, emerging market physical consumption remains resilient. Gold is expected to maintain a relatively strong run versus historical levels, oscillating within a broad band.

4. *Molybdenum*

Looking ahead to H2 2026, the molybdenum supply-demand tight balance is expected to persist. Domestic supply will remain constrained as no new capacity releases; safety and environmental pressures from high-temperature rainy seasons and flood seasons might affect some output; major South American production remains volatile and unable to reliably fill gaps. On the consumption side, steel applications show strong resilience. Larger-scale and offshore wind turbines, conventional vessel scrubber upgrades, and LNG tank molybdenum steel will contribute stable growth under global environmental trends; heavy gas turbine localization stimulates superalloy consumption; AI-driven semiconductor sputtering targets will continue leading molybdenum's expansion into high-quality, high-value-added applications. Molybdenum prices are expected to extend their elevated run in H2 2026.

5. *Tungsten*

Looking ahead to H2 2026, strict enforcement of mining quotas will sustain the tight supply backdrop. Tungsten demand remains robust in traditional cemented carbide, tungsten-containing specialty steel, and mid-to-high-end material upgrades, while applications in precision manufacturing and high-end equipment will continue broadening with technological progress, jointly driving tungsten consumption toward high-quality development while maintaining strong growth. Following the Q2 price correction and consolidation, working capital pressure and liquidity across the chain are expected to improve. H2 tungsten prices should return to rational fluctuation with the price center maintained above historical levels.

6. Niobium

Looking ahead to H2 2026, niobium-containing steel demand shows relative resilience, with stable downstream dependency on niobium for high-grade steel varieties. China faces near-term seasonal weakness and inventory drawdowns, but this represents a phase adjustment with recovery expected as restocking cycles resume. In Europe, recent trade-balancing measures and CBAM implementation will support domestic steel production, with the resulting raw material demand improvement likely becoming visible in Q4, providing potential niobium consumption increment.

7. Phosphate

Looking ahead to H2 2026, Q3's traditional seasonal window should bring positive improvement, with H1's pent-up purchasing demand having concentrated release potential. As sulfur supply chain recovery will take time, limited cost-down room should keep phosphate prices oscillating at elevated levels. Local Brazilian producers plan H2 production cuts, combined with soybean expansion trends and easing exchange rate pressure, supporting a resilient H2 phosphate price.

III. CORE COMPETITIVENESS DURING THE REPORTING PERIOD

(I) Robust corporate and governance structure

CMOC is one of the mining companies in China that conducted the most in-depth and successful governance structure reforms. Since 2004, the Company has undergone three ownership reforms from state-owned system to mixed ownership, then to a structure with private companies as its major shareholders, thereby establishing institutional mechanisms that are highly flexible and fully aligned with international standards. The Company's two strong core shareholders have laid a solid foundation for its long-term development. The controlling shareholder, CFC, leverages its long-term industrial vision to fully utilize its overall strategic layout, corporate culture, and value-driven leadership. CATL contributes its advantages in the industrial chain and market resources. With highly aligned development philosophies and a shared strategic direction, the two parties have formed a synergistic governance partnership that guides the Company through economic cycles and ensures its long-term development.

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

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

The Company is firmly focused on energy transition and technological revolution, and is laying out its plans for new energy metals and related metals. The Company is a globally leading player in new energy metals with its important assets of copper and cobalt and a leader in many other areas with its unique and scarce product portfolio including molybdenum, tungsten, niobium and phosphate. In addition, the Company has been actively deploying gold resources. The unique and diversified product portfolio is beneficial for the Company to resist cyclical fluctuations, enhance the ability to resist risks, and capture the gains brought by different cyclicality.

(III) Proven track record of "counter-cyclical M&As and low-cost development"

Given the cyclicality of the mining industry, it is essential to seize the right cyclical window when planning for expansion. Based on its deep understanding of the industry and experience, the Company has developed the ability to engage in "counter-cyclical merger and acquisition and low-cost development". The Company has successfully acquired world-class mines at the bottom of the cycle to realize its inorganic growth. The mines owned by the Company all feature open pit mining, large reserves, and high grade, hence the strong competitiveness of the Company in mining cost.

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

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

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

(V) World-leading ESG management system and performance

One of the core competitiveness of a mining company is to achieve a balance between mine development and environmental and ecological protection and promote sustainable development. CMOC is one of the earliest Chinese mining companies to introduce international ESG standards and systems and establish a world-leading ESG management framework fully in compliance with international standards. Through the three-tier governance structure of the Board – Executive Management – Operation Management, the strong environmental, occupational health and safety, human resources, and community development teams at each business units ensure the implementation of the Group's approach and policies and the integration of the ESG concepts into the entire process of the Company's development. The Company continued to advance its short-term performance targets and long-term vision for climate change and biodiversity. Nearly 200 carbon reduction projects were established across the Group's mining areas and are progressing smoothly, contributing to global green sustainable development and the "net zero" goal through practical actions

(VI) Advanced technical strength and strong innovative capability

The mineral resources are subject to constraints. People are the biggest variable in revitalizing resources, and innovation is one of the driving forces for business development. The Company has a strong technological research and development team, with industry-leading technical advantages in the comprehensive recovery of byproducts and in intelligent mines. With the advanced comprehensive recovery technology of byproducts, the Company recovered byproduct resources such as scheelite, copper, iron, fluorite, and rhenium from molybdenum tailings, pioneering in the recovery of such lowgrade byproducts in the world. The Company has created the first intelligent mine in China through the application of 5G technology and unmanned driving, realizing unmanned mining and unmanned driving intelligent scheduling through remote operation; and it is equipped with all-electric truck with an intelligent driving new mode, which improves safety and enhances production efficiency by more than 40%. The essence of technology innovation in the mining industry is integrated innovation. With the aim to maximize economic and social benefits, the Company made multiple success cases in R&D based on openness and cooperation which not only generated significant benefits, but also contributed to growth of the industry as a whole.

IV. MAJOR OPERATIONS DURING THE REPORTING PERIOD

(I) Main businesses analysis

1. *Analysis of changes in relevant items in the financial statements*

Unit: Thousand Yuan Currency: RMB

Item	Amount for the current period	Amount for the corresponding period of last year	Change (%)
Operating income	135,319,886	94,772,504	42.78
Operating costs	104,184,032	74,727,332	39.42
Taxes and levies	2,456,518	1,851,519	32.68
Administrative expenses	1,567,606	1,130,402	38.68
Financial expenses	1,699,391	979,350	73.52
Investment income	785,816	273,312	187.52
Gains from changes in fair value	-37,688	-1,152,561	96.73
Income tax expenses	7,254,592	5,059,505	43.39
Net cash flow from operating activities	16,333,691	12,008,668	36.02
Net cash flow from investing activities	-14,024,779	-2,301,103	-509.48
Net cash flow from financing activities	7,730,680	-7,879,292	198.11

Reasons for change in operating income: a rise in market prices of commodities during the period that led to a year-on-year increase in the sales income of the base metal trading business.

Reasons for change in operating costs: a rise in market prices of commodities during the period that led to a year-on-year increase in the operating cost of the base metal trading business.

Reasons for change in administrative expenses: a year-on-year increase in the gold mine business in Brazil following the completion of the acquisition of Brazilian Gold Mine Project during the period; meanwhile, greater investments were made during the current period in areas such as talent acquisition, professional team building and information system upgrades.

Reasons for change in financial expenses: a year-on-year increase in foreign exchange losses during the period.

Reasons for change in net cash flow from operating activities: a rise in prices of major products during the period that led to a year-on-year increase in net inflow from operating activities.

Reasons for change in net cash flow from investing activities: Expenditure on the acquisition of equity interest in Brazilian Gold Mine, expenditure on the acquisition and construction of long-term assets during the period and a year-on-year increase in structured deposits and wealth management products purchased with idle funds.

Reasons for change in net cash flow from financing activities: a year-on-year increase in cash received from the issue of convertible bonds during the period and a year-on-year increase in net cash inflows of borrowings.

Reasons for change in taxes and levies: a year-on-year increase in royalty relating to mining rights for the copper and cobalt business and the molybdenum-tungsten business during the period.

Reasons for change in investment income: a year-on-year increase in income from investments in associates and joint ventures during the period.

Reasons for change in gains from changes in fair value: the impact of a change in fair value of derivative instruments of the base metal trading business during the period.

Reasons for change in income tax expenses: a year-on-year increase in income tax expenses for the copper and cobalt business during the period.

2. *Revenue and cost analysis*

(1) Major business by industries, products and regions

Unit: Thousand Yuan Currency: RMB

Major business by industries

By industries	Operating income	Operating cost	Gross profit margin (%)	Increase/ decrease in operating income compared with the same period last year (%)	Increase/ decrease in operating cost compared with the same period last year (%)	Increase/ decrease in gross profit margin compared with the same period last year (%)
Mining and processing	49,566,801	20,003,602	59.64	25.80	6.71	Increased by 7.22 percentage points
Mineral trading (Note 1)	119,862,827	116,875,655	2.49	45.58	47.54	Decreased by 1.29 percentage points
Internal transactions offset	-34,445,532	-32,878,266				

Major business by products

By products	Operating income	Operating cost	Gross profit margin (%)	Increase/ decrease in operating income compared with the same period last year (%)	Increase/ decrease in operating cost compared with the same period last year (%)	Increase/ decrease in gross profit margin compared with the same period last year (%)
Mining and processing						
Copper	32,517,992	12,071,411	62.88	26.44	1.23	Increased by 9.25 percentage points
Cobalt	3,158,086	531,925	83.16	-44.87	-75.68	Increased by 21.33 percentage points
Gold	3,017,007	1,776,386	41.12	N/A	N/A	N/A
Molybdenum	3,932,618	2,096,215	46.70	33.11	14.95	Increased by 8.42 percentage points
Tungsten	3,194,824	719,590	77.48	187.97	81.91	Increased by 13.14 percentage points
Niobium	1,555,162	954,273	38.64	-12.56	-0.45	Decreased by 7.46 percentage points
Phosphate	2,191,112	1,853,802	15.39	3.66	27.23	Decreased by 15.68 percentage points
Mineral trading (Note 1)						
Concentrate products trading	44,805,988	43,323,573	3.31	23.41	29.71	Decreased by 4.7 percentage points
Refined metal trading	75,056,839	73,552,082	2.00	63.08	60.53	Increased by 1.55 percentage points
Internal transactions offset	-34,445,532	-32,878,266				

Major business by regions

By regions	Operating income	Operating cost	Gross profit margin (%)	Increase/ decrease in operating income compared with the same period last year (%)	Increase/ decrease in operating cost compared with the same period last year (%)	Increase/ decrease in gross profit margin compared with the same period last year (%)
Mining and processing						
China	7,127,442	2,815,805	60.49	75.39	26.89	Increased by 15.1 percentage points
Congo (DRC)	35,676,078	12,603,336	64.67	13.45	-10.69	Increased by 9.55 percentage points
Brazil	6,763,281	4,584,461	32.22	73.76	89.79	Decreased by 5.72 percentage points
Mineral trading (Note 1)						
China	40,202,916	39,795,462	1.01	53.40	53.52	Decreased by 0.08 percentage points
Outside China	79,659,911	77,080,193	3.24	41.93	44.63	Decreased by 1.8 percentage points
Internal transactions offset	-34,445,532	-32,878,266				

Note 1: While IXM conducts spot trading of non-ferrous metals, it also holds net-settled futures contracts of the same metals. Taking advantage of the strong correlation between spot trading and futures trading, through the business model that combines futures and spot trading, in the upward cycle of the spot market, profits from the spot trading side under the business model that combines futures and spot trading offset losses from the futures business side, while in the downturn of the spot market, profits from the futures business side under the business model that combines futures and spot trading offset losses from the spot business side. This business model reduces the risk of industry cyclicality and price fluctuations, and creates stable and sustainable profits for the Company. In the international accounting standards, the operating costs from the futures and spot trading business models also include the profit or loss on the futures side.

The Group only included the corresponding cost of the spot commodities in accordance with the requirements of the Accounting Standards for Enterprises when calculating the operating cost of the metal trading; the profit and loss related to the futures business is reported in gains from changes in fair value. The gross profit margin for the period for IXM trading business under International Accounting Standards was 2.06%.

(2) Production and sales volumes analysis

Major products	Unit	Production Volume/ Purchase Volume	Sales Volume	Inventory Volume	Increase/ decrease in production volume/ purchase volume compared with the same period last year (%)	Increase/ decrease in sales volume compared with the same period last year (%)	Increase/ decrease in inventory volume compared with the end of last year (%)
Mining and processing (Note 1)							
Copper	tonne	387,961	376,164	123,179	9.73	16.60	10.59
Cobalt (Note 2)	tonne	65,305	5,727	168,397	6.93	-87.60	54.75
Gold (Note 3)	oz	100,432	97,526	3,438	N/A	N/A	N/A
Molybdenum	tonne	6,779	6,772	1,102	-3.00	-6.45	0.64
Tungsten	tonne	3,496	2,575	2,153	-11.45	-39.79	74.76
Niobium	tonne	5,351	5,583	596	2.29	2.22	-28.02
Phosphate fertilizer (HA+LA) (Note 4)	tonne	587,226	579,264	129,642	0.79	-1.62	-5.09
Mineral trading							
Concentrate products (Note 5)	tonne	1,943,694	1,956,872	227,505	17.80	19.28	-5.48
Refined metal products (Note 6)	tonne	517, 398	544,149	105,408	-2.93	7.80	-20.24

Description of production and sales volumes

Note 1: The production volume of the mining and processing segment is based on the Company's self-produced mine data; the sales volume is the actual external sales volume.

Note 2: Reported in converted metal tonnes.

Note 3: The production volume of gold was the production volume of four gold mines in Brazil from the date of completion of the transaction to the end of June 2026,

Note 4: The production volume of phosphate fertilizers includes the final products for sale and the primary products for the next stage of reproduction.

Note 5: Primary products of metal minerals, mainly concentrates.

Note 6: Metal mineral smelting and chemical products.

(II) Analysis of assets and liabilities

1. Analysis of assets and liabilities

Unit: Thousand Yuan Currency: RMB

Item	Balance as at the end of the current period	Balance as at the end of the current period as a percentage of total assets (%)	Balance as at the end of last year	Balance as at the end of the last year as a percentage of total asset (%)	Change in balance as at the end of the current period as compared with balance as at the end of the last year (%)	Explanation
Derivative financial assets	**2,940,311**	1.29	1,845,993	0.92	59.28	Increase in fair value of forward commodity contract for the base metal trading business during the current period.
Non-current assets due within one year	**781,899**	0.34	1,421,676	0.71	-45.00	Mainly includes long-term deposit certificates due within one year with interest due at maturity.
Construction in progress	**8,412,938**	3.69	4,053,651	2.02	107.54	A year-on-year increase in construction in progress of the copper and cobalt business during the current period.
Deferred income tax assets	**3,701,224**	1.63	2,361,882	1.18	56.71	Increase in unrealised gross profit during the current period that cause bigger impact on deferred income tax assets.

Item	Balance as at the end of the current period	Balance as at the end of the current period as a percentage of total assets (%)	Balance as at the end of last year	Balance as at the end of the last year as a percentage of total asset (%)	Change in balance as at the end of the current period as compared with balance as at the end of the last year (%)	Explanation
Other non-current assets	**4,090,543**	1.80	3,120,007	1.55	31.11	Increase in prepayments for construction during the current period.
Derivative financial liabilities	**6,194,704**	2.72	10,425,801	5.19	-40.58	Increase in fair value of commodity future contract for the base metal trading business during the current period.
Taxes payable	**11,224,645**	4.93	8,234,866	4.10	36.31	Increase in corporate income tax payable for copper and cobalt business during the current period.
Other payables	**5,297,077**	2.33	3,498,341	1.74	51.42	Increase in golden mine business in Brazil following the completion of acquisition of Brazilian Gold Mine during the current period, and an increase in payables for construction and equipment.
Other current liabilities	**9,377,542**	4.12	969,249	0.48	867.51	The issue of convertible bonds during the current period.
Other comprehensive income	**-2,671,086**	-1.17	188,372	0.09	-1,517.98	Change in translation differences of financial statements denominated in foreign currencies during the current period.

2. Overseas assets

(1) Asset structure

Among which: Overseas assets amounted to 215,888,570 (Unit: Thousand Yuan, Currency: RMB), accounting for 94.80% of total assets.

(2) Description on the high proportion of overseas assets

Unit: Thousand Yuan Currency: RMB

Overseas assets	Reason for occurrence	Operation model	Operating revenue for the reporting period
Copper and cobalt business in Congo (DRC)	consolidation of companies under different control	Self-operated	35,254,198
Niobium and phosphate business in Brazil	consolidation of companies under different control	Self-operated	3,872,754
IXM metal trading business	consolidation of companies under different control	Self-operated	120,454,728
Golden Mine business in Brazil	consolidation of companies under different control	Self-operated	3,022,231

3. Restrictions on major assets as of the end of the reporting period

For details of the restrictions on major assets of the Company as of the end of the reporting period, please refer to "22. Assets with restricted ownership or use rights" of (VII) Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements in this report.

4. Other explanation

(1) Capital structure

The Company maintains a sound capital structure and credit rating by issuing shares or borrowings to secure normal production and operation activities. The Group may make timely adjustments to its capital structure according to changes in the economic environment by borrowing new debts or issuing new shares.

As at 30 June 2026, the shareholders' equity of the Company amounted to approximately RMB108.953 billion, of which, the shareholders' equity attributable to the parent company amounted to approximately RMB89.963 billion.

As at 30 June 2026, the Company had 21,394,310,176 Shares in issue, including 17,460,842,176 A Shares and 3,933,468,000 H Shares.

For details of the Group's borrowings and issuance of bonds as at 30 June 2026, please refer to the items 23, 32, 33, 34, 40 and 41 in VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements in this report.

(2) Financial instruments

The Company's major financial instruments include monetary funds, financial assets held for trading, derivative financial assets, receivables financing and accounts receivables, other receivables, non-current assets due within one year, other current assets, other equity instrument investments, other non-current financial assets, other non-current assets, non-current derivative financial assets, financial liabilities held for trading, derivative financial liabilities, notes payable and accounts payable, other accounts payable, borrowings, other current liabilities, non-current liabilities due within one year, bonds payable and other non-current liabilities. For details of each financial instrument, please refer to VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements in this report.

(3) Short-term borrowings

For details of short-term borrowings, please refer to item 23 in VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements in this report.

(4) Long-term borrowings

For details of long-term borrowings, please refer to items 32 and 34 in VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements in this report.

(5) Contingencies

For the details of contingencies, please refer to Note 2 to XVI. Commitment and Contingencies in Section IX Financial Statements.

(III) Investment analysis

Overall analysis of external equity investment

(1) Significant equity investment

Unit: 100 million Currency: US$

Name of investee	Main business	Whether the object is under the main investment business	Way of investment	Investment amount	Shareholding percentage	Whether it is consolidated	Source of fund	Development as of the balance sheet date	Effect on profit and loss for the current period	Involved in litigation	Date of disclosure	Reference for disclosure
Leagold LatAm Holdings B.V. and Luna Gold Corp	Exploration and development of mineral resources	No	Acquisition	10.15	100%	Yes	Funds in hand and bank loans	Completed in January 2026	1.34	No	Announcement on Acquisition: 2025-12-15 Announcement on Completion: 2026-01-26	Lin 2025-068 Lin 2026-008

(2) Significant non-equity investment

Unit: 100 million Currency: US$

Project	Amount	Progress	Investment during the Reporting Period	Aggregate actual investment	Return on Project
KFM Phase II Project in the DRC	10.84	Civil engineering work was basically completed; installation of major facilities is ongoing, with the manufacturing of high-pressure autoclave was nearly 50% completed.	4.36	6.86	Expected to contribute approximately 100,000 tonnes of copper per year

Note: KFM Phase II Project in the DRC was approved at the seventh Board meeting of the seventh session of the Board of the Company. For details, please see the relevant announcement disclosed at designated media for the purpose of information disclosure.

(3) Financial assets measured at fair value

Unit: Thousand Yuan Currency: RMB

Assets category	Opening balance	Profit or loss arising from the changes in fair value for the current period	Accumulated changes in fair value recorded in equity	Impairment provided for the current period	Purchase amount for the current period	Disposal/ redemption amount for the current period	Investment gain for the current period	Other changes (Note 1)	Closing balance
Stocks	6,403	-	-32,603	-	-	1,073	-	34,160	101,574
Private Equity	848,505	109,795	-	-	-	36,391	-	-27,460	894,449
Derivative instruments	58,418	54,995	-	-	-	-	-	82,488	195,901
Currency Funds	1,058,730	40,427	-	-	2,906,337	345,993	-	-73,760	3,585,741
Structured Deposits	300,011	6,842	-	-	-	6,798	-	-	300,055
Wealth management products	581,676	12,862	-	-	409,446	-	-	-	1,003,984
Equity in unlisted companies	183,889	-	-	-	-	-	-	-39,698	144,191
Partnership shares	978,139	-111,193	-	-	355,000	12,576	86,863	-1,863	1,207,507
Targeted asset management plan	994,995	19,740	-	-	-	-	-	-31,157	983,578
Treasury bonds	5	-	-	-	-	-	-	-	5
Others	-	4,181	-	-	899,760	-	-	-14,232	889,709
Total	5,010,771	137,649	-32,603	-	4,570,543	402,831	86,863	-71,522	9,306,694

Note 1: Other changes primarily comprise: translation differences of financial statements denominated in foreign currencies, reclassification between unlisted company equity and stocks resulting from the completion of the listing of Lumina Metals Corp which is held by the Company during the current period and the increase in consolidation resulting from the acquisition of the Brazilian Gold Mine Business during the current period.

Note 2: Accounts receivable arising in the metal trading business of IXM are measured at fair value. In accordance with the requirements of the Accounting Standards for Enterprises, such receivables are included in held-for-trading financial assets. Relevant businesses are principal businesses and do not belong to investment business. For details, please refer to "2. Held-for-trading financial assets" of VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements in this report.

Note 3: Part of the notes receivable are endorsed or discounted by the Company in accordance with the daily fund requirement. In accordance with the requirements of the Accounting Standards for Enterprises, relevant notes receivable are included in financing with receivables and does not belong to investment business. For details, please refer to "5. Financing with receivables" of VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements in this report.

(4) Investment in securities

Unit: Thousand Yuan Currency: RMB

Securities type	Stock code	Stock abbreviation	Initial investment costs	Source of fund	Opening book value	Gain or loss arising from the changes in fair value for the current period	Changes in fair value recorded in equity for the current period	Accumulated changes in fair value recorded in equity	Purchase amount for the current period	Disposal amount for the current period	Gain or loss arising from the investment for the current period	Other changes	Closing book value	Accounting item
Stocks	836012. NQ	ebaixing.com	100,001	Internal funds	5,314	–	–	-94,687	–	–	–	–	5,314	Other equity instrument investments
Stocks	LMCU	Lumina Metals Corp.	35,671	Internal funds	–	–	62,084	62,084	–	–	–	34,177	96,261	Other equity instrument investments
Total	/	/	135,672	/	5,314	–	62,084	-32,603	–	–	–	34,177	101,575	/

(5) Investment in derivatives

The Company engaged in futures and derivatives hedging and trading business to hedge risks such as bulk raw material prices, self-produced commodities prices, exchange rates, interest rates, currency fluctuations, etc., to enhance the Company's financial stability and reduce market risks in cross-border investments and industrial chain investments.

With the authorization of the Board of Directors, the Company used its own funds to carry out futures and derivatives trading business. The maximum deposit and premium occupied on any trading day in such business and the total amount of deposits paid and confirmed to be paid for derivatives trading contracts that were in existence and had not been closed should not exceed 30% of the Company's latest audited net profit; or the maximum value of contracts held on any trading day should not exceed 30% of the Company's latest audited net assets.

The trading products of the futures and derivatives trading business carried out by the Company included but are not limited to: commodities, interest rates, exchange rates, currencies or combinations of the above-mentioned underlying assets; trading instruments included on-exchange transactions, over-the-counter transactions or products that are substantially futures, options, forwards, swaps or a combination of the above products; the counterparties were domestic and overseas futures exchanges, brokerages, futures companies, banks and other financial institutions with legal business qualifications, and the counterparties were not related parties.

In accordance with Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, Accounting Standards for Business Enterprises No. 37 – Presentation of Financial Instruments, Accounting Standards for Business Enterprises No. 39 – Fair Value Measurement, Accounting Standards for Business Enterprises No. 24 – Hedge Accounting and other relevant regulations and guidelines issued by the Ministry of Finance, the Company applied appropriate accounting treatments to its futures and derivatives trading business, reflecting the relevant items in the balance sheet and the statement of profit or loss.

(IV) Analysis of subsidiaries and investees

1. Major subsidiaries during the reporting period

Unit: Thousand Yuan Currency: RMB

Company name	Company type	Major business	Total assets	Net assets	Operating income
TF Holdings Limited	Subsidiary	Copper and cobalt mine assets/business	77,430,948	45,057,901	24,192,865
KFM Holding Limited	Subsidiary	Copper and cobalt mine assets/business	30,033,676	21,320,475	11,061,333
CMOC Brasil	Subsidiary	Niobium and phosphate mine assets/business	12,720,110	6,286,903	3,872,754
IXM	Subsidiary	Trading business	52,640,358	10,533,455	120,454,728
Brazil Goldmine	Subsidiary	Gold mine assets/business	9,116,076	7,254,973	3,022,231

2. Acquisition of subsidiaries during the reporting period

Company name	Methods of acquiring subsidiaries during the reporting period	Impact on overall production, operation and performance
Leagold LatAm Holdings B.V. and Luna Gold Corp. (Brazilian gold mine project)	Cash Acquisition	On 23 January 2026, the acquisition of Brazilian gold mine project by the Company was completed, and the project was consolidated into its financial statement from the date of completion. During the reporting period, the project maintained stable production and operations, contributing RMB3.022 billion in operating revenue to the Company.

V. OTHER DISCLOSURES

(I) Possible risks

1. MINING BUSINESS

(1) Risks Related to Price Fluctuations of Principal Products

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

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

(2) Risks Related to Geopolitics and Policy

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

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

(3) Risks Related to Interest Rate

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

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

(4) Risks Related to Exchange Rate

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

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

(5) Risks Related to Safety and Environmental Protection and Natural Disasters

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

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

2. *TRADING BUSINESS*

Trading business is subject to multiple risks, including liquidity risk, market risk, counterparty risk, credit risk, HSE risk and other risks. Risk management is a key part of our operations, and an integrated risk management framework is an instrumental part of IXM's governance strategy, objective to achieve sustainable long-term value creation. In accordance with IXM's risk policy, the Company proactively makes a corresponding provision for its unrealized gains and receivables with counterparties that are deemed at risk.

IXM regularly reviews and updates its risk register with contributions from all key functional departments and updates are discussed and confirmed by the management team.

IXM conducts periodic assessments of various functions and processes with a focus on the formulation and implementation of the relevant policies and the effectiveness of the monitoring controls in place.

(1) Market Risks

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

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

(2) Liquidity Risks

Liquidity risk arises from the general funding of the commodity trading activities and from the management of positions. It includes both the risk of being unable to fund a portfolio of assets at appropriate maturities and interest rates, and the risk of being unable to liquidate a position in a timely manner at a reasonable price.

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

(3) Credit Risks

IXM is engaged in the business of trading a diversified portfolio of commodities. Accordingly, IXM has substantial lending exposure as well as counterparty risk exposure. IXM has implemented risk management procedures to monitor its risk exposure and minimise counterparty risk. These procedures include regular global credit updates, initial credit and limit approvals/reviews, credit insurance, margin requirements, other guarantees and covenants. In addition, we may choose not to conduct business with high-risk counterparties.

(4) Compliance

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

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

(II) OTHER DISCLOSURES

1. *Priorities for the Second Half Year*

In the second half of 2026, the Company will focus on the overall deployment of its new development strategy, continuously deepen platform-based operations, and comprehensively elevate the level of refined management. Focusing on capacity release, asset optimization, management upgrades, and sustainable development, the Company will strive to ensure the successful achievement of its annual operating targets.

(1) Synergistically Promoting Stable Production and Capacity Expansion, and Accelerating the Transformation of Resource Advantages

Adhering to the concept of full life-cycle management, the Company will coordinate production and operation with project construction across various mining areas, promote the stabilization of existing production and the acceleration of incremental output, and expedite the transformation of resource advantages into operating efficiency.

African mining areas will continuously release the growth potential of copper and cobalt, further optimize production processes and technological transformations, and fully safeguard the achievement of the annual production targets. Meanwhile, the Company will accelerate the construction of KFM Phase II to consolidate the foundation for medium-to-long-term growth.

South American mining areas will focus on promoting the rapid capacity release of newly acquired assets, continuously enhance the recovery rate and product mix of the niobium and phosphorus business in Brazil, accelerate the integration of the gold mine in Brazil into the management system of the Group, and advance the implementation of the construction of the Odin Project in Ecuador as scheduled.

Domestic mining areas will continuously optimize the coordinated development model of the Sandaozhuang and Shangfanggou mining areas, accelerate the advancement of capacity upgrades, and deepen technological breakthroughs for the comprehensive utilization of co-associated resources such as scheelite, in order to constantly improve resource utilization efficiency.

(2) Deepening Global Synergy to Continuously Optimize Resource Allocation

The Company will further strengthen its global resource allocation capabilities to elevate the resilience of its asset portfolio and long-term return levels.

The Company will continuously promote global resource mergers and acquisitions and adhere to the investment strategy characterized by "multiple commodities, multiple countries and multiple phases". Focusing on key regions such as South America, Asia, and Africa, it will consolidate its core advantages in copper and cobalt, proactively map out strategic minor metal and precious metal resources, and continuously refine its global resource landscape.

Integrating gold business resources with the projects in Brazil and Ecuador as the core, the Company will accelerate the establishment of a unified gold operations management platform, and accumulate development and operation experience to provide support for the continuous expansion of its gold business.

The Company will strengthen the strategic synergistic role of the IXM trading platform, deepen the integrated operation of "Mining + Trading", and flexibly utilize tools such as the combination of futures and spot markets to improve the overall profitability stability of the industrial chain.

(3) Deepening Management Upgrades to Build a Global Integrated Operating System

Centering on the capability building of platform-based operations, the Company will continuously enhance the global management efficiency of the Group.

The Company will continuously improve its global integrated digital management and control platform, connect data across overseas mines, the mining, processing and smelting processes, as well as functional management, to realize synergy in operational management. It will accelerate the replication and promotion of mature technologies, such as optoelectronic sorting and low-grade ore utilization, across global mining areas. Furthermore, the Company will improve the full-process cost management system to realize the real-time monitoring, precise analysis, and dynamic optimization of costs, thereby continuously enhancing operational efficiency.

(4) Strengthening Sustainable Development and Enhancing Long-Term Competitive Advantages

The Company will deeply integrate ESG concepts into the entire process of operation and development, forge differentiated competitive advantages through responsible operations, and continuously build a globally competitive and sustainable mining enterprise.

In terms of the governance system, the Company will promote the simultaneous deployment, advancement, and assessment of ESG initiatives alongside core businesses to ensure that ESG management is deeply integrated into operational decision-making and value creation. The Company will benchmark against advanced international standards, and continuously refine an ESG management system adapted to the characteristics of multi-regional and multi-commodity businesses, thereby constantly enhancing global governance capabilities.

In terms of cultural integration, the Company will continuously build a corporate culture that combines industry attributes with the characteristics of CMOC, advocating the integration of professional proficiency with pragmatic diligence, and a uniting of the pursuit of excellence with openness and transparency. The Company will promote the "Integration" core values to firmly take root among global teams, thereby further strengthening cross-cultural synergy and organizational cohesion.

In terms of brand reputation, the Company will persist in consolidating the foundation of development through operational excellence, enhance international recognition through high-standard and transparent responsible governance, and continuously reinforce its brand influence and industry competitiveness in the global mining sector.

2. Mining Activities, Exploration and Development during the Reporting Period

(1) Mining Activities

	Domestic mining activities (in 10 kt)
Mining Volume of Sandaozhuang Molybdenum and Tungsten Mine	326.55
Mining Volume of Shangfanggou Molybdenum Mine	98.15

	Overseas mining activities (in 10 kt)
Mining Volume of TFM Copper and Cobalt Mine in Congo (DRC)	1,190.71
Mining Volume of KFM Copper and Cobalt Mine in Congo (DRC)	638.75
Mining Volume of Niobium Mine in Brazil	157.29
Mining Volume of Phosphate Mine in Brazil	278.73
Mining Volume of Aurizona Gold Mine in Brazil	56.85
Mining Volume of RDM Gold Mine in Brazil	102.21
Mining Volume of Fazenda Gold Mine in Brazil	78.13
Mining Volume of Santa Luz Gold Mine in Brazil	125.67

Note: The mining volume of Sandaozhuang Molybdenum and Tungsten Mine and Shangfanggou Molybdenum Mine represent the volume of industrial ores (Chinese standard).

(2) Exploration

① Copper and Cobalt Mines in Congo (DRC)

TFM Copper and Cobalt Mine: During the Reporting Period, supplementary geological exploration were carried out mainly around FGME, FGVI, FWAL, KATO and LILO deposits, with the purpose of finding out the basic shape and occurrence of the ore body, controlling the extension of the ore body along the strike, exploring the boundaries and depth limits, and exploring the extension of the ore body to the deep part, which provided reliable basic data for the expansion project. As of the end of June 2026, a total of 170 diamond drilling holes were drilled with a total progress of 36,651.47 meters. The drilled holes that have been constructed have achieved the expected results of controlling the shape of the ore body, tracing the extension of the ore body, and upgrading the resources level.

KFM Copper and Cobalt Mine: During the Reporting Period, exploration activities were primarily focused on increasing copper-cobalt mineral resources and upgrading resource classifications. Our main works included upgrading resource classification for within the final pit limits for the main orebodies, as well as conducting drilling and infilling on other ore bodies and boundary control work. In 2026, a total of 88 drilling holes were completed with a total footage 16,671 meters. Positive progress was made in the exploration of deep sulphide mineralisation and infill drilling, with encouraging mineral intersections and expected reserve expansion achieved.

② Niobium and Phosphate Mine in Brazil

Niobium Mine: A total of 226 RC drill holes were constructed in BoaVista Niobium Mine, with a total drilling depth of 9,318 meters. Geotechnical engineering and hydrogeological prospecting were carried out with 2 DD holes were drilled with a depth of 109 meters; 16 DD drill holes were carried out in resource exploration with a total depth of 5,307 meters. ÁreaLeste niobium mine has drilled 16 DD holes for resource exploration with a total drilling depth of 7,097 meters. A total of 12 DD holes for resources exploration were drilled at Farm niobium ore body, with a total drilling depth of 5,496 meters. Supporting sample testing and analysis were conducted concurrently.

Phosphate Mine: A total of 162 RC drill holes were drilled for construction in the Chapadão mining area, with a total drilling depth of 3,240 meters. Supporting sample testing and analysis were conducted concurrently.

③ Gold Mine in Brazil

Aurizona Gold Mine: During the Reporting Period, exploration activities at the MASA Mine were focused on resource upgrading drilling for the underground resources at the Tatajuba deposit, together with exploration at the Tatajuba North Trend and the Piaba-Tatajuba Link areas to support resource upgrading and assess the extension potential of the orebodies. A total of 38 drill holes were drilled, with a total depth of 6,883 metres.

Fazenda Gold Mine: During the Reporting Period, exploration at the FBDM focused on exploration upgrading for both underground deep and surface resources, while exploration drilling was also carried out along the PPQ-Barrocas SW mine section. A total of 190 underground drill holes were drilled, with a total progress of 37,564 meters, while a total of 40 surface drill holes were drilled, with a total depth of 6,176 metres, was achieved.

Santa Luz Gold Mine: the drilling programme was adjusted, with exploration efforts redirected towards “near-mine” targets. A total of 19 drill holes were drilled, with a total depth of 3,293 metres.

RDM Gold Mine: During the Reporting Period, RDM Gold Mine focused on the drilling of open-pit resources for resource upgrading and conducted verification drilling at the peripheral target areas of the mining area. A total of drilling footage 953 meters was completed during the Reporting Period.

④ Mines in the PRC

Sandaozhuang Molybdenum and Tungsten Mine: During the Reporting Period, sample collection and testing, geological modelling, and the preparation of the detailed exploration report for the detailed exploration programme of the deep exploration area were completed. Deep exploration drilling progressed to the exploration stage, with 12 drill holes commenced, 7 holes completed, totalling 7,170 metres of drilling.

Shangfanggou Molybdenum Mine: During the Reporting Period, production exploration and deep infill exploration were carried out, with a total of 12 drill holes completed and an aggregate drilling advance of 2,246 metres.

(3) Development

① Copper and Cobalt Mines in Congo (DRC)

TFM Copper and Cobalt Mine: During the Reporting Period, TFM Mine continued to optimise and upgrade its mining operations, focusing on safety production and operation standardization, control of mining and stripping costs, pit dewatering and drainage, and open-pit slope safety management. First, the SOPs for each production processes were revised and enhanced, further improving the standardisation and consistency of the management level of on-site operations. Second, the ore and waste transportation systems and associated dump sites at the TENKE, ZORO, KASA and FGVI pits were optimised, resulting in shorter transportation distances and lower transportation costs. Third, reforms to self-operated mining plants continued to advance through equipment rationalisation, workforce optimisation and organisational restructuring, together with strengthened equipment management and cost control mechanisms. These initiatives delivered phased improvements, including the orderly retirement of ageing equipment, enhanced equipment reliability and a more efficient workforce structure. Fourth, electrification upgrades were completed at the KWAT, KASA and FWAL mining pits. At the FGME, KASA and KWAT mining pits, where groundwater inflows are relatively high, an integrated dewatering system comprising pit sump pumping as the primary measure, supplemented by dewatering wells, ensured efficient operation of pit deepening. Fifth, slope stability across all open-pit mines remained under effective control. Slope stability studies were completed for the MWAN and KASA mining pits, providing technical support for pit optimisation and safe mining operations. In addition, five slope monitoring radar systems were newly acquired, further enhancing all-weather monitoring and early warning capabilities in high-risk areas.

KFM Copper and Cobalt Mine: During the Reporting Period, KFM Mine continued to enhance mine safety and green operation level. By optimising its mine dewatering system, the KFM mining area gradually formed a combined drainage model with pits as the main component and dewatering wells as a supplement. Comprehensive measures, including zoned water management, segmented interception and platform retention, were implemented to ensure safe and efficient pit dewatering operations. The mine also continued to advance slope stability studies and improve its slope monitoring and early warning system by establishing an all-weather monitoring model integrating manual measurement, GNSS monitoring and radar monitoring. Additional slope monitoring radar systems were also deployed to further strengthen slope safety management. During the Reporting Period, 119,000 cubic meters of topsoil were stockpiled, and ecological rehabilitation covering 13,000 square metres was completed on the eastern slope of the western spoil heap, achieving positive progress in ecological protection and mine site rehabilitation.

② Niobium and Phosphate Mine in Brazil

Niobium Mine: Vegetation rehabilitation at the spoil dump was carried out and the mine drainage system was upgraded. The relocation of power facilities within the second phase of the construction of Northeast spoil dump project was completed, while site selection and engineering design for the third phase of the Northeast spoil dump project progressed.

Phosphate Mine: Geotechnical engineering equipment was procured, and vegetation rehabilitation at the spoil dump and construction of dewatering system in the mine areas were carried out.

③ Gold Mines in Brazil

To ensure continuous, efficient, and stable production of mines, the gold mines in Brazil have reviewed and explored the potential of resources under their mines, determining the priorities for phased mining development. In the first half of the year, the Piaba underground mining project at the Aurizona Gold Mine was rigorously advanced. As a key project for medium- to long-term stable production in the Brazilian gold segment, the works for its development construction and design optimization are being conducted concurrently. Currently, the 1,470m ramp development works for Phase I of the project are progressing in an orderly manner, and the feasibility study on design optimization for Phase II is being carried out simultaneously. The project will provide fundamental assurance for the medium- to long-term production of the Aurizona mine.

During the Reporting Period, gold mines in Brazil strictly performed its exploration obligations with the Brazilian National Mining Agency (ANM), and all permits and compliance activities are progressing as planned. The final exploration report for the Delta/Monte Alegre project has been approved and the project has entered the stage of preparation of a mining right application.

④ Mines in the PRC

Sandaozhuang Molybdenum and Tungsten Mine: During the Reporting Period, in accordance with the national requirements for green mine construction, we continued to strengthen ecological restoration work. We completed ecological restoration of 74,984 square meters within the site with the rehabilitation of 9,737 square metres of spoil dump. Slope treatment works included the application of 5,083 square metres of sprayed concrete, the installation of 5,882 metres of grouting bolts, and the construction of 421 cubic metres of retaining walls. In addition, 710 metres of drainage channels and one sedimentation pond were constructed along the Southern pit slope. Construction of Dam #1, Dam #2, a sedimentation pond, blind drains and drainage channels for the new small gravel spoil dump was also completed.

Shangfanggou Molybdenum Mine: During the Reporting Period, ecological restoration work was further strengthened according to the national requirements of green mine construction. Slope treatment works within the mining area were completed, including the construction of 73 metres of 19-metre-high concrete retaining walls, 1,384 metres of 1-metre-high concrete retaining walls, and the installation of 1,215 square metres of active rockfall protection net. Ecological rehabilitation covering 7,701 square metres was completed on the slope benches. In addition, 1,357 metres of interception and drainage channels were constructed, and 6,220 square metres of mine roads were hard surfaced.

(4) **Related Expenses**

Project	Cost of mining	Cost of exploration	Cost of development
	Domestic Mines (RMB'0,000)		
Sandaozhuang Molybdenum and Tungsten Mine	22,561.52	300.71	3,778.21
Shangfanggou Molybdenum Mine	12,216.34	90.65	372.12
	Overseas Mines (USD million)		
TFM Copper and Cobalt Mine in Congo (DRC)	312.55	6.16	5.81
KFM Copper and Cobalt Mine in Congo (DRC)	85.25	0.09	0.49
Niobium Mine in Brazil	17.80	3.55	2.61
Phosphate Mine in Brazil	16.60	0.08	0.04
Aurizona Gold Mine in Brazil	25.58	1.85	26.96
RDM Gold Mine in Brazil	26.09	0.22	5.13
Fazenda Gold Mine in Brazil	38.14	6.49	19.74
Santa Luz Gold Mine in Brazil	32.34	1.44	12.62

(5) **Cost of Ore Raw Materials**

Unit: Thousand Yuan Currency: RMB

Type and source of ore raw materials	Total cost of raw materials	Percentage (%)	Increase/decrease in total cost of raw materials as compared to the corresponding period of last year (%)
Owned mines	4,470,919	94.13	23.02
External procurement	278,808	5.87	3.83
Total	4,749,727	100.00	21.70

3. *Progress in the First Half of 2026 Action Plan for "Quality Improvement, Efficiency Enhancement and Focusing on Return"*

On 24 April 2026, the Company released the 2025 Evaluation Report on the Special Action Plan for "Quality Improvement, Efficiency Enhancement and Focusing on Return" and the 2026 Special Action Plan for "Quality Improvement, Efficiency Enhancement and Focusing on Return" (《2025年度「提質增效重回報」專項行動方案評估報告暨 2026 年度「提質增效重回報」專項行動方案》) (hereinafter referred to as the "Action Plan"). In the first half of 2026, the Company actively carried out and implemented related work in accordance with the Action Plan. The progress is as follows:

(1) Deepening lean management and expanding growth through a diversified portfolio

Competition in the mining industry is essentially a competition between costs and prices, with resource endowment being a decisive factor. The Company's mining assets are all world-class resources, and its distinctive and diversified product portfolio helps mitigate the impact of fluctuations in the resource cycle, enhances its risk resilience, and enables it to benefit from the cyclical rotation of prices across different resource types. The transition from reserve to production of world-class mines at low cost is an important baseline for the Company's internal development.

Building on its long-established management expertise in cost leadership and lean operations developed across its domestic mining operations, the Company is accelerating the rollout of these practices to its global production units. Through the comprehensive application of modern mining technologies, processes and intelligent equipment – combined with multiple initiatives such as centralised procurement, process optimisation, and management transformation – the Company continues to strengthen its low-cost operating advantage and reinforce its core competitiveness in counter-cyclical mergers and acquisitions and low-cost development.

During the first half of the year, the Company's two world-class projects, TFM and KFM, maintained stable production. The Company further consolidated its production capacity advantages, strengthened lean management, and enhanced synergies between its mining and trading businesses. Construction of Phase II of the KFM project is on schedule. Civil works have been substantially completed, installation of major equipment is underway, and manufacture of the high-pressure autoclaves is approaching 50% completion. Upon completion, the project is expected to contribute an average annual copper production of approximately 100,000 tonnes.

In January 2026, the Company successfully issued US$1.2 billion in zero-coupon convertible bonds. The proceeds raised will be primarily used to expand and optimise overseas projects, supporting higher quality and greater efficiency in the Company's global operations.

On 23 January 2026, the Company completed the acquisition of 100% interest in four gold mines in Brazil. The project contains approximately 156 tonnes of gold resources, with well-established supporting infrastructure and mature mineral processing facilities, enabling production capacity to be ramped up rapidly. Following completion of the acquisition, the project immediately began contributing production and revenues.

(2) Optimizing the shareholder return mechanism and safeguarding investors' rights

The Company has always attached great importance to delivering returns to investors and has established a mechanism for sharing benefits of its growth. While ensuring normal production and operations, the Company actively distributes profits and consistently adheres to a policy of cash dividends to enhance returns for investors and strengthen their confidence. Since its listing, the Company has distributed a total of over RMB32 billion in cash dividends and repurchased 253 million shares for a total consideration of approximately RMB1.378 billion, enabling investors to share in the benefits of its high-quality growth.

In 2026, the Company continues to place strong emphasis on shareholder returns. To date, it has successfully completed the distribution of its 2025 annual dividend, paying a cash dividend of RMB2.86 (tax inclusive) for every 10 shares to all shareholders, representing a total dividend payment of approximately RMB6.1 billion (tax inclusive). In addition, in order to enhance shareholder returns, enable shareholders to share the Company's operating results in a timely manner and further enhance shareholder value, the Board has approved the payment of an interim dividend in 2026, with a proposed cash dividend of RMB0.95 (tax inclusive) for every 10 shares, the total amount of proposed dividend is RMB2.032 billion (tax inclusive).

(3) Strengthening the ESG governance system and consolidating leadership in sustainable development

Leveraging on years of global operation practice, the Company has developed a profound understanding of the core values of ESG and practical implementation. With its mining projects located across multiple countries and regions, effectively managing diverse overseas operating environments, balancing the interests of various stakeholders, and fostering a dynamic, mutually beneficial development model are integral to the corporate governance of a global mining company. During the first half of 2026, the Company steadily advanced the implementation of its ESG initiatives and achieved tangible results. Details of these initiatives are set out in the "Corporate Governance, Environment and Society" section of this report.

(4) Enhancing organizational capability to build a solid foundation for long-term development

To support the implementation of its long-term strategic goals, the Company has continued to strengthen its organizational capabilities. In the first half of 2026, with "Organization Upgrade 2.0" as the core driver, the Company completed the rollout of its standardized management system, integrating institutional frameworks and corporate culture across all business units. The Company also continued to advance its platform-based management model, focusing on capabilities across nine key functional areas: safety management, community governance, public relations, power supply, supply chain, digitalisation, automation and intelligence, technology, finance, and human resources. The strengthened support provides a solid foundation for the coordinated operation of the Company's global business.

(5) Enhancing quality of information disclosure based on the needs of investors

The Company has always attached great importance to information disclosure. In the first half of 2026, following the publication of its 2025 Annual Report, it held its annual results conference on-site and via a live broadcast at the Shanghai Stock Exchange. The event enabled in-depth, direct engagement with investors and provided timely responses to market concerns.

At the same time, the Company continued to enhance its multi-level, multi-platform investor communications framework. Through its official WeChat account, video channels, and overseas media platforms, it communicated business developments and industry updates through multiple channels, creating a comprehensive communication network that deepens investors' understanding of the Company's operations, and establishing an efficient and transparent two-way communication mechanism.

During the first half of 2026, the Company continued to optimize the investor relations management framework, with a focus of enhancing the quality and effectiveness of information disclosure. It streamlined repetitive disclosures while strengthening the disclosure of material information relevant to investment decision-making, thereby improving the relevance and clarity of its disclosures and better serving the needs of investors. In recognition of its achievements, during the first half of 2026, the Company was once again won the Deloitte "Best Managed Company in China", the "Best Listed Companies 2025 award from New Fortune magazine", ranked seventh in CLS's "China Top 100 Global Influence Enterprises" and received the "Global Influence Top 100" Brand Value Award from National Business Daily China.

(6) Strengthening accountability among "key minorities" and enhancing the effectiveness of compliance governance

The Company has consistently operated in a standardized manner in strict compliance with the requirements of the China Securities Regulatory Commission, the Shanghai Stock Exchange, as well as laws and regulations including the Company Law of the People's Republic of China and the Articles of Association, and has continuously improved its corporate governance.

During the first half of 2026, under the guidance of the China Securities Regulatory Commission and the Shanghai Stock Exchange, the Company maintained ongoing communication with its "key minorities", such as de facto controllers, substantial shareholders, directors and senior management. It actively disseminated the latest regulatory information and enforcement cases from both stock exchanges, with particular emphasis on inside information management, related-party transactions, and changes in shareholdings. These initiatives were designed to ensure that the "key minorities" perform their duties diligently and in compliance with applicable laws and regulations, while preventing any abuse of shareholder rights or management authority that could undermine the legitimate interests of minority shareholders.

4. Future Plans for Material Investments or Capital Assets

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

I. THE CHANGES IN THE COMPANY'S DIRECTORS AND SENIOR MANAGEMENT

During the reporting period, there were no changes in the Company's directors or senior management.

Mr. Wang Kaiguo resigned as an independent non-executive Director of Zhongliang Holdings Group Company Limited (Stock code: 2772) on 8 May 2026.

Save as disclosed above, there is no change in the information regarding directors or senior management that are required to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules.

II. PROPOSAL OF PROFIT DISTRIBUTION OR CAPITALIZATION FROM CAPITAL RESERVE

Proposal of profit distribution and capitalization from capital reserve to share capital for the first half of the year

Distribution or capitalization	Yes
Bonus Shares per 10 Shares (Shares)	/
Dividend per 10 Shares (RMB) (tax Inclusive)	0.95
Capitalization per 10 Shares (Shares)	/

Explanations on the proposal of profit distribution or capitalization from capital reserve to share capital

At the 2025 Annual General Meeting held on 28 April 2026, the Company considered and approved the *Resolution on Authorizing the Board to Declare Interim and Quarterly Dividends for 2026*, authorising the Board to declare interim and quarterly dividends during 2026. The Board proposed that the cash dividend for the 2026 interim profit distribution be no less than RMB0.95 (tax inclusive) for every 10 Shares. Pursuant to the resolution of the tenth Meeting of the Seventh Board of Directors, the Company proposed to distribute an interim cash dividend of RMB0.95 (tax inclusive) for every 10 shares to all shareholders for the first half of 2026. As at 30 June 2026, the Company had a total share capital of 21,394,310,176 shares. Based on the proposed dividend, the total interim dividend for 2026 amounted to RMB2,032,459,466.72 (tax inclusive).

III. INFORMATION ON THE COMPANY'S EQUITY INCENTIVE SCHEME, EMPLOYEE SHARE OWNERSHIP PLAN OR OTHER EMPLOYEE INCENTIVE MEASURES AND THEIR IMPACTS

Description	Index for enquiry
2021 First Phase of Employee Share Ownership Plan The 2021 First Phase of Employee Share Ownership Plan of the Company (Draft) was considered and approved at the 2020 annual general meeting of the Company and the source of shares under the 2021 First Phase of Employee Share Ownership Plan is the 48,513,287 A-share ordinary shares of the Company in the Company's dedicated repurchase account and the repurchase price of the shares obtained is RMB2 per share. The 48,513,287 shares of the Company held in the Company's dedicated repurchase securities account have been transferred to the dedicated securities account of the Company for the 2021 First Phase of Employee Share Ownership Plan through non-trading transfer on 17 June 2021. The abovementioned shares accounted for 0.22% of the Company's total share capital with an actual subscription amount of RMB97,026,574. On 10 June 2022, the Company convened the second holders' meeting of the 2021 First Phase of Employee Share Ownership Plan, the fifth extraordinary meeting of the sixth session of board of directors and the ninth meeting of the sixth session of the supervisory committee which considered and approved the Proposal on Adjusting the 2021 First Phase of Employee Share Ownership Plan of CMOC Group Limited, the Proposal on Amending the 2021 First Phase of Employee Share Ownership Plan of CMOC Group Limited and the Proposal on Amending the Management Measures for the 2021 First Phase of Employee Share Ownership Plan of CMOC Group Limited and approved to amend and implement the employee share ownership plan.	

Description	Index for enquiry
On 10 June 2022, as considered and approved at the fifth extraordinary meeting of the sixth session of the Board of Directors, the relevant interests corresponding to the first interest allocation period under the 2021 First Phase of Employee Share Ownership Plan were vested. On 9 June 2023, as considered and approved at the eleventh extraordinary meeting of the sixth session of the Board of Directors, the relevant interests corresponding to the 2022 distribution period under the 2021 First Phase of Employee Share Ownership Plan were vested. On 16 June 2026, as considered and approved at the twelfth extraordinary meeting of the seventh session of the Board of Directors, the relevant interests for certain incentive recipients corresponding to the 2023 distribution period under the 2021 First Phase of Employee Stock Ownership Plan were vested. **H Share Restricted Share Scheme** At the Company's 2025 first extraordinary general meeting, the Resolution on the H Share Restricted Share Scheme was considered and approved. Subject to the scheme mandate limit prescribed under the rules of the H Share Restricted Share Scheme, as refreshed from time to time, and any separate shareholders' approval where required, the maximum number of H Shares that may be issued in respect of all options and awards to be granted under all share schemes of the Company shall not exceed 393,345,000 H Shares, representing approximately 10.0% of the total number of H Shares of the Company currently in issue (excluding treasury shares, if any). The Board may, at its sole and absolute discretion, determine whether any selected participant is required to pay any purchase price for the grant of an award.	Please refer to the relevant announcements of the Company published in the designated information disclosure media.

2021 First Phase of Employee Share Ownership Plan

1. Purpose of the Employee Share Ownership Plan

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

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

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

The total funds under the Employee Share Ownership Plan upon its establishment shall not be more than RMB97.026574 million, divided into "units" for subscription and each unit is equal to RMB1.00. The cap of units of the Employee Share Ownership Plan is 97,026,574. The units held by the holders of the Employee Share Ownership Plan are determined according to their actual payment amount.

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

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

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

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

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

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

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

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

1) Term

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

Note:

On 16 June 2026, as considered and approved at the twelfth extraordinary meeting of the seventh session of the Board of the Company, the term of the Employee Share Ownership Plan was extended by 24 months, i.e., the term was extended to 16 June 2028.

2) *Lock-up Period*

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

3) *Allocation*

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

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

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

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

4) *Performance Appraisal Indicators*

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

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

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

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

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

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

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

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

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

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

According to the Audit Report (De Shi Bao (Shen) Zi (23) No. P02013) issued by Deloitte Touche Tohmatsu Certified Public Accountants LLP, the Company's performance appraisal during the tranche of interest allocation period in 2022 under the 2021 First Phase of Employee Share Ownership Plan has been accomplished, and the specific unlocking units are as follows:

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

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

7. Interest Allocation during the Tranche of Interest Allocation Period in 2023 of the First Phase of Employee Share Ownership Plan

Based on the relevant audit data set out in the Audit Report (De Shi Bao (Shen) Zi (24) No. P02686) issued by Deloitte Touche Tohmatsu Certified Public Accountants LLP and the individual performance assessment results of the incentive recipients during the tranche of interest allocation period in 2023 under the 2021 First Phase of Employee Share Ownership Plan, the corresponding interests of certain incentive recipients for the year 2023 have been unlocked, and the specific unlocking units are as follows:

No.	Holders	Positions	Amount of units
1	Sun Ruiwen	CEO *(resigned in October 2025)*	14,400,000
2	Yuan Honglin	Chairman of the Board *(resigned in May 2025)*	6,410,630
3	Li Chaochun	Vice chairman of the Board, Chief Investment Officer *(resigned in April 2025)*	6,000,000
4	Liu Dajun	Assistant to CEO *(resigned in August 2024)*	6,000,000
Total			32,810,630

8. Details of Shares Granted under Employee Share Ownership Plan

Under the Hong Kong Listing Rules, changes in the shares under the Employee Share Ownership Plan in the six months ended 30 June 2026 are as follows:

Participants	Date of Grant	Number of unvested shares as of 1 January 2026[1]	Number of shares granted in the six months ended 30 June 2026	Number of shares vested in the six months ended 30 June 2026	Number of shares cancelled in the six months ended 30 June 2026	Number of shares lapsed in the six months ended 30 June 2026	Number of shares repurchased in the six months ended 30 June 2026	Number of unvested shares as of 30 June 2026[2]	Subscription price[3] (RMB/share)
Former directors and chief executives									
Sun Ruiwen	21 May 2021	7,200,000	–	7,200,000[4]	–	–	–	0	2
Yuan Honglin	21 May 2021	3,205,315	–	3,205,315[4]	–	–	–	0	2
Li Chaochun	21 May 2021	3,000,000	–	3,000,000[4]	–	–	–	0	2
Liu Dajun	21 May 2021	3,000,000	–	3,000,000[4]	–	–	–	0	2
Zhou Jun	10 June 2022	5,250,000	–	–	–	–	3,000,000	2,250,000	2
Total		21,655,315	–	16,405,315	–	–	3,000,000	2,250,000	–

Notes:

(1) Among the unvested shares as of 1 January 2026, for the vesting period of shares granted on 21 May 2021, please refer to "4. Term, Lock-up Period and Allocation of the Employee Share Ownership Plan – 4) Performance Appraisal Indicators" under this section; for the vesting period of shares granted on 10 June 2022, please refer to "4. Term, Lock-up Period and Allocation of the Employee Share Ownership Plan – 4) Performance Appraisal Indicators" under this section.

(2) Among the unvested shares as of 30 June 2026, for the vesting period of shares granted on 10 June 2022, please refer to "4. Term, Lock-up Period and Allocation of the Employee Share Ownership Plan – 4) Performance Appraisal Indicators" under this section.

(3) Included the subscription prices for unvested shares as of 1 January 2026 and unvested shares as of 30 June 2026.

(4) The closing price of the A Shares immediately preceding the share vesting date was RMB20.92 per share.

Save as disclosed above, the Company has not granted relevant shares to (i) other directors; (ii) five individuals (other than directors) with highest total emoluments in the six months ended 30 June 2026; or (iii) other persons.

As the number of shares already granted has reached the scheme mandate limit of the Employee Share Ownership Plan, the number of shares available for grant under the Employee Share Ownership Plan was nil as at both the beginning and the end of the Reporting Period. The shares underlying the Employee Share Ownership Plan were sourced from repurchased A shares of the Company and have all been granted. As of the date of this interim report, there were no shares available for issue under the Employee Share Ownership Plan.

H Share Restricted Share Scheme

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

Purpose and Objectives

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

Eligible Participants

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

Scheme Mandate Limit and Service Provider Sublimit

As of the date of this interim report, the total number of H shares which may be issued in respect of all awards to be granted under the H Share Restricted Share Scheme must not exceed 393,345,000 H shares, representing approximately 10.0% of the total number of issued H shares (excluding treasury shares, if any) as at the date of this interim report (the "Scheme Mandate Limit").

As of the date of this interim report, within the Scheme Mandate Limit, the total number of H shares which may be issued in respect of all awards to be granted under the H Share Restricted Share Scheme to Service Provider Participants shall not exceed 39,333,000 H shares, representing approximately 1.0% of the total number of issued H shares (excluding treasury shares, if any) as at the date of this interim report (the "Service Provider Sublimit").

As at 1 January 2026, the number of H Shares that may be awarded as the incentive shares and available for grant under the H Share Restricted Share Scheme under the Scheme Mandate Limit and Service Provider Sublimit are 393,345,000 and 39,333,000, respectively. As at 30 June 2026, the number of H Shares that may be awarded as the incentive shares and available for grant under the H Share Restricted Share Scheme under the Scheme Mandate Limit and Service Provider Sublimit are 393,345,000 and 39,333,000, respectively.

Individual Limit

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

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

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

Vesting of Awards

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

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

Termination of the H Share Restricted Share Scheme

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

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

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

During the Reporting Period, no incentive shares were granted under the Employee Share Ownership Plan and the H Share Restricted Share Scheme. Accordingly, the number of shares that may be issued in respect of options and awards granted under all schemes of the Company during the Reporting Period divided by the weighted average number of shares of the relevant class in issue (excluding treasury shares) during the Reporting Period was nil.

IV. ENVIRONMENTAL INFORMATION OF LISTED COMPANIES AND THEIR MAJOR SUBSIDIARIES INCLUDED IN THE LIST OF ENTERPRISES THAT DISCLOSE ENVIRONMENTAL INFORMATION ACCORDING TO LAW

No. of enterprises included in the list of enterprises that disclose environmental information according to law	12

No.	Name of Enterprises	Index for enquiry of report on legal disclosure of environmental information
1	CMOC Group Limited Mining Branch	https://permit.mee.gov.cn/permitExt/defaults/default-index!getInformation.action
2	Luoyang Fuchuan Mining Co., Ltd. Shangfanggou Molybdenum Mine	
3	CMOC Group Limited No. 1 Ore Processing Branch	
4	CMOC Group Limited No. 2 Ore Processing Branch	
5	CMOC Group Limited No. 3 Ore Processing Branch	
6	CMOC Group Limited No. 1 Tungsten Business Ore Processing Branch	
7	CMOC Group Limited No. 2 Tungsten Business Ore Processing Branch	
8	CMOC Group Limited Smelting Branch	
9	China Molybdenum Tungsten Co., Ltd.	
10	Luanchuan County Sanqiang Molybdenum and Tungsten Co., Ltd.(ore processing plant)	
11	Luanchuan County Dadongpo Tungsten and Molybdenum Mining Co., Ltd.	
12	Luanchuan County Jiuyang Mining Co., Ltd (lime processing plant)	

OTHER EXPLANATIONS

(I) Construction and Operation of Pollution Prevention Facilities

The Company remains committed to the new development philosophy of "innovation, coordination, greenness, openness, and shared prosperity". It has continued to increase investment in environmental protection, implement integrated pollution control measures across air, water, soil, and solid waste management, while promoting coordinated initiatives in carbon reduction, pollution control, and green development to strengthen the foundation of ecological and environmental safeguarding.

The Company has implemented a range of environmental protection measures, including high-efficiency dedusting, low-nitrogen boiler retrofits, waste gas-to-acid process, enclosed VOCs collection, and purification and adsorption treatment, ensuring stable compliance with applicable emission standards. It has also strictly implemented the separation of stormwater and wastewater, with all industrial and domestic wastewater being recycled and reused.

In 2026, a tailings comprehensive utilisation project was launched to promote the reduction of tailings. During the same year, the Company prioritised the comprehensive remediation of the Yu River Basin, advancing projects including channel dredging, intercepting sewer network, the enclosure of storage yards, and the expansion of wastewater treatment facilities. The Company also took the lead in preparing two dedicated action plans for the Beigou River, namely the "One River, One Strategy" remediation plan and an emergency response capability enhancement plan, to further strengthen water environmental risk prevention and control across the river basin.

All businesses outside China shall comply with the relevant laws, regulations and policies of the country or the region where the business is located.

(II) Environmental Impact Assessments (EIA) and Other Environmental Protection Administrative Licensing for Construction Projects

The Company practises full-process compliance management to all new construction, reconstruction, and expansion projects, ensuring strict adherence to regulatory requirements at every stage, including project initiation and filing, engineering design, EIA, regulatory approval, and environmental acceptance upon completion. All of the Company's projects in China have obtained the required Pollutant Discharge Permits and completed the registration and filing procedures for pollutant discharge permits in accordance with applicable laws and regulations. In addition, each project has prepared a compliant EIA report and obtained the requisite regulatory approvals. Throughout project construction and operational activities, the Company strictly implements all requirements set out in the approved EIA reports and the corresponding regulatory approval documents.

All businesses outside China shall comply with the relevant laws, regulations and policies of the country or the region where the business is located.

(III) Emergency Response Plan for Sudden Environmental Incidents

All subsidiaries and branches in China have developed dedicated environmental emergency response plans, which have been duly filed with competent ecological and environmental authorities. They have established dedicated emergency response teams, with clearly defined emergency response responsibilities for each position and adequate emergency supplies, facilities and equipment, and personal protective equipment. The Company conducts regular emergency response drills on an annual basis. In the event of an environmental emergency, it is able to activate its emergency response mechanism immediately and implement timely containment and remediation measures to effectively prevent the spread of pollution and minimise environmental damage to the greatest extent possible.

All businesses outside China shall comply with the relevant laws, regulations and policies of the country or the region where the business is located.

(IV) Environmental Self-Monitoring Program

The Company adopts a dual environmental monitoring approach, combining online monitoring with independent third-party manual testing. Throughout the year, all monitored indicators for wastewater, air emissions, and soil quality complied with the applicable regulatory standards. Monitoring data are published on the prescribed regulatory platforms in accordance with relevant requirements and are subject to public oversight.

All businesses outside China shall comply with the relevant laws, regulations and policies of the country or the region where the business is located.

(V) Environmental Responsibility Initiatives

The Company has continued to implement emergency emission control measures under severe pollution weather and has continuously carried out environmental improvement and upgrading projects across its production facilities.

The classification of environmental performance of our entities has been completed: 8 entities were rated Grade A status, while 3 entities received Grade B status. In 2026, the Company is prioritising the application by its Tungsten Business Branch for Grade A environmental performance accreditation under the general industrial sector classification in Henan Province.

All businesses outside China shall comply with the relevant laws, regulations and policies of the country or the region where the business is located.

V. DETAILS ON CONSOLIDATING POVERTY ALLEVIATION ACHIEVEMENTS & RURAL REVITALIZATION WORK

The Company's Projects for Consolidating the Achievements of Poverty Alleviation and Effectively Connect with Rural Revitalisation in China

Total investment (RMB0'000)	1,713.15
Of which: in cash (RMB0'000)	1,694.70
In-kind donations (RMB0'000)	18.45
Beneficiaries (persons)	18,476
Support methods (industrial support/ employment support/educational support etc.)	Combination of industrial support, employment support and educational support

Upholding the philosophy of "shared success", the Company actively supported China's rural revitalisation strategy and conscientiously fulfilled its social responsibilities during the Reporting Period. Through coordinated initiatives in industrial development, employment support and educational assistance, the Company consolidated the achievements of poverty alleviation and advanced rural revitalisation, while continuing to develop a distinctive CMOC community partnership model. To improve the ecological environment surrounding its operations and enhance the well-being of local communities, the Company donated RMB8 million to support rural revitalisation, RMB1 million for environmental improvement, RMB4 million for education, and RMB4 million for projects to upgrade roads in the surrounding communities during the first half of 2026. The Company also continued its "Heartwarming Campaign", donating daily necessities worth RMB184,500 to disadvantaged groups. At the same time, the Company continued to implement targeted rural revitalisation initiatives. It supported Qiuba Township, Luanchuan County, in completing the re-election of the "two committees" and Village Supervisory Committee of Xiaohe Village, while working jointly to formulate the village's development strategy. The Company renovated the village's Party-building facilities, organised village officials and residents to carry out initiatives to improve the living environment, conduct fire safety inspections and identify and rectify potential petition-related risks, and completed designated land reclamation tasks. It also maintained regular household visits and dynamic monitoring to identify and assist households at risk of returning to poverty. During the first half of 2026, the Company successfully eliminated the risk of a return to poverty for one household and provided care and assistance to a number of disadvantaged residents. In addition, the Company revised the village's flood emergency response plan and organised emergency drills to strengthen community resilience and public safety, further reinforcing local community governance and public welfare. In recognition of these efforts, the Company's representative in the village was named an "Excellent Individual for High-quality Rural Revitalisation Development in Luanchuan County for 2025", and the Company received the "2025 Henan Corporate Social Responsibility Enterprise of the Year Award".

VI. OTHER EXPLANATIONS

(I) Securities Transactions Conducted by Directors and Employees

The Company has adopted the Model Code as set out in Appendix C3 to the Hong Kong Listing Rules as the code of conduct governing dealings in securities transactions by its Directors. After specific enquiry made to all Directors, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2026.

(II) Corporate Governance

The Group is committed to archiving high-standard corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. During the six months ended 30 June 2026, the Company complied with all applicable code provisions under the Corporate Governance Code set out in Appendix C1 to the Hong Kong Listing Rules.

(III) Information of Staff as at the End of the Reporting Period

1. *Information of Staff*

Category of professional composition	Number of professionals in the first half of 2026
Production staff	10,294
Sales and other supporting personnel	1,851
Technical personnel	1,333
Finance personnel	498
Administrative staff	2,146
Total	16,122

2. *Remuneration Policy*

The Company's remuneration policy is based on a broadband salary system under which remuneration is determined according to employees' job responsibilities and quantified performance assessment results. Employee remuneration is linked to both the Company's operating results and individual performance, ensuring a remuneration system that is fair, equitable and consistent.

Employees of the Company domiciled in the PRC participate in the social insurance and housing provident fund schemes in accordance with applicable PRC laws and regulations. The Company is required to make employer contributions to these schemes on behalf of its employees. Currently, the employer contribution rates are 16% for pension insurance, 7.5%-10% for medical insurance, 0.5%-0.7% for unemployment insurance, 0.16%-2.85% for work-related injury insurance, and 12% of an employee's total basic monthly salary for the housing provident fund.

The overseas subsidiaries of the Company provide remuneration and employee benefits in accordance with the applicable laws and regulations of their respective countries of operation. In Congo (DRC), the Company contributes 13% of employees' monthly salaries to social insurance, which covers all medical expenses of employees and their family members. In addition, the Company has established an employee incentive system, including loyalty awards for employees who have completed 5, 10, 15, 20 and 25 years of service, education subsidies for employees' children, retirement allowances, attendance awards, seniority awards and star employee awards. The Company also implements employee career development plans, under which outstanding employees are selected for promotion each year at a rate of 5%, and outstanding personnel from labour service providers are selected and transferred to the Company's permanent workforce.

In Brazil, the Company implements a variable remuneration policy comprising a profit-sharing plan (PLR), performance bonuses, deferred bonuses and mid- to long-term incentives, with the aim of enhancing competitiveness and retaining talent. The Company contributes 37% of employees' monthly salaries to social insurance and the Length-of-Service Guarantee fund. The Company also provides comprehensive employee benefits, including double pay during annual leave, medical and dental insurance for employees and their family members, childcare allowances, annual medical examinations, meal subsidies, loyalty awards and retirement allowances.

3. Training Plan

(1) Headquarter of the Group

①Deepening the global management trainee program of "Mining Talents"

For training of young talents, the Group has been focusing on developing the pool of new talents through its efforts in deepening the global graduate associate program of "Mining Talents" for graduates in 2026. Through rigorous screening, the Group has selected the best among the best from 99 key universities throughout China, with 121 top graduates added to the talent development system. The Group has adopted an innovative "domestic + international" dual-track training model, which is supported by systematic and centralized 9-day training programmes. With a comprehensive system and contents that provide precise empowerment the training programmes cover five core modules of corporate culture awareness, key expertise in mining, overall development of the Company, change in career mindset and skills, and development and combinations of qualities, helping graduates in a quick transformation from students to participants in global workplaces. With a refined and systematic training system, the Group has built a pool that provides new generation of management talent with professional depth and broad strategic vision that adapts to our deployment in global development, as a reserve force of young generation for long-term development of our Company.

②Promoting the development of the "Frontline Leadership Project"

In response to pain points of frontline managers with potential in the journey of transformation, and to address the dual challenges of "role transformation" and "capacity transition" facing them, the Group has implemented a frontline leadership development project. Through in-depth studies and interviews during the preliminary stages of the projects, the project precisely addressed various pain points and practical difficulties facing 45 frontline management trainees in their real-world working places. With these results as the key basis, a plan of empowerment was developed which realised the closed-loop transformation of "acquiring knowledge – practical application – capability improvement". The project has effectively improved the frontline managers' capabilities of team coaching and coaching communication. With a system that consolidates outstanding cases of management and practices for organization of a series of management theories that were replicable, feasible and practicable, the project provides support to the frontline management team in quality improvement and efficiency enhancement, and a sound support to the Group's frontline management system in its standardized and professional development.

③Building continuously and iteratively a learning organization platform

The Group has been deepening the development of its learning organization and comprehensively consolidating the foundation in terms of expertise for developing talents and business development. For core talent empowerment, the Group developed and launched a series of premium courses on leadership and professionalism through deep integration of practices by in-house experienced experts and premium industry-leading resources. In terms of business capabilities empowerment, the Group has continued to launch a series of tailor-made programmes on professional development through precise research and development, which is based on various business lines with differentiated developments and key requirements by various posts. Through systematic and targeted knowledge empowerment, with accelerated consolidation, communication and application of in-house outstanding business practices, the closed-loop development of knowledge empowerment on business was realised, which provides strong support to the stable operation and quality development in terms of knowledge and capability.

(2) Mining Areas in China

In the first half of 2026, centering on requirements for strategic development, with the development of building a talent development system based on "layered classification and systematic collaboration" as the core, and focusing on key talents including new staff, skilled talents, in-house trainers and frontline managers, CMOC China operations promoted the successful implementation of various development tasks in a systematic manner through diversified means including integration of online and offline channels, case-based field simulations and practical exercises, and integration of internal training with external empowerment.

For new employee development, the Group has organised an interim performance reporting session for management trainees who are graduates in 2025, to examine their development and competency for half a year from the recruitment.

For skilled talent empowerment, the Group has launched a skills competition for the young skilled talents, in which outstanding young skilled talents will be selected and recognized as a leading benchmark. A review panel was formed to compile outstanding cases and upload them to the digital learning platform of CMOC Academy for viewing by all of the employees. In addition, related in-house experts were invited to carry out trainings on inspection and maintenance under key businesses such as mines, mineral processing and melting. Moreover, outstanding model workers were organized to visit XCMG for on-site observation and exchanges, thereby enhancing practical skills and passing of craftsman spirit, and broaden the industry horizons of the skilled talents.

For in-house trainers, the Group has launched the "Spark Project" (星火計劃), with 44 in-house trainers joined the practical trainings, as an effort to enhance capabilities of developing programmes and presentation at the class. A unified in-house trainer developing system was also built, which covers modules of closed-loop management such as selection and certification, advanced capacities, motivation and appraisal and commercialization of achievements, thereby providing strong support to consolidation of knowledge and replication of experience in the future.

Through the above measures, CMOC China continues to optimize the development pathway for its key talent pipeline, promoting the growth of talents along with our organizational capability, and contributing comprehensively to the high-quality implementation of the Company's strategic goals.

(3) African Mining Areas

With a strategy focused on the sustainable development of local talent, we have built a talent development ecosystem characterized by "technological roots, local management, and cultural symbiosis" to promote the deep integration of Chinese and African employees.

According to the operational requirements of safe production in the mining sites, the TFM project has delivered a range of training programmes, including site orientation training, equipment operation training, specialized operations training, fire safety training, fatigue management training, leadership training, water operations safety training. These training programs have quickly enhanced frontline employees' job competence and safe operating skills.

Following the localization strategy, the Company simultaneously strengthened training on safety compliance, professional skills and management capabilities, ensuring uniform global operating standards and coordinated talent development across all operations.

Through a well-rounded talent development framework encompassing "global management trainees, leadership development, local training and employee care", the Company's 2026 training initiative achieved the following: enhanced quantity and quality of its international talent pool; continued optimization of the local talent structure; significantly increased employee engagement, and strengthened cross-cultural management capabilities. These achievements provide a replicable and scalable talent management model to support the successful execution of CMOC's globalization strategy.

(4) Other Mining Areas

In the first half of 2026, the Company actively organized various training programs at its Brazilian mining sites and other areas, empowering employees in areas such as job-specific skills, safe and compliant production, and leadership development.

①Specialized training on upgrading and transforming safety functions of CMOC Brasil

The training was held in February 2026 and consisted of a total of 16 hours. Based on the cutting-edge theories in modern safety science, the programme aimed to strengthen the professional capabilities of the Health, Safety, and Environment (SSMA) department in fulfilling its responsibilities. Participants gained in-depth knowledge of key topics, including human factors, new safety management concepts, and the evolution of safety functions, and also explored how these new management approaches could be integrated into the Company's existing management system. The training was designed to foster a more proactive, systematic safety culture aligned with international best practices, while enhancing the overall capabilities of the safety team.

②Specialized compliance training for gold mines under CMOC Brasil

The training is organized into specialised modules designed for departments including human resources, internal audit and risk management, information technology, legal, and asset security departments. It focused on professional knowledge for investigating employee misconduct (including workplace sexual harassment and ethical misconduct), as well as legal risk management throughout the entire investigation process. The programme covers the definition of misconduct, applicable laws and regulations, whistleblower reporting and handling procedures, full investigation process, legal risks arising from improper investigations, guidance on the scope and boundaries of investigations, legal support for employment-related cases, and disciplinary measures. It also covered entire investigation lifecycle from preparation of legal investigation reports to the follow-up on confirmed cases.

③ESG Community Support Projects for enterprises under CMOC Brasil

Entrepreneur Support Programme (Empreender)

As part of the Group's ESG strategy, CMOC Brasil focuses on supporting the development of local suppliers, giving priority to nurturing small and micro enterprises and local producers in the region. Through one-on-one consultations, entrepreneurship courses, and themed talks, the programme reaches social entrepreneurs, merchants, farmers, fishermen, and the wider community. The programme helped micro and small enterprises complete their business registration in compliance with regulations, enabling them to qualify as suppliers to the Company and creating a virtuous cycle of training and empowerment that boosts local income.

Skills Empowerment Training Program (Capacitar)

The empowerment training programme provided free vocational skills training for residents, employees and contractor personnel around the mining areas. Combining classroom instruction with hands-on practical training through a standardised vocational education model, the programme aimed to enhance participants' employability and independent working capabilities, address shortages of skilled local labour, and expand employment opportunities for members of the surrounding communities.

I. PERFORMANCE OF UNDERTAKINGS

Undertakings made by relevant parties such as de facto controller, shareholders, related parties and acquirers of the Company as well as the Company during the Reporting Period or subsisting to the Reporting Period are as follows:

Background of undertaking	Type of undertaking	Undertaking party	Contents of undertakings	Date of undertakings	Whether there is a deadline for performance	Duration of undertakings	Whether timely and strictly performed
Undertakings made in the acquisition report and the report on changes in equity	Resolving competition among peers in the industry	Yu Yong	According to the acquisition report disclosed in January 2014, Mr. Yu Yong has become the de facto controller and he has promised to adopt various effective measures to avoid competition with the Company.	2014/1/23	No	Effective in long term	Yes
	Resolving competition among peers in the industry	CFC	According to the acquisition report disclosed in January 2014, CFC has become a controlling shareholder, and it has promised to adopt various effective measures to avoid competition with the Company.	2014/1/23	No	Effective in long term	Yes
	Dealing with related party transactions	Yu Yong	According to the acquisition report disclosed in January 2014, Mr. Yu Yong has become the de facto controller and he has promised to adopt various effective measures to deal with related party transactions.	2014/1/23	No	Effective in long term	Yes
	Dealing with related party transactions	CFC	According to the acquisition report disclosed in January 2014, CFC has become a controlling shareholder, and it has promised to adopt various effective measures to deal with related party transactions.	2014/1/23	No	Effective in long term	Yes
	Others	Yu Yong	According to the acquisition report disclosed in January 2014, Mr. Yu Yong has become the de facto controller and he has promised to adopt various effective measures to ensure the operational independence of CMOC.	2014/1/23	No	Effective in long term	Yes
	Others	CFC	According to the acquisition report disclosed in January 2014, CFC has become a controlling shareholder, and it has promised to adopt various effective measures to ensure the independence of CMOC.	2014/1/23	No	Effective in long term	Yes

Background of undertaking	Type of undertaking	Undertaking party	Contents of undertakings	Date of undertakings	Whether there is a deadline for performance	Duration of undertakings	Whether timely and strictly performed
Undertakings made in connection with the IPO	Resolving competition among peers in the industry	CFC	When CMOC intended to list our A shares in 2011, CFC, as a shareholder which held over 5% of the equity, has promised to adopt various effective measures to avoid competition with the Company in the same industry.	2011/1/30	No	Effective in long term	Yes
	Resolving competition among peers in the industry	Luoyang Times	When CMOC intended to list our A shares in 2011, LMG, as a controlling shareholder has promised to adopt various effective measures to avoid competition with the Company in the same industry.	2011/5/18	No	Effective in long term	Yes
Other undertakings	Others	Sichuan CATL	According to the acquisition report disclosed on 31 October 2022, Sichuan CATL shall fulfill its obligation to abstain from voting on any transactions that may involve a related-party. If such related-party transaction occurs, it will comply with legal procedures.	2022/10/31	No	Effective in long term	Yes
	Dividend	CMOC	According to the announcement giving emphasis on quality improvement, efficiency enhancement and focusing on returns disclosed on 5 June 2024, the Company has promised to pay cash dividends which account for over 40% of net profit attributable to the parent company as shown in the consolidated statements for three consecutive years from 2024 to 2026.	2024/6/5	Yes	36 months	Yes

II. MATERIAL LITIGATION AND ARBITRATION

The Company is subject to some lawsuits, claims and liability claims in daily business activities. Based on facts, information and professional advices from qualified lawyers, the management believes that the outcome of such litigation and arbitration will not have a material adverse effect on the financial position, operating performance or cash flows of relevant business.

III. INTEGRITY OF THE COMPANY AND ITS CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS DURING THE REPORTING PERIOD

During the reporting period, the controlling shareholders and de facto controller of the Company did not have any failures to perform the obligations as determined by the effective legal documents of a court, nor debts of a relatively large amount that were due but not settled.

IV. MATERIAL RELATED-PARTY TRANSACTIONS

(I) Related-party transactions related to daily operations

1. Matters that have been disclosed in interim announcements but have subsequent progress or changes in implementation

Unit: Ten Thousand Yuan Currency: RMB

Related-party	Related parties' relationship	Type of transaction	Content of related-party transaction	Pricing principles of related-party transaction	Related party transaction price	Related party transaction amount	Percentage of similar transaction amount (%)	Settlement method	Market price	Reasons for the significant difference between the transaction price and the market reference price
CFC	Controlling shareholder	Services for renting premises from related parties	Renting premises	Market price	Market price	2,039	20.87	By cash	/	Nil
CATL and its holding subsidiaries	Shareholders indirectly holding 5% or more of shares	Purchase goods from related parties, accept labor services	Copper, nickel and other related products	Market price	Market price	324,651	3.12	By cash	/	Nil
CATL and its holding subsidiaries	Shareholders indirectly holding 5% or more of shares	Sale of goods and provision of services to related parties	Copper, nickel, cobalt and other related products and services	Market price	Market price	408,631	3.02	By cash	/	Nil
CATL and its holding subsidiaries	Shareholders indirectly holding 5% or more of shares	Interest paid to related parties on advance payment	Interest expenses	Market price	Market price	14,232	8.84	By cash	/	Nil
Total				/	/	749,553	/	/	/	/

Note: The amounts of related-party transactions are presented based on the total contract amounts.

V. MAJOR CONTRACTS AND THEIR PERFORMANCE

(I) Material guarantees performed or not yet performed during the reporting period

Unit: Thousand Yuan Currency: RMB

External guarantees provided by the Company (excluding guarantees provided for subsidiaries)															
Guarantor	Relationship between guarantor and the listed company	Guaranteed party	Guaranteed amount	Date of guarantee (date of signing agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Principal debt	Collateral (if any)	Whether the guarantee has been fulfilled and completed	Whether the guarantee is overdue	Amount of overdue guarantee	With counter guarantee or not	Whether the guarantee is provided to the related parties	Related parties' relationship
The Company	Headquarters of the Company	Luoyang Fuchuan Mining Co., Ltd.	100,000	2025/1/14	2025/1/14	2031/1/13	Joint liability guarantee	N/A	Nil	No	No	0	Yes	No	N/A
The Company	Headquarters of the Company	Luoyang Fuchuan Mining Co., Ltd.	140,000	2026/3/25	2026/3/25	2030/3/24	Joint liability guarantee	N/A	Nil	No	No	0	Yes	No	N/A
The Company	Headquarters of the Company	Luoyang Fuchuan Mining Co., Ltd.	200,000	2026/2/11	2026/2/11	2030/2/10	Joint liability guarantee	N/A	Nil	No	No	0	Yes	No	N/A
Total amount of guarantee provided during the reporting period (excluding guarantee provided to its subsidiaries)															340,000
Total balance of guarantee at the end of the reporting period (A) (excluding guarantee provided to its subsidiaries)															269,000
Guarantee provided by the Company to its subsidiaries															
Total amount of guarantee provided to its subsidiaries during the reporting period															26,490,295
Total balance of guarantee provided to its subsidiaries at the end of the reporting period (B)															33,155,086
Total guarantee of the Company (including guarantee provided to its subsidiaries)															
Total guaranteed amount (A+B)															33,424,086
Percentage of the total guaranteed amount to net assets of the Company (%)															37.15
Among which:															
Guaranteed amount provided to the shareholders, the de facto controller and its related parties (C)															-
Guaranteed amount directly or indirectly provided on liabilities to guaranteed targets with gearing ratio of over 70% (D)															29,943,743
Portion of the total amount of guarantee in excess of 50% of net assets (E)															-
Total of the above three guaranteed amounts (C+D+E)															29,943,743

(II) Entrusting Others for Cash Asset Management

Entrusted Wealth Management

(1) Overall entrusted wealth management

Unit: Thousand Yuan Currency: RMB

Type	Risk characteristics	Outstanding amount
Bank wealth management products	Non-principal-protected with floating returns	1,000,000
Publicly offered fund products	Non-principal-protected with floating returns	3,541,668
Others		
Asset management plan	Non-principal-protected with floating returns	983,578
Structured deposits	Principal-protected with floating returns	300,000
Wealth management products of non-banking financial institutions	Non-principal-protected with floating returns	885,417

(2) Individual entrusted wealth management

Unit: Thousand Yuan Currency: RMB

Trustee	Type of entrusted wealth management	Risk characteristics	Amount of entrusted wealth management	Commencement date of entrusted wealth management	Expiry date of entrusted wealth management	Usage of funds	Is there any restriction	Outstanding amount
NEW CHINA CAPITAL MANAGEMENT	Asset management plan	Non-principal-protected with floating returns	983,578	2017/9/8	No fixed-term	Portfolio investment	No	983,578
Bank of Communications	Structured deposit	Principal-protected with floating returns	300,000	2026/6/26	2026/8/27	Bank deposits	No	300,000
China Construction Bank	Bank wealth management product	Non-principal-protected with floating returns	500,000	2026/4/9	2026/7/9	Fixed-income assets	No	500,000
Ping An Bank	Bank wealth management product	Non-principal-protected with floating returns	500,000	2026/4/16	2026/7/16	Financial assets and financial instruments meeting regulatory requirements	No	500,000
CITIC Securities	Money Market Fund	Non-principal-protected with floating returns	3,541,668	2025/12/3	No fixed-term	High-quality bank deposits and government agency money market instruments	No	3,541,668
CITIC Securities	Wealth management products of non-banking financial institutions	Non-principal-protected with floating returns	885,417	2026/4/22	No fixed-term	U.S. dollar-denominated floating-rate bonds issued by Chinese banks and highly rated foreign banks	No	885,417
Total			6,710,663					6,710,663

Note: As of the reporting date, the principal and income of the entrusted wealth management and structured deposits due have been recovered.

V. INFORMATION ON USE OF NET PROCEEDS

Details of use of net proceeds from the H Share Convertible Bonds are set out below:

Unit: US$ millions

Intended use of net proceeds	Amount of net proceeds after deducting issuance expenses	Amount of net proceeds utilised during the reporting period	Amount of unutilised net proceeds as at the end of the reporting period	Expected timeline for utilisation of unutilised net proceeds
Expansion and sustaining capital expenditure for the Company's overseas mining and processing assets	416.5	108.5	308.0	The second half of 2026
Enhance flexibility of the Company's overseas trade working capital and for general corporate purposes	771.0	771.0	–	N/A

Note: As at the date of this report, the Board confirmed that the net proceeds from the H Share Convertible Bonds were used according to the intended use previously disclosed by the Company. The expected timetable for utilising the remaining net proceeds is based on the best estimates of the future market conditions made by the Group. It may be subject to change based on the current and future development of market conditions.

SECTION VII CHANGES IN SHARES AND SHAREHOLDERS

I. CHANGES IN SHARE CAPITAL

(I) Table of Changes in Shares

1. Table of changes in shares

During the Reporting Period, the total number of shares and the share capital structure of the Company remained unchanged.

II. SHAREHOLDERS

(I) Total Number of Shareholders:

Total number of holders of ordinary shares as of the end of the reporting period	851,791

(II) Table on the Shareholdings of the Top Ten Shareholders and the Top Ten Shareholders with Tradable Shares (or Shareholders Not Subject to Selling Restrictions) as at the End of the reporting period

Unit: 10,000 shares

Shareholding of the top ten shareholders (excluding lending shares through refinancing)							
Name of shareholders (full name)	Changes during the reporting period	Closing number of shares held	Percentage (%)	Number of shares held subject to selling restrictions	Pledge, mark or frozen Status of shares	Pledge, mark or frozen Number	Nature of shareholders
Cathay Fortune Corporation (鴻商產業控股集團有限公司)	–	533,322.00	24.93	0	Pledged	29,710.80	Domestic non-state owned legal person
Luoyang Times Resources Holdings Co., Ltd. (洛陽時代資源控股有限公司)	–	532,978.04	24.91	0	Nil	0	Domestic non-state owned legal person
HKSCC NOMINEES LIMITED	543.20	360,344.82	16.84	0	Nil	0	Overseas legal person
Hong Kong Securities Clearing Company Limited	-20,545.98	47,039.72	2.20	0	Nil	0	Overseas legal person
Industrial and Commercial Bank of China Limited – Southern CSI Shenwan Nonferrous Metals Exchange Traded Open-End Index Securities Investment Fund (中國工商銀行股份有限公司－南方中證申萬有色金屬交易型開放式指數證券投資基金)	764.81	9,171.98	0.43	0	Nil	0	Unknown

Shareholding of the top ten shareholders (excluding lending shares through refinancing)

Name of shareholders (full name)	Changes during the reporting period	Closing number of shares held	Percentage (%)	Number of shares held subject to selling restrictions	Pledge, mark or frozen Status of shares	Pledge, mark or frozen Number	Nature of shareholders
China Construction Bank Corporation – Wanjia CSI Industry Non-ferrous Metal Theme ETF Open-Ended Index Securities Investment Fund (中國建設銀行股份有限公司－萬家中證工業有色金屬主題交易型開放式指數證券投資基金)	3.35	5,688.70	0.27	0	Nil	0	Unknown
China Life Insurance Company Limited – Traditional – Ordinary Insurance Products – 005L – CT001 Shanghai (中國人壽保險股份有限公司－傳統－普通保險產品－005L－CT001 滬)	1,065.33	4,824.47	0.23	0	Nil	0	Unknown
CITIC Securities Company Limited – Tianhong CSI Industrial Non-Ferrous Metals Theme Exchange Traded Open-Ended Index Securities Investment Fund (中信証券股份有限公司－天弘中證工業有色金屬主題交易型開放式指數證券投資基金)	4,513.76	4,513.76	0.21	0	Nil	0	Unknown
China CITIC Bank Corporation Limited – ChinaAMC CSI Non-ferrous Metal ETF Open ended Index Securities Investment Fund (中信銀行股份有限公司－華夏中證細分有色金屬產業主題交易型開放式指數證券投資基金)	1,215.49	3,826.74	0.18	0	Nil	0	Unknown
China Galaxy Securities Co., Ltd. – Harvest CSI Rare Metals Industry ETF (中國銀河證券股份有限公司－嘉實中證稀有金屬主題交易型開放式指數證券投資基金)	1,212.97	3,665.80	0.17	0	Nil	0	Unknown

Unit: 10,000 shares

Shareholding of the top ten shareholders not subject to selling restrictions (excluding leading shares through refinancing)

Name of shareholders	Number of tradable shares not subject to selling restrictions	Types and quantity of shares: Types	Quantity
Cathay Fortune Corporation (鴻商產業控股集團有限公司)	533,322.00	RMB-denominated ordinary share	503,022.00
		Overseas listed foreign-invested shares	30,300.00
Luoyang Times Resources Holdings Co., Ltd. (洛陽時代資源控股有限公司)	532,978.04	RMB-denominated ordinary share	532,978.04
HKSCC NOMINEES LIMITED	360,344.82	Overseas listed foreign-invested shares	360,344.82
Hong Kong Securities Clearing Company Limited	47,039.72	RMB-denominated ordinary share	47,039.72
Industrial and Commercial Bank of China Limited – Southern CSI Shenwan Non-ferrous Metals Exchange Traded Open-Ended Index Securities Investment Fund (中國工商銀行股份有限公司－南方中證申萬有色金屬交易型開放式指數證券投資基金)	9,171.98	RMB-denominated ordinary share	9,171.98
China Construction Bank Corporation – Wanjia CSI Industry Non-ferrous Metal Theme ETF Open-Ended Index Securities Investment Fund (中國建設銀行股份有限公司－萬家中證工業有色金屬主題交易型開放式指數證券投資基金)	5,688.70	RMB-denominated ordinary share	5,688.70
China Life Insurance Company Limited – Traditional – Ordinary Insurance Products – 005L – CT001 Shanghai (中國人壽保險股份有限公司－傳統－普通保險產品－005L－CT001 滬)	4,824.47	RMB-denominated ordinary share	4,824.47
CITIC Securities Company Limited – Tianhong CSI Industrial Non-ferrous Metals Theme Exchange Traded Open-Ended Index Securities Investment Fund (中信證券股份有限公司－天弘中證工業有色金屬主題交易型開放式指數證券投資基金)	4,513.76	RMB-denominated ordinary share	4,513.76
China CITIC Bank Corporation Limited – ChinaAMC CSI Non-ferrous Metal ETF Open-ended Index Securities Investment Fund (中信銀行股份有限公司－華夏中證細分有色金屬產業主題交易型開放式指數證券投資基金)	3,826.74	RMB-denominated ordinary share	3,826.74
China Galaxy Securities Co., Ltd. – Harvest CSI Rare Metals Industry ETF (中國銀河證券股份有限公司－嘉實中證稀有金屬主題交易型開放式指數證券投資基金)	3,665.80	RMB-denominated ordinary share	3,665.80
Explanation of the aforesaid shareholders' related relations or concerted action	Cathay Fortune International Company Limited (鴻商產業國際有限公司), a wholly-owned subsidiary of Cathay Fortune Corporation (鴻商產業控股集團有限公司), and Cathay Fortune Investment Limited (鴻商投資有限公司), an indirect wholly-owned subsidiary, hold a total of 303,000,000 H shares of the Company, which were registered under HKSCC NOMINEES LIMITED. Cathay Fortune Corporation (鴻商產業控股集團有限公司), which holds a total of 5,333,220,000 shares of the Company, is the largest shareholder of the Company.		

III. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

To the best knowledge of all Directors, as at 30 June 2026, the persons or companies (other than Directors or the chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO or who were deemed to be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company were as follows:

Name	Number of shares held	Capacity	Class of share	Approximate percentage of shares in relevant class of shares
CFC[(1)(5)]	5,030,220,000	Beneficial owner	A share	28.81%
	303,000,000 (L)	Interest in controlled corporation	H share	7.70% (L)
Cathay Fortune Investment Limited ("**Cathay Hong Kong**")[(1)]	91,518,000 (L)	Beneficial owner	H share	2.33% (L)
Cathay Fortune International Company Limited[(1)]	211,482,000 (L)	Beneficial owner	H share	5.38% (L)
Yu Yong[(2)]	5,030,220,000	Interest in controlled corporation	A share	28.81%
	303,000,000 (L)	Interest in controlled corporation	H share	7.70% (L)
Luoyang Times	5,329,780,425	Beneficial owner	A share	30.52%
Sichuan CATL	5,329,780,425	Interest in controlled corporation	A share	30.52%
BlackRock, Inc.[(3)]	298,228,485 (L)	Interest in controlled corporation	H share	7.58% (L)
	2,385,000 (S)			0.06% (S)
JPMorgan Chase & Co.[(4)]	266,781,348 (L)	Beneficial owner/investment manager/person having a security interest in shares/ approved lending agent	H share	6.78% (L)
	69,791,866 (S)			1.77% (S)
	111,627,680 (P)			2.84% (P)

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

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

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

(3) BlackRock, Inc. is deemed to hold a total of long position of 298,228,485 H shares and short position of 2,385,000 H shares of the Company due to its control rights over a number of companies. BlackRock Finance, Inc., Trident Merger, LLC, BlackRock Investment Management, LLC, BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock Holdco 4, LLC, BlackRock Holdco 6, LLC, BlackRock Delaware Holdings Inc., BlackRock Institutional Trust Company, National Association, BlackRock Fund Advisors, BlackRock Capital Holdings, Inc., BlackRock Advisors, LLC, BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Lux Finco S.àr.l., BlackRock Japan Holdings GK, BlackRock Japan Co., Ltd., BlackRock Holdco 3, LLC, BlackRock Canada Holdings ULC, BlackRock Asset Management Canada Limited, BlackRock Australia Holdco Pty. Ltd., BlackRock Investment Management (Australia) Limited, BlackRock (Singapore) Holdco Pte. Ltd., BlackRock HK Holdco Limited, BlackRock Asset Management North Asia Limited, BlackRock Cayman 1 LP, BlackRock Cayman West Bay Finco Limited, BlackRock Cayman West Bay IV Limited, BlackRock Group Limited, BlackRock Finance Europe Limited, BlackRock (Netherlands) B.V., BlackRock Advisors (UK) Limited, BlackRock International Limited, BlackRock Group Limited-Luxembourg Branch, BlackRock Luxembourg Holdco S.à r.l., BlackRock Investment Management Ireland Holdings Unlimited Company, BlackRock Asset Management Ireland Limited, BLACKROCK (Luxembourg) S.A., BlackRock Investment Management (UK) Limited, BlackRock (Netherlands) B.V. – German Branch – Frankfurt BlackRock, BlackRock Asset Management Deutschland AG, BlackRock Fund Managers Limited, BlackRock Life Limited, BlackRock (Singapore) Limited, BlackRock UK Holdco Limited, BlackRock Asset Management Schweiz AG, EG Holdings Blocker, LLC, Amethyst Intermediate, LLC, Aperio Holdings, LLC and Aperio Group, LLC, being the controlled corporations, directly or indirectly hold the shares of the Company.

(4) JPMorgan Chase & Co. is deemed to hold a total of long position of 266,781,348 H shares, short position of 69,791,866 H shares and lending pool of 111,627,680 H shares of the Company due to its control rights over a number of companies. JPMorgan Asset Management (China) Company Limited, JPMorgan Asset Management (Taiwan) Limited, J.P. Morgan SE, J.P. Morgan Securities LLC, JPMORGAN ASSET MANAGEMENT (UK) LIMITED, J.P. Morgan Investment Management Inc., J.P. Morgan Prime Inc., JPMorgan Chase Bank (China) Company Limited, JPMorgan Chase Bank, National Association, J.P. Morgan Alternative Asset Management, Inc., JPMorgan Asset Management (Asia Pacific) Limited, J.P. MORGAN SECURITIES PLC, JPMorgan Asset Management Holdings Inc., JPMorgan Chase Holdings LLC, JPMorgan Asset Management (Asia) Inc., J.P. Morgan International Finance Limited, J.P. Morgan Broker-Dealer Holdings Inc., JPMORGAN ASSET MANAGEMENT INTERNATIONAL LIMITED and J.P. MORGAN CAPITAL HOLDINGS LIMITED, being the controlled corporations, directly or indirectly hold the shares of the Company.

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

Save as disclosed above, as at 30 June 2026, the Directors were not aware of any other persons (other than a Director or chief executive of the Company) who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

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

As at 30 June 2026, the shareholding of A Shares of the Company of the current Directors and chief executives of the Company was as follows:

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

As at 30 June 2026, the current Directors and chief executives of the Company did not hold any H Share.

Save as disclosed above, so far as was known to the Directors, as at 30 June 2026, none of the Directors, chief executives and their respective associates had interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which required the Company and the Stock Exchange to be notified pursuant to Part XV of the SFO or which were required to be entered into the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

V. REPURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY AND ITS SUBSIDIARIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company or any of its subsidiaries (including sale of treasury shares) during the six months ended 30 June 2026.

As at 30 June 2026, the Company did not hold any treasury shares.

SECTION VIII INFORMATION ON BONDS

I. CONVERTIBLE CORPORATE BONDS

(I) Issuance of Convertible Bonds

CMOC Capital Limited, a wholly-owned subsidiary of the Company, issued the USD1,200,000,000 zero coupon guaranteed convertible bonds due 2027 (the "H Share Convertible Bonds") on 26 January 2026. The H Share Convertible Bonds were issued in registered form in the specified denomination of USD200,000 each and integral multiples of USD100,000 in excess thereof. The issue price was 100.00% of the principal amount of the H Share Convertible Bonds.

The H Share Convertible Bonds are convertible in the circumstances set out in the terms and conditions of the H Share Convertible Bonds into the Company's fully paid ordinary H Shares of a nominal value of RMB0.20 each at an initial conversion price of HK$28.03 per H Share (subject to adjustments). The H Share Convertible Bonds were issued to no less than six independent placees (who were independent individual, corporate and/or institutional investors). On the date of the signing of the subscription agreement in respect of the H Share Convertible Bonds upon which the terms of the H Share Convertible Bonds were fixed (i.e., 19 January 2026), the closing price per H Share was HK$21.78.

The listing of and permission to deal in the H Share Convertible Bonds on the Vienna MTF as operated by the Vienna Stock Exchange have become effective since 26 January 2026. The net proceeds from the issue of the H Share Convertible Bonds, after the deduction of fees, commissions and expenses payable, were approximately USD1,187.5 million.

Approximately 40% of the net proceeds from the issue of the H Share Convertible Bonds will be used for expansion and sustaining capital for the Company's overseas mining and processing assets and approximately 60% will be used to enhance flexibility of the Company's overseas trade working capital and for general corporate purposes. The Board considers that the issue of the H Share Convertible Bonds will be conducive to improve the liquidity position, to reduce the financing costs and to replenish working capital for the Company, and at the same time is expected to enlarge and diversify the shareholder base of the Company.

(II) Historical Adjustments to the Conversion Price

Name of Convertible Bond H Share Convertible Bonds

Date of conversion price adjustment	Adjusted conversion price	Date of disclosure	Publication media	Reason for conversion price adjustment
27 May 2026	HK$27.55	14 May 2026	Websites of the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited	Adjustment to the conversion price due to the distribution of the final dividend of the Company for 2025
Latest conversion price as at the end of the Reporting Period (the "Adjusted Conversion Price")				HK$27.55

(III) Other Information on the Convertible Bonds

Dilutive Impact of the Conversion of H Share Convertible Bonds

As at 30 June 2026, no H Share Convertible Bonds were redeemed or converted. Assuming full conversion of the H Share Convertible Bonds at the Adjusted Conversion Price, the number of H Shares convertible and issuable thereunder will be approximately 339,554,265 H Shares, representing approximately 8.63% of the number of issued H Shares and approximately 1.59% of the number of issued Shares as at 30 June 2026. It also represents approximately 7.95% of the enlarged number of issued H Shares and approximately 1.56% of the enlarged number of issued Shares resulting from the issue of H Shares upon full conversion of the H Share Convertible Bonds at the Adjusted Conversion Price.

The following table sets forth the dilutive impact on the number of issued Shares of the Company and the respective shareholdings of the substantial shareholders of the Company as at 30 June 2026, assuming full conversion of the H Share Convertible Bonds at the Adjusted Conversion Price:

		As at 30 June 2026		Assuming full conversion of the H Share Convertible Bonds at the Adjusted Conversion Price of HK$27.55 per H Share	
Shareholders	**Class of Share**	**Number of Shares**	**Approximate percentage of the issued share capital of the Company**	**Number of Shares**	**Approximate percentage of the enlarged issued share capital of the Company**
CFC (Note)	A Shares	5,030,220,000	23.51%	5,030,220,000	23.15%
	H Shares	303,000,000	1.42%	303,000,000	1.39%
Subtotal	/	*5,333,220,000*	*24.93%*	*5,333,220,000*	*24.54%*
Luoyang Times	A Shares	5,329,780,425	24.91%	5,329,780,425	24.52%
Holders of the H Share Convertible Bonds	H Shares	–	–	339,554,265	1.56%
Other holders of A Shares	A Shares	7,100,841,751	33.19%	7,100,841,751	32.67%
Other holders of H Shares	H Shares	3,630,468,000	16.97%	3,630,468,000	16.71%
Total		21,394,310,176	100.00%	21,733,864,441	100.00%

Note:

1. As at 30 June 2026, CFC beneficially held 5,030,220,000 A Shares, and had an interest in the 303,000,000 H Shares held by its wholly-owned subsidiaries Cathay Hong Kong and Cathay Fortune International Company Limited.

For the Reporting Period, there would be a potential dilutive impact on earnings per share assuming full conversion of the H Share Convertible Bonds at the Adjusted Conversion Price at the end of the Reporting Period, resulting in a decrease from basic earnings per share of RMB0.76 to diluted earnings per share of RMB0.75.

As the H Share Convertible Bonds are zero coupon bonds issued at 100% of the principal amount and redeemable at the principal amount, at any time during the term of the H Share Convertible Bonds, the share price of the H Shares at which a holder would receive the same economic return whether he/she elects to convert the H Share Convertible Bonds or have them redeemed would be equal to the Adjusted Conversion Price of HK$27.55 per H Share (the conversion price is only a simulated price, and does not constitute a value of the actual conversion price).

Having considered the financial and liquidity position of the Group mentioned in the section headed "Management Discussion and Analysis," the Board expects the Company will be able to meet its redemption obligations under the H Share Convertible Bonds when they become due.

I. AUDIT REPORT

This interim report has not been audited.

II. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

30 June 2026

Prepared by: CMOC Group Limited
Unit: RMB

Item	Notes	30 June 2026	31 December 2025
Current assets:			
Cash and bank balances	(VII)1	**42,522,841,070.39**	33,563,955,852.45
Held-for-trading financial assets	(VII)2	**16,087,665,708.02**	13,642,641,515.48
Derivative financial assets	(VII)3	**2,940,310,572.93**	1,845,993,109.55
Accounts receivable	(VII)4	**1,327,230,626.25**	1,210,025,340.21
Financing with receivables	(VII)5	**20,762,998.23**	59,223,805.38
Prepayments	(VII)6	**2,952,930,031.54**	1,839,159,056.77
Other receivables	(VII)7	**5,807,777,193.40**	5,930,423,346.98
Including: Interest receivable	(VII)7.2	**90,638,702.13**	338,482,419.43
Dividends receivable	(VII)7.3	**–**	32,000,000.00
Inventories	(VII)8	**45,109,226,337.46**	40,600,637,422.42
Non-current assets due within one year	(VII)9	**781,899,049.72**	1,421,675,981.00
Other current assets	(VII)10	**10,075,883,617.70**	10,234,292,119.94
Total Current Assets		**127,626,527,205.64**	110,348,027,550.18
Non-current assets:			
Long-term equity investments	(VII)11	**4,491,882,575.49**	3,898,011,448.97
Investments in other equity instruments	(VII)12	**107,370,441.48**	46,379,698.64
Other non-current financial assets	(VII)13	**3,379,817,444.11**	3,121,439,688.84
Non-current derivative financial assets	(VII)3	**46,003,777.96**	–
Fixed assets	(VII)14	**44,164,182,832.78**	42,039,667,205.37
Construction in progress	(VII)15	**8,412,937,555.02**	4,053,651,119.56
Right-of-use assets	(VII)16	**240,688,376.02**	180,544,583.69
Intangible assets	(VII)17	**24,004,658,993.75**	24,044,081,167.37
Long-term inventories	(VII)8	**6,838,211,809.73**	7,053,870,748.59
Goodwill	(VII)18	**413,634,390.19**	426,867,726.99
Long-term prepaid expenses	(VII)19	**218,044,200.65**	237,933,811.96
Deferred tax assets	(VII)20	**3,701,224,456.26**	2,361,882,379.22
Other non-current assets	(VII)21	**4,090,542,748.89**	3,120,007,481.61
Total Non-current Assets		**100,109,199,602.33**	90,584,337,060.81
Total Assets		**227,735,726,807.97**	200,932,364,610.99

Item	Notes	30 June 2026	31 December 2025
Current liabilities:			
Short-term borrowings	(VII)23	**35,860,970,221.23**	27,128,885,828.23
Held-for-trading financing liabilities	(VII)24	**9,161,412,127.65**	8,184,442,794.65
Derivative financial liabilities	(VII)25	**6,194,704,488.28**	10,425,800,911.43
Notes payable	(VII)26	**660,756,258.68**	472,133,125.45
Accounts payable	(VII)27	**6,534,332,048.80**	5,141,795,756.14
Contract liabilities	(VII)28	**2,091,740,251.87**	1,512,341,320.38
Employee benefits payable	(VII)29	**1,672,643,877.29**	2,040,659,499.84
Taxes payable	(VII)30	**11,224,644,626.52**	8,234,866,142.36
Other payables	(VII)31	**5,297,076,793.88**	3,498,341,389.68
Including: Dividends payable	(VII)31.2	**34,063,210.06**	34,063,210.06
Non-current liabilities due within one year	(VII)32	**2,515,189,966.83**	3,488,014,284.30
Other current liabilities	(VII)33	**9,377,541,928.36**	969,249,337.52
Total Current Liabilities		**90,591,012,589.39**	71,096,530,389.98
Non-current Liabilities:			
Long-term borrowings	(VII)34	**598,000,000.00**	1,166,200,000.00
Lease liabilities	(VII)35	**104,906,825.29**	91,437,311.92
Long-term employee benefits payable	(VII)36	**610,245,106.89**	592,848,067.77
Provisions	(VII)37	**3,234,194,968.63**	2,755,891,555.63
Deferred income	(VII)38	**123,962,594.81**	128,750,812.85
Deferred tax liabilities	(VII)20	**5,741,876,566.76**	6,402,443,016.36
Other non-current liabilities	(VII)39	**17,778,209,237.93**	18,911,536,415.76
Total Non-current Liabilities		**28,191,395,300.31**	30,049,107,180.29
Total Liabilities		**118,782,407,889.70**	101,145,637,570.27

Item	Notes	30 June 2026	31 December 2025
Owners' equity (or Shareholders' equity):			
Paid-in capital (or share capital)	(VII)40	**4,278,862,035.20**	4,278,862,035.20
Other equity instruments	(VII)41	**292,087,876.54**	–
Including: Convertible bonds		**292,087,876.54**	–
Capital reserve	(VII)42	**26,530,234,299.42**	26,592,906,434.37
Less: Treasury shares	(VII)43	**18,418,689.08**	82,426,321.88
Other comprehensive income	(VII)44	**-2,671,085,852.64**	188,371,981.23
Special reserve	(VII)45	**437,628,094.97**	377,298,142.22
Surplus reserve	(VII)46	**2,159,924,058.30**	2,159,924,058.30
Retained profits	(VII)47	**58,953,820,731.37**	48,920,405,956.63
Total owners' equity (or shareholders' equity) attributable to equity holders of the Company		**89,963,052,554.08**	82,435,342,286.07
Minority interests		**18,990,266,364.19**	17,351,384,754.65
Total owners' equity (or shareholders' equity)		**108,953,318,918.27**	99,786,727,040.72
Total liabilities and owners' equity (or shareholders' equity)		**227,735,726,807.97**	200,932,364,610.99

Head of the Company:	Chief Financial Officer:	Head of Accounting Department:
Liu Jianfeng	Chen Xingyao	Bao Yiqing

THE COMPANY'S BALANCE SHEET

30 June 2026

Prepared by: CMOC Group Limited
Unit: RMB

Item	Notes	30 June 2026	31 December 2025
Current assets:			
Cash and bank balances		**6,029,034,204.66**	5,745,041,429.97
Held-for-trading financial assets		**1,473,128,070.15**	1,050,776,411.53
Accounts receivable	(XIX)1	**1,836,730,844.98**	743,048,329.59
Financing with receivables		**4,021,904.87**	5,591,515.22
Prepayments		**15,543,963.57**	19,513,396.75
Other receivables	(XIX)2	**4,050,202,411.11**	5,418,045,733.04
Including: Interest receivable		**102,739,775.76**	155,380,772.68
Dividends receivable		**1,802,341,533.41**	4,480,327,529.42
Inventories		**411,885,868.73**	268,640,572.26
Non-current assets due within one year		**455,394,914.62**	919,367,717.71
Other current assets		**354,245,142.75**	9,647,094.98
Total Current Assets		**14,630,187,325.44**	14,179,672,201.05
Non-current assets:			
Long-term equity investments	(XIX)3	**45,824,614,017.98**	38,530,637,182.97
Other non-current financial assets		**155,888,814.87**	155,888,814.87
Fixed assets		**2,381,534,266.25**	2,511,210,715.37
Construction in progress		**514,049,312.01**	390,504,724.11
Intangible assets		**161,021,574.08**	165,256,018.05
Long-term prepaid expenses		**174,066,074.81**	187,661,183.49
Deferred tax assets		**74,903,977.64**	64,977,733.15
Other non-current assets		**269,159,306.25**	272,961,078.22
Total Non-current Assets		**49,555,237,343.89**	42,279,097,450.23
Total Assets		**64,185,424,669.33**	56,458,769,651.28

Item	Notes	30 June 2026	31 December 2025
Current liabilities:			
Short-term borrowings		–	1,200,758,388.89
Notes payable		524,000,000.00	–
Accounts payable		782,356,417.76	349,548,295.92
Contract liabilities		47,947,329.44	13,134,612.24
Employee benefits payable		140,159,040.56	181,075,518.84
Taxes payable		383,329,268.83	469,894,522.32
Other payables		22,695,204,790.30	10,894,859,742.71
Including: Interest payable		6,539,176.06	9,942,551.69
Non-current liabilities due within one year		1,584,512,688.74	2,138,217,581.11
Other current liabilities		270,757,131.77	243,567,552.91
Total Current Liabilities		26,428,266,667.40	15,491,056,214.94
Non-current liabilities:			
Long-term borrowings		400,000,000.00	968,200,000.00
Provisions		107,810,659.70	105,555,626.42
Deferred income		15,081,688.40	15,274,481.30
Other non-current liabilities		304,900,582.43	299,843,030.23
Total Non-current Liabilities		827,792,930.53	1,388,873,137.95
Total Liabilities		27,256,059,597.93	16,879,929,352.89
Owners' equity (or Shareholders' equity):			
Paid-in capital (or share capital)		4,278,862,035.20	4,278,862,035.20
Capital reserve		26,694,475,087.84	26,738,253,796.83
Less: Treasury shares		18,418,689.08	82,426,321.88
Special reserve		415,911,931.97	360,139,773.91
Surplus reserve		2,159,924,058.30	2,159,924,058.30
Retained profits		3,398,610,647.17	6,124,086,956.03
Total owners' equity (or shareholders' equity)		36,929,365,071.40	39,578,840,298.39
Total liabilities and owners' equity (or shareholders' equity)		64,185,424,669.33	56,458,769,651.28

Head of the Company: Liu Jianfeng

Chief Financial Officer: Chen Xingyao

Head of Accounting Department: Bao Yiqing

CONSOLIDATED INCOME STATEMENT

Jan. – Jun. 2026

Unit: RMB

Item	Notes	Jan. – Jun. 2026	Jan. – Jun. 2025
I. Total operating income	(VII)48	**135,319,885,598.22**	94,772,503,770.20
Including: Operating income		**135,319,885,598.22**	94,772,503,770.20
II. Total operating costs		**110,329,732,406.63**	78,964,362,723.50
Including: Operating costs	(VII)48	**104,184,032,395.96**	74,727,331,950.71
Taxes and levies	(VII)49	**2,456,517,825.29**	1,851,518,519.53
Selling expenses	(VII)50	**42,502,443.24**	56,528,617.59
Administrative expenses	(VII)51	**1,567,605,876.69**	1,130,402,169.80
Research and development expenses		**379,683,239.73**	219,231,302.10
Financial expenses	(VII)52	**1,699,390,625.72**	979,350,163.77
Including: Interest expenses		**1,472,382,390.38**	1,371,671,483.59
Interest income		**901,627,692.78**	798,758,089.17
Add: Other income	(VII)53	**25,897,162.96**	33,913,059.69
Investment income (losses are indicated by "-")	(VII)54	**785,815,741.49**	273,312,181.23
Including: Income from investments in associates and joint ventures		**687,163,087.35**	301,196,747.46
Gains from changes in fair value (losses are indicated by "-")	(VII)55	**-37,687,891.97**	-1,152,560,996.52
Losses from credit impairment (losses are indicated by "-")	(VII)56	**-38,299,235.59**	-8,523,413.94
Asset impairment losses (losses are indicated by "-")	(VII)57	**-8,484,295.93**	14,792,077.90
Gains from disposal of assets (losses are indicated by "-")	(VII)58	**13,790,929.32**	-9,612,963.73
III. Operating profit (losses are indicated by "-")		**25,731,185,601.87**	14,959,460,991.33
Add: Non-operating income	(VII)59	**24,507,783.30**	7,461,188.89
Less: Non-operating expenses	(VII)60	**50,894,540.77**	64,391,511.90
IV. Total profit (total loss is indicated by "-")		**25,704,798,844.40**	14,902,530,668.32
Less: Income tax expenses	(VII)61	**7,254,592,356.21**	5,059,505,143.26

Item	Notes	Jan. – Jun. 2026	Jan. – Jun. 2025
V. Net profit (net loss is indicated by "-")		**18,450,206,488.19**	9,843,025,525.06
(I) Classified by business continuity			
1. Net profit from continuing operations (net loss is indicated by "-")		**18,450,206,488.19**	9,843,025,525.06
(II) Classified by ownership			
1. Net profit attributable to shareholders of the Company (net loss is indicated by "-")		**16,152,187,485.37**	8,671,260,077.51
2. Profit or loss attributable to minority interests (net loss is indicated by "-")		**2,298,019,002.82**	1,171,765,447.55
VI. Other comprehensive income, net of tax	(VII)44	**-3,418,657,752.02**	-567,567,080.96
(I) Other comprehensive income attributable to owners of the Company, net of tax		**-2,859,457,833.87**	-506,523,383.28
1. Other comprehensive income that cannot be reclassified to profit or loss		**62,084,165.04**	–
(1) Changes in fair value of investments in other equity instruments		**62,084,165.04**	–
2. Other comprehensive income that will be reclassified to profit or loss		**-2,921,541,998.91**	-506,523,383.28
(1) Cash flow hedge reserve		**–**	-77,380,124.15
(2) Translation differences of financial statements denominated in foreign currencies		**-2,921,541,998.91**	-429,143,259.13
(II) Other comprehensive income attributable to minority interests, net of tax		**-559,199,918.15**	-61,043,697.68
VII. Total comprehensive income		**15,031,548,736.17**	9,275,458,444.10
(I) Total comprehensive income attributable to owners of the Company		**13,292,729,651.50**	8,164,736,694.23
(II) Total comprehensive income attributable to minority interests		**1,738,819,084.67**	1,110,721,749.87
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)		**0.76**	0.41
(II) Diluted earnings per share (RMB/share)		**0.75**	0.41

Head of the Company:	Chief Financial Officer:	Head of Accounting Department:
Liu Jianfeng	Chen Xingyao	Bao Yiqing

THE COMPANY'S INCOME STATEMENT

Jan. – Jun. 2026

Unit: RMB

Item	Notes	Jan. – Jun. 2026	Jan. – Jun. 2025
I. Operating income	(XIX)4	**7,061,347,453.70**	3,429,066,571.07
Less: Operating costs	(XIX)4	**2,351,534,485.37**	1,582,713,754.00
Taxes and levies		**603,070,325.97**	405,311,815.44
Administrative expenses		**82,652,259.39**	78,899,353.15
Research and development expenses		**227,875,030.73**	127,262,569.79
Financial expenses		**26,297,067.19**	46,916,333.27
Including: Interest expenses		**68,826,206.61**	140,657,741.26
Interest income		**71,697,141.80**	107,362,229.01
Add: Other income		**7,501,736.46**	16,907,976.97
Investment income (losses are indicated by "-")	(XIX)5	**174,813,139.47**	56,680,955.80
Including: Income from investments in associates and joint ventures		**208,723,335.05**	79,712,160.17
Gains from changes in fair value (losses are indicated by "-")		**19,703,721.26**	24,409,737.26
Losses from credit impairment (losses are indicated by "-")		**-270,960.46**	-267,334.40
Asset impairment losses (losses are indicated by "-")		**–**	-225,478.93
Losses from disposal of assets (losses are indicated by "-")		**-1,266,422.33**	-1,629,248.12
II. Operating profit (losses are indicated by "-")		**3,970,399,499.45**	1,283,839,354.00
Add: Non-operating income		**3,393,268.80**	2,814,423.23
Less: Non-operating expenses		**15,906,230.03**	32,476,895.10
III. Total profit (total loss is indicated by "-")		**3,957,886,538.22**	1,254,176,882.13
Less: Income tax expenses		**564,590,136.45**	-92,871,312.35
IV. Net profit (net loss is indicated by "-")		**3,393,296,401.77**	1,347,048,194.48
(I) Net profit from continuing operations (net loss is indicated by "-")		**3,393,296,401.77**	1,347,048,194.48
V. Total comprehensive income		**3,393,296,401.77**	1,347,048,194.48

Head of the Company: Liu Jianfeng   Chief Financial Officer: Chen Xingyao   Head of Accounting Department: Bao Yiqing

CONSOLIDATED CASH FLOW STATEMENT

Jan. – Jun. 2026

Unit: RMB

Item	Notes	Jan. – Jun. 2026	Jan. – Jun. 2025
I. Cash Flows from Operating Activities:			
Cash receipts from sales of goods and rendering of services		**137,767,537,921.02**	93,207,407,090.63
Other cash receipts relating to operating activities	(VII)62(1)	**1,118,549,735.10**	1,031,486,207.51
Sub-total of cash inflows from operating activities		**138,886,087,656.12**	94,238,893,298.14
Cash payments for goods purchased and services received		**104,722,232,499.75**	70,854,453,855.48
Cash payments to and on behalf of employees		**3,255,871,002.52**	2,581,087,748.67
Payments of various types of taxes		**14,337,402,380.38**	8,267,363,366.33
Other cash payments relating to operating activities	(VII)62(1)	**236,891,038.06**	527,320,007.32
Sub-total of cash outflows from operating activities		**122,552,396,920.71**	82,230,224,977.80
Net Cash Flow from Operating Activities	(VII)63(1)	**16,333,690,735.41**	12,008,668,320.34
II. Cash Flows from Investing Activities:			
Cash receipts from disposals and recovery of investments	(VII)62(2)	**7,060,500,596.83**	5,563,340,604.35
Cash receipts from investment income		**558,761,543.59**	342,917,245.04
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		**693,640.29**	173,877.10
Net cash receipts from disposals of subsidiaries and other business units		**–**	1.00
Other cash receipts relating to investing activities	(VII)62(2)	**239,783,697.97**	216,595,357.55
Sub-total of cash inflows from investing activities		**7,859,739,478.68**	6,123,027,085.04
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		**4,859,446,489.49**	4,142,546,489.14
Cash payments to acquire investments	(VII)62(2)	**11,060,556,631.98**	4,196,116,032.68
Net cash payments for acquisitions of subsidiaries and other business units	(VII)63(2)	**5,916,083,983.51**	–
Other cash payments relating to investing activities	(VII)62(2)	**48,431,401.14**	85,467,482.98
Sub-total of cash outflows from investing activities		**21,884,518,506.12**	8,424,130,004.80
Net Cash Flow from Investing Activities		**-14,024,779,027.44**	-2,301,102,919.76

Item	Notes	Jan. – Jun. 2026	Jan. – Jun. 2025
III. Cash Flows from Financing Activities:			
Cash receipts from borrowings		**73,300,701,484.11**	39,406,645,326.71
Cash receipts from issue of bonds		**8,220,753,778.28**	–
Other cash receipts relating to financing activities	(VII)62(3)	**46,805,119.03**	1,305,640,636.92
Sub-total of cash inflows from financing activities		**81,568,260,381.42**	40,712,285,963.63
Cash repayments of borrowings		**65,721,652,764.01**	40,405,326,014.84
Cash payments for distribution of dividends or profits or settlement of interest expenses		**7,025,567,421.84**	5,950,991,617.94
Including: Payments for distribution of dividends or profits to minority shareholders of subsidiaries		**102,163,500.00**	–
Other cash payments relating to financing activities	(VII)62(3)	**1,090,360,200.80**	2,235,260,667.98
Sub-total of cash outflows from financing activities		**73,837,580,386.65**	48,591,578,300.76
Net Cash Flow from Financing Activities		**7,730,679,994.77**	-7,879,292,337.13
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		**-1,236,167,328.34**	82,475,175.25
V. Net Increase in Cash and Cash Equivalents		**8,803,424,374.40**	1,910,748,238.70
Add: Opening balance of cash and cash equivalents	(VII)63(3)	**30,682,025,424.15**	27,280,717,697.81
VI. Closing Balance of Cash and Cash Equivalents	(VII)63(3)	**39,485,449,798.55**	29,191,465,936.51

Head of the Company: Liu Jianfeng | Chief Financial Officer: Chen Xingyao | Head of Accounting Department: Bao Yiqing

THE COMPANY'S CASH FLOW STATEMENT

Jan. – Jun. 2026

Unit: RMB

Item	Notes	Jan. – Jun. 2026	Jan. – Jun. 2025
I. Cash Flows from Operating Activities:			
Cash receipts from sales of goods and rendering of services		**6,628,724,645.67**	3,492,539,949.03
Other cash receipts relating to operating activities		**2,456,041,652.45**	2,118,648,107.72
Sub-total of cash inflows from operating activities		**9,084,766,298.12**	5,611,188,056.75
Cash payments for goods purchased and services received		**1,326,270,883.43**	839,678,762.32
Cash payments to and on behalf of employees		**336,580,037.99**	326,594,455.20
Payments of various types of taxes		**2,285,273,836.26**	1,047,859,671.18
Other cash payments relating to operating activities		**1,520,528,615.02**	1,304,553,095.30
Sub-total of cash outflows from operating activities		**5,468,653,372.70**	3,518,685,984.00
Net Cash Flow from Operating Activities		**3,616,112,925.42**	2,092,502,072.75
II. Cash Flows from Investing Activities:			
Cash receipts from disposals and recovery of investments		**6,300,857,549.05**	4,010,000,000.00
Cash receipts from investment income		**2,697,351,938.22**	556,249,092.02
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		**1,033,794.80**	–
Other cash receipts relating to investing activities		**1,709,909,172.28**	4,959,266,901.16
Sub-total of cash inflows from investing activities		**10,709,152,454.35**	9,525,515,993.18
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		**60,572,077.25**	121,285,728.81
Cash payments to acquire investments		**6,707,514,708.03**	3,390,201,157.29
Other cash payments relating to investing activities		**3,070,919,063.21**	2,458,752,574.05
Sub-total of cash outflows from investing activities		**9,839,005,848.49**	5,970,239,460.15
Net Cash Flow from Investing Activities		**870,146,605.86**	3,555,276,533.03

Item	Notes	Jan. – Jun. 2026	Jan. – Jun. 2025
III. Cash Flows from Financing Activities:			
Cash receipts from borrowings		**500,000,000.00**	200,000,000.00
Other cash receipts relating to financing activities		**12,226,661,614.99**	9,344,505,285.06
Sub-total of cash inflows from financing activities		**12,726,661,614.99**	9,544,505,285.06
Cash repayments of borrowings		**2,823,500,000.00**	3,359,137,292.35
Cash payments for distribution of dividends or profits or settlement of interest expenses		**6,147,325,053.29**	4,619,097,944.67
Other cash payments relating to financing activities		**8,325,450,936.65**	7,629,983,563.01
Sub-total of cash outflows from financing activities		**17,296,275,989.94**	15,608,218,800.03
Net Cash Flow from Financing Activities		**-4,569,614,374.95**	-6,063,713,514.97
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		**1,370,302.15**	-1,964.40
V. Net Increase in Cash and Cash Equivalents		**-81,984,541.52**	-415,936,873.59
Add: Opening balance of cash and cash equivalents		**3,927,485,148.36**	5,555,845,485.05
VI. Closing Balance of Cash and Cash Equivalents		**3,845,500,606.84**	5,139,908,611.46

Head of the Company: Liu Jianfeng

Chief Financial Officer: Chen Xingyao

Head of Accounting Department: Bao Yiqing

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

Jan. – Jun. 2026

Unit: RMB

	Jan. – Jun. 2026										
	Attributable to owners of the Company										
Item	Paid-in capital (or share capital)	Other equity instruments Convertible bonds	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained profits	Sub-total	Minority interests	Total owners' equity
I. Closing balance of the preceding year	4,278,862,035.20	-	26,592,906,434.37	82,426,321.88	188,371,981.23	377,298,142.22	2,159,924,058.30	48,920,405,956.63	82,435,342,286.07	17,351,384,754.65	99,786,727,040.72
II. Opening balance of the current year	4,278,862,035.20	-	26,592,906,434.37	82,426,321.88	188,371,981.23	377,298,142.22	2,159,924,058.30	48,920,405,956.63	82,435,342,286.07	17,351,384,754.65	99,786,727,040.72
III. Changes for the period (decrease is indicated by "-")	-	292,087,876.54	-62,672,134.95	-64,007,632.80	-2,859,457,833.87	60,329,952.75	-	10,033,414,774.74	7,527,710,268.01	1,638,881,609.54	9,166,591,877.55
(I) Total comprehensive income	-	-	-	-	-2,859,457,833.87	-	-	16,152,187,485.37	13,292,729,651.50	1,738,819,084.67	15,031,548,736.17
(II) Owners' contributions and reduction in capital	-	292,087,876.54	-62,672,134.95	-64,007,632.80	-	-	-	-	293,423,374.39	-	293,423,374.39
1. Capital contributed by holders of other equity instruments	-	292,087,876.54	-	-	-	-	-	-	292,087,876.54	-	292,087,876.54
2. Share-based payments recognised in owners' equity (Note (VII) 40)	-	-	-62,672,134.95	-64,007,632.80	-	-	-	-	1,335,497.85	-	1,335,497.85
(III) Profit distribution	-	-	-	-	-	-	-	-6,118,772,710.63	-6,118,772,710.63	-102,163,500.00	-6,220,936,210.63
1. Distributions to owners (shareholders)	-	-	-	-	-	-	-	-6,118,772,710.63	-6,118,772,710.63	-102,163,500.00	-6,220,936,210.63
(IV) Special reserve	-	-	-	-	-	60,329,952.75	-	-	60,329,952.75	2,226,024.87	62,555,977.62
1. Transfer to special reserve in the period	-	-	-	-	-	92,255,167.66	-	-	92,255,167.66	4,198,785.75	96,453,953.41
2. Amount utilised in the period	-	-	-	-	-	-31,925,214.91	-	-	-31,925,214.91	-1,972,760.88	-33,897,975.79
IV. Closing balance of the current period	4,278,862,035.20	292,087,876.54	26,530,234,299.42	18,418,689.08	-2,671,085,852.64	437,628,094.97	2,159,924,058.30	58,953,820,731.37	89,963,052,554.08	18,990,266,364.19	108,953,318,918.27

Item	Paid-in capital (or share capital)	Other equity instruments Perpetual bonds	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained profits	Sub-total	Minority interests	Total owners' equity
	Jan. – Jun. 2025										
	Attributable to owners of the Company										
I. Closing balance of the preceding year	4,319,848,116.60	1,000,000,000.00	27,708,934,206.93	1,266,543,810.15	2,739,929,808.22	267,497,082.63	2,159,924,058.30	34,093,404,253.98	71,022,993,716.51	14,919,242,428.26	85,942,236,144.77
II. Opening balance of the current year	4,319,848,116.60	1,000,000,000.00	27,708,934,206.93	1,266,543,810.15	2,739,929,808.22	267,497,082.63	2,159,924,058.30	34,093,404,253.98	71,022,993,716.51	14,919,242,428.26	85,942,236,144.77
III. Changes for the period (decrease is indicated by "-")	-19,999,992.80	–	-662,584,165.80	-684,117,491.95	-506,523,383.28	68,144,104.17	–	3,215,710,982.62	2,778,865,036.86	325,605,690.23	3,104,470,727.09
(I) Total comprehensive income	–	–	–	–	-506,523,383.28	–	–	8,671,260,077.51	8,164,736,694.23	1,110,721,749.87	9,275,458,444.10
(II) Owners' contributions and reduction in capital	-19,999,992.80	–	-662,584,165.80	-684,117,491.95	–	–	–	–	1,533,333.35	–	1,533,333.35
1. Share-based payments recognised in owners' equity	–	–	1,533,333.35	–	–	–	–	–	1,533,333.35	–	1,533,333.35
2. Others	-19,999,992.80	–	-664,117,499.15	-684,117,491.95	–	–	–	–	–	–	–
(III) Profit distribution	–	–	–	–	–	–	–	-5,455,549,094.89	-5,455,549,094.89	-787,446,000.00	-6,242,995,094.89
1. Distributions to owners (shareholders)	–	–	–	–	–	–	–	-5,455,549,094.89	-5,455,549,094.89	-787,446,000.00	-6,242,995,094.89
(IV) Special reserve	–	–	–	–	–	68,144,104.17	–	–	68,144,104.17	2,329,940.36	70,474,044.53
1. Transfer to special reserve in the period	–	–	–	–	–	99,908,031.49	–	–	99,908,031.49	4,076,480.49	103,984,511.98
2. Amount utilised in the period	–	–	–	–	–	-31,763,927.32	–	–	-31,763,927.32	-1,746,540.13	-33,510,467.45
IV. Closing balance of the current period	4,299,848,123.80	1,000,000,000.00	27,046,350,041.13	582,426,318.20	2,233,406,424.94	335,641,186.80	2,159,924,058.30	37,309,115,236.60	73,801,858,753.37	15,244,848,118.49	89,046,706,871.86

Head of the Company: Liu Jianfeng

Chief Financial Officer: Chen Xingyao

Head of Accounting Department: Bao Yiqing

THE COMPANY'S STATEMENT OF CHANGES IN OWNERS' EQUITY

Jan. – Jun. 2026

Unit: RMB

	Jan. – Jun. 2026						
Item	Paid-in capital (or share capital)	Capital reserve	Less: Treasury shares	Special reserve	Surplus reserve	Retained profits	Total owners' equity
I. Closing balance of the preceding year	4,278,862,035.20	26,738,253,796.83	82,426,321.88	360,139,773.91	2,159,924,058.30	6,124,086,956.03	39,578,840,298.39
II. Opening balance of the current year	4,278,862,035.20	26,738,253,796.83	82,426,321.88	360,139,773.91	2,159,924,058.30	6,124,086,956.03	39,578,840,298.39
III. Changes for the period (decrease is indicated by "-")	–	-43,778,708.99	-64,007,632.80	55,772,158.06	–	-2,725,476,308.86	2,649,475,226.99
(I) Total comprehensive income	–	–	–	–	–	3,393,296,401.77	3,393,296,401.77
(II) Owners' contributions and reduction in capital	–	-43,778,708.99	-64,007,632.80	–	–	–	20,228,923.81
1. Share-based payments recognised in owners' equity (Note (VII) 40)	–	-43,778,708.99	-64,007,632.80	–	–	–	20,228,923.81
(III) Profit distribution	–	–	–	–	–	-6,118,772,710.63	-6,118,772,710.63
1. Distributions to owners (shareholders)	–	–	–	–	–	-6,118,772,710.63	-6,118,772,710.63
(IV) Special reserve	–	–	–	55,772,158.06	–	–	55,772,158.06
1. Transfer to special reserve in the period	–	–	–	84,023,240.96	–	–	84,023,240.96
2. Amount utilised in the period	–	–	–	-28,251,082.90	–	–	-28,251,082.90
IV. Closing balance of the current period	4,278,862,035.20	26,694,475,087.84	18,418,689.08	415,911,931.97	2,159,924,058.30	3,398,610,647.17	36,929,365,071.40

Item	Jan. – Jun. 2025							
	Paid-in capital (or share capital)	Other equity instruments Perpetual bonds	Capital reserve	Less: Treasury shares	Special reserve	Surplus reserve	Retained profits	Total owners' equity
I. Closing balance of the preceding year	4,319,848,116.60	1,000,000,000.00	27,879,851,870.35	1,266,543,810.15	255,428,194.03	2,159,924,058.30	5,525,351,452.74	39,873,859,881.87
II. Opening balance of the current year	4,319,848,116.60	1,000,000,000.00	27,879,851,870.35	1,266,543,810.15	255,428,194.03	2,159,924,058.30	5,525,351,452.74	39,873,859,881.87
III. Changes for the period (decrease is indicated by "-")	-19,999,992.80	–	-662,584,165.80	-684,117,491.95	62,577,817.61	–	-4,108,500,900.41	-4,044,389,749.45
(I) Total comprehensive income	–	–	–	–	–	–	1,347,048,194.48	1,347,048,194.48
(II) Owners' contributions and reduction in capital	-19,999,992.80	–	-662,584,165.80	-684,117,491.95	–	–	–	1,533,333.35
1. Share-based payments recognised in owners' equity	–	–	1,533,333.35	–	–	–	–	1,533,333.35
2. Others	-19,999,992.80	–	-664,117,499.15	-684,117,491.95	–	–	–	–
(III) Profit distribution	–	–	–	–	–	–	-5,455,549,094.89	-5,455,549,094.89
1. Distributions to owners (shareholders)	–	–	–	–	–	–	-5,455,549,094.89	-5,455,549,094.89
(IV) Special reserve	–	–	–	–	62,577,817.61	–	–	62,577,817.61
1. Transfer to special reserve in the period	–	–	–	–	92,191,385.63	–	–	92,191,385.63
2. Amount utilised in the period	–	–	–	–	-29,613,568.02	–	–	-29,613,568.02
IV. Closing balance of the current period	4,299,848,123.80	1,000,000,000.00	27,217,267,704.55	582,426,318.20	318,006,011.64	2,159,924,058.30	1,416,850,552.33	35,829,470,132.42

Head of the Company: Liu Jianfeng

Chief Financial Officer: Chen Xingyao

Head of Accounting Department: Bao Yiqing

III. BASIC INFORMATION

1. Basic Information about the Company

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

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

2. Date of Approval of the Financial Statements

The consolidated and the Company's financial statements have been approved and authorised for issue by the board of directors of the Company on 19 August 2026.

IV. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

1. Preparation basis

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

2. Going concern

The Group assessed its ability to continue as a going concern for 12 months from 30 June 2026 and didn't notice any event or circumstance that may cast significant doubts on its ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis.

IV. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

3. Basis of accounting and principle of measurement

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

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

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

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

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

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

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Specific accounting policies and accounting estimates:

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

1. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements of the Company have been prepared, in all material materials, in accordance with Accounting Standards for Business Enterprises, and present fairly, the consolidated and the Company's financial position as at 30 June 2026, the consolidated and the Company's results of operations, the consolidated and the Company's cash flows, and the consolidated and the Company's changes in shareholders' equity for the period from 1 January to 30 June 2026.

2. Accounting period

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

3. Operating cycle

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

4. Functional currency

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

5. Determination method and selection basis of materiality criteria

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

6.1 Business combinations not involving enterprises under common control and goodwill

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

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

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

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

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

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

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

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

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

7.1 Determination criteria of control

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

7.2 Preparation method of consolidated financial statements

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

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

7.2 Preparation method of consolidated financial statements (Continued)

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

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

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

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

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

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

7.2 Preparation method of consolidated financial statements (Continued)

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

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

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

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

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

8. Classification of joint arrangements and accounting treatment for joint operations (Continued)

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

9. Determination criteria for cash and cash equivalents

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

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

10.1 Transactions denominated in foreign currencies

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

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

10.1 Transactions denominated in foreign currencies (Continued)

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

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

10.2 Translation of financial statements denominated in foreign currencies

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

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

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

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

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

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

11. Financial instruments

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

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

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

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

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

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

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

11.1 Classification, recognition and measurement of financial assets

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

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

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

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

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

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

- It has been acquired principally for the purpose of selling it in the near term.

- On initial recognition, it is part of a portfolio of identifiable financial instruments that the Group manages together and there is objective evidence that the Group has a recent actual pattern of short-term profit-taking.

- It is a derivative that is neither a financial guarantee contract nor designated as an effective hedging instrument.

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

- Financial assets not satisfying the criteria of classification as financial assets at amortised cost and financial assets at FVTOCI are classified as financial assets at FVTPL.

- Upon initial recognition, the Group may irrevocably designate the financial assets as at FVTPL if doing so eliminates or significantly reduces accounting mismatch.

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

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

11.1.1 Financial assets measured at amortised cost

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

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

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

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

11.1.2 Financial assets at FVTOCI

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

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

11.1.2 Financial assets at FVTOCI (Continued)

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

11.1.3 Financial assets at FVTPL

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

11.2 Impairment of financial instruments

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

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

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.2 Impairment of financial instruments (Continued)

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

11.2.1 Significant increase in credit risk

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

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

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

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

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

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.1 Significant increase in credit risk (Continued)

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

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

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

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

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

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

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.1 Significant increase in credit risk (Continued)

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

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

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

11.2.2 Credit-impaired financial assets

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

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

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

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

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

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

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.3 Determination of expected credit loss ("ECL")

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

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

- For a financial guarantee contract (refer to Note (V) 11.4.1.2.2 for detailed accounting policies), credit loss is the present value of difference between the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

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

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

11.2.4 Write-down of financial assets

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

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.3 Transfer of financial assets

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

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

- For transferred financial assets carried at amortised cost, the carrying amount of relevant liabilities is the carrying amount of financial assets transferred with continuing involvement less amortised cost of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of amortised cost of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Relevant liabilities are not designated as financial liabilities at FVTPL.

- For transferred financial assets carried at fair value, the carrying amount of relevant financial liabilities is the carrying amount of financial assets transferred with continuing involvement less fair value of the Group's retained rights (if the Group retains relevant rights upon transfer of financial assets) with addition of fair value of obligations assumed by the Group (if the Group assumes relevant obligations upon transfer of financial assets). Accordingly, the fair value of relevant rights and obligations shall be measured on an individual basis.

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between (1) the carrying amount of the financial asset transferred; and (2) the sum of the consideration received from the transfer and any cumulative gain or loss on changes in fair value that has been recognised in other comprehensive income, is recognised in profit or loss. Where the transferred assets are non-held-for-trading equity instrument investments designated as at FVTOCI, cumulative gains or losses previously recognised in other comprehensive income are transferred out and included in retained earnings.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.3 Transfer of financial assets (Continued)

If a part of the transferred financial asset qualifies for derecognition, the overall carrying amount of the financial asset prior to transfer is allocated between the part that continues to be recognised and the part that is derecognised, based on the respective fair value of those parts at the date of transfer. The difference between (1) the carrying amount allocated to the part derecognised on the date of derecognition; and (2) the sum of the consideration received for the part derecognised and any cumulative gain or loss allocated to the part derecognised which has been previously recognised in other comprehensive income, is recognised in profit or loss. Where the transferred assets are non-held-for-trading equity instrument investments designated as at FVTOCI, cumulative gains or losses previously recognised in other comprehensive income are transferred out and included in retained earnings.

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group continues to recognise the transferred financial asset in its entirety and includes the consideration received for the transfer of the asset in financial liability upon receipt.

11.4 Classification of financial liabilities and equity instruments

Financial instruments issued by the Group or their components are classified into financial liabilities or equity instruments on the basis of not only the legal form but also the contractual terms and their economic substance, together with the definition of financial liability and equity instrument.

11.4.1 Classification, recognition and measurement of financial liabilities

On initial recognition, financial liabilities are classified into financial liabilities at FVTPL and other financial liabilities.

11.4.1.1 Financial liabilities at FVTPL

Financial liabilities at FVTPL include held-for-trading financial liabilities (including derivative financial liabilities) and financial liabilities designated as at FVTPL. Except for derivative financial liabilities which are presented separately, financial liabilities at FVTPL are presented as held-for-trading financial liabilities.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.4 Classification of financial liabilities and equity instruments (Continued)

11.4.1 Classification, recognition and measurement of financial liabilities (Continued)

11.4.1.1 Financial liabilities at FVTPL (Continued)

A financial liability is classified as held-for-trading if any of the following criteria is satisfied:

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

A financial liability may be designated as at FVTPL upon initial recognition only when one of the following conditions is satisfied: (1) Such designation eliminates or significantly reduces accounting mismatch; (2) The financial liability forms part of a group of financial liabilities or a group of financial assets and financial liabilities, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is reported to key management personnel on that basis; (3) or it is a qualifying hybrid contract containing embedded derivatives.

Held-for-trading financial liabilities are subsequently measured at fair value. Any gains or losses arising from changes in the fair value or any dividend or interest expenses related to the financial liabilities are recognised in profit or loss for the period.

For financial liability designated as at FVTPL, the amount of change in the fair value of such financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, and other changes in the fair value are presented in profit or loss. Upon the derecognition of such financial liability the accumulated amount of change in fair value that is attributable to changes in the credit risk of that liability, which is recognised in other comprehensive income, is transferred to retained earnings. Any dividend or interest income earned on the financial liabilities are recognised in profit or loss. If the impact of the change in credit risk of such financial liability dealt with in the above way would create or enlarge an accounting mismatch in profit or loss, the Group shall present all gains or losses on that liability (including the effects of changes in the credit risk of that liability) in profit or loss.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.4 Classification of financial liabilities and equity instruments (Continued)

11.4.1 Classification, recognition and measurement of financial liabilities (Continued)

11.4.1.2 Other financial liabilities

Except for financial liabilities and financial guarantee contracts arising from transfer of financial assets that do not meet the derecognition criteria or those arising from continuing involvement in the transferred financial assets, other financial liabilities are subsequently measured at amortised cost, with gain or loss arising from derecognition or amortisation recognised in profit or loss.

If the modification or renegotiation for the contract by the Group and its counterparties does not result in derecognition of a financial liability subsequently measured at amortised cost but the changes in contractual cash flows, the Group will recalculate the carrying amount of the financial liability, with relevant gain or loss recognised in profit or loss. The Group will determine the carrying amount of the financial liability based on the present value of renegotiated or modified contractual cash flows discounted at the original effective interest rate of the financial liability. For all costs or expenses arising from modification or renegotiation of the contract, the Group will adjust the modified carrying amount of the financial liability and make amortisation during the remaining term of the modified financial liability.

11.4.1.2.1 Convertible bonds

When the Group issues convertible bonds, it determines whether they contain both liability and equity components based on their terms. If the issued convertible bonds contain both liability and equity components, the liability and equity components are separated upon initial recognition and accounted for separately. When performing the separation, the Group first determines the fair value of the liability component and adopts the fair value as its initial recognition amount. The initial recognition amount of the equity component is then determined as the difference between the total issue price of the convertible bonds and the initial recognition amount of the liability component. Transaction costs are allocated between the liability component and the equity component based on their respective relative fair values. The liability component is presented as a liability and subsequently measured at amortised cost until it is canceled, converted, or redeemed. The equity component is presented as equity and is not subject to subsequent measurement. If a convertible bond issued consists solely of a liability component and an embedded derivative, that is, if the share conversion right meets the criteria for an embedded derivative, it is separated from the convertible bond as a whole and accounted for separately as a derivative financial instrument, with initial recognition at fair value. The portion of the issue price that exceeds the amount initially recognised as a derivative financial instrument is recognised as a debt instrument. Transaction costs are allocated proportionally based on the issue price allocated to the debt instrument and the derivative financial instrument at the time of initial recognition. Transaction costs related to the debt instrument are recognised as a liability, while those related to the derivative financial instrument are recognised in profit or loss for the period.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.4 Classification of financial liabilities and equity instruments (Continued)

11.4.1 Classification, recognition and measurement of financial liabilities (Continued)

11.4.1.2 Other financial liabilities (Continued)

11.4.1.2.2 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Subsequent to initial recognition, financial guarantee contracts that are not designated as financial liabilities at FVTPL or financial liabilities arising from transfer of financial assets that do not meet the derecognition criteria or those arising from continuing involvement in the transferred financial assets are measured at the higher of: (1) amount of loss allowance; and (2) the amount initially recognised less cumulative amortisation amount determined based on the revenue standard.

11.4.2 Derecognition of financial liabilities

The Group derecognises a financial liability (or part of it) only when the underlying present obligation (or part of it) is discharged. An agreement between the Group (an existing borrower) and an existing lender to replace the original financial liability with a new financial liability with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

When the Group derecognises a financial liability or a part of it, it recognises the difference between the carrying amount of the financial liability (or part of the financial liability) derecognised and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) in profit or loss for the period.

11.4.3 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued (including refinanced), repurchased, sold and cancelled by the Group are recognised as changes of equity. Change of fair value of equity instruments is not recognised by the Group. Transaction costs related to equity transactions are deducted from equity.

The Group treats allocations to equity instrument holders as profit distribution and the distributed dividends do not affect the total amount of shareholders' equity.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.5 Derivatives and embedded derivatives

Derivative instruments include forward foreign exchange contracts, commodity futures contracts, commodity forward contracts, etc. Derivatives are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently measured at fair value.

For hybrid contract constituted by embedded derivatives and host contract, if the host contract is a financial asset, the embedded derivative is not separated from the hybrid contract, and the hybrid contract shall be taken as a whole to apply to the accounting standards for the classification of financial assets.

If the host contract included in the hybrid contract is not a financial asset and satisfies all the following criteria, the embedded derivative shall be separated from the hybrid contract by the Group and treated as a stand-alone derivative.

(1) The economic characteristics and risks of the embedded derivative are not closely related to those of the host contract.

(2) A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative.

(3) The hybrid contract is not measured at FVTPL.

For the embedded derivative separated from the host contracts, the Group accounts for the host contracts in the hybrid contracts with applicable accounting standards. When the embedded derivatives whose fair value cannot be measured reliably by the Group according to the terms and conditions of the embedded derivatives, the fair value of such derivatives are measured at the difference between the fair value of the hybrid contracts and the fair value of the host contracts. By adopting the above method, if the embedded derivative cannot be measured on a stand-alone basis at the time when it is acquired or at subsequent balance sheet dates, the hybrid instrument is designated as financial instruments at FVTPL as a whole.

11.6 Offsetting financial assets and financial liabilities

When the Group has a legal right that is currently enforceable to set off the recognised financial assets and financial liabilities, and intends either to settle on a net basis, or to realise the financial assets and settle the financial liabilities simultaneously, the financial assets and financial liabilities are offset with the net amount presented in the balance sheet. Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the balance sheet without offsetting.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Accounts receivable

Portfolios for which allowances for bad debts are collectively assessed based on credit risk characteristics and their basis

The Group classifies accounts receivable into different portfolios for internal credit risk rating based on ageing and historical repayment at the balance sheet date, and determines credit losses based on the ECL rate of each portfolio. The increase or reversal amount of ECL of accounts receivable is included in profit or loss for the period as credit impairment loss or gain.

13. Receivables financing

The notes receivable classified as at FVTOCI within one year (inclusive) since acquisition are listed as receivables financing, and as other debt investments otherwise.

13.1 Portfolios for which allowances for bad debts are collectively assessed based on credit risk characteristics and their basis

The Group classifies receivables financing into credit risk characteristics portfolios based on the credit ratings of the accepting banks, with reference to historical credit loss experience, current conditions and forecasts of future economic conditions, etc. as the basis for judgement.

14. Other receivables

14.1 Basis of allowances for bad debts made on an individual basis

The Group determines ECL of other receivables on an individual basis. The increase or reversal amount of ECL of other receivables is included in profit or loss for the period as credit impairment loss or gain.

15. Inventories

15.1 Categories of inventories, valuation method of inventories delivered, inventory count system, amortisation method for low-value consumables and packaging materials

15.1.1 Categories of inventories

The Group's inventories mainly include raw materials, work in progress, finished goods, trading inventories, etc. Inventories (excluding trading inventories outside the PRC) are initially measured at cost. Cost of inventories comprises all costs of purchase, costs of conversion and other expenditures incurred in bringing the inventories to their present location and condition.

The trading inventories are mainly from IXM (including IXM Holding and its subsidiaries), the subsidiaries of the Group. As a commodity trader, IXM measures the trading inventories at fair value less costs to sell in its financial statements prepared in accordance with International Financial Reporting Standards, and recognises changes in fair value in profit or loss.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Inventories (Continued)

15.1 Categories of inventories, valuation method of inventories delivered, inventory count system, amortisation method for low-value consumables and packaging materials (Continued)

15.1.1 Categories of inventories (Continued)

Pursuant to Interpretation No. 1 of the Accounting Standards for Business Enterprises, for transactions or events occurred abroad to overseas subsidiaries of a domestic enterprise within China, if such transactions or events are not subject to the relevant laws and regulations of China or if such transactions are rare and not covered by the Accounting Standards for Business Enterprises, the accounting treatments made by the aforesaid overseas subsidiaries may be adjusted under the International Financial Reporting Standards and then be consolidated into the relevant items of the consolidated financial statements of the parent company, provided that the principle of the Accounting Standards for Business Enterprises – Basic Standards is followed. Therefore, in the preparation of the financial statements, trading inventories outside the PRC of IXM are still measured according to the above-mentioned accounting policies.

15.1.2 Valuation method of inventories delivered

When the inventories (excluding trading inventories outside the PRC) are delivered, the actual costs of the delivered inventories are determined using the method of weighted average.

15.1.3 Inventory count system

The perpetual inventory system is maintained for stock system.

15.1.4 Amortisation method for low-value consumables and packaging materials

Packaging materials and low-value consumables are amortised using the immediate write-off method.

Recognition criteria and determination method for provision for decline in value of inventories

At the balance sheet date, the inventories (excluding trading inventories outside the PRC) are measured at the lower of cost and net realisable value. Where the net realisable value is less than the cost, a provision for decline in value of inventories is made.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, the estimated costs necessary to make the sale and relevant taxes. Net realisable value is determined on the basis of clear evidence obtained, and takes into consideration the purposes of holding inventories and effect of events subsequent to the balance sheet date.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Inventories (Continued)

Recognition criteria and determination method for provision for decline in value of inventories (Continued)

The provision for decline in value of inventories shall be provided by the difference between the cost of the individual inventory or a type of inventories and its net realised value.

After the provision for decline in value of inventories is made, if the circumstances that previously caused inventories to be written down below cost no longer exist so that the net realisable value of inventories is higher than their carrying amount, the original provision for decline in value is reversed and the reversal is included in profit or loss for the period.

16. Long-term equity investments

16.1 Basis for determining joint control and significant influence over the investee

Details of determination criteria of control are set out in Note (V) 7.1. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating policy decisions relating to the activity require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. When determining whether an investing enterprise is able to exercise control or significant influence over an investee, the effect of potential voting rights of the investee (for example, warrants and convertible debts) held by the investing enterprises or other parties that are currently exercisable or convertible shall be considered.

16.2 Determination of initial investment cost

For a long-term equity investment acquired through business combination involving enterprises under common control, shares of book value of owners' equity of combined party in financial statements of ultimate controlling party is recognised as initial investment cost of long-term equity investment at the date of combination. The difference between initial investment cost of long-term equity investment and cash paid, non-cash assets transferred and book value of liabilities assumed, is adjusted in capital reserve. If the balance of capital reserve is not sufficient to absorb the difference, any excess is adjusted to retained earnings. If the consideration of the combination is satisfied by the issue of equity securities, the initial investment cost of the long-term equity investment is the share of book value of owners' equity of the acquired entity in the ultimate controlling party's consolidated financial statements at the date of combination. The aggregate face value of the shares issued is accounted for as share capital. The difference between the initial investment cost and the aggregate face value of the shares issued is adjusted to capital reserve. If the balance of capital reserve is not sufficient to absorb the difference, any excess is adjusted to retained earnings.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Long-term equity investments (Continued)

16.2 Determination of initial investment cost (Continued)

For a long-term equity investment acquired through business combination not involving enterprises under common control, the initial investment cost of the long-term equity investment is the cost of acquisition at the date of combination. Where equity interests in an acquiree are acquired in stages through multiple transactions ultimately constituting a business combination not involving entities under common control, the acquirer determines if these transactions are considered to be "a package deal". If yes, these transactions are accounted for as a single transaction where control is obtained. If no, the initial investment cost of the long-term equity investment is the aggregate of the carrying amount of the equity interest held in the acquiree prior to the acquisition date and the cost of the additional investment at the acquisition date. When the equity held was accounted for under equity method, relevant other comprehensive income is not accounted temporarily; when the equity held was accounted for investments in other equity instruments, the difference between the fair value and carrying amount, together with the cumulative changes in fair value recognised in other comprehensive income are included in retained earnings for the current period.

The intermediary expenses incurred by the combining party or acquirer in respect of auditing, legal services, valuation and consultancy services, etc., and other associated administrative expenses attributable to the business combination are recognised in profit or loss when they are incurred.

The long-term equity investment acquired otherwise than through a business combination is initially measured at its cost. When the entity is able to exercise significant influence or joint control (but not control) over an investee, the cost of long-term equity investments is the sum of the fair value of previously-held equity investments determined in accordance with Accounting Standards for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement and the additional investment cost.

16.3 Subsequent measurement and recognition of profit or loss

16.3.1 Long-term equity investments accounted for using the cost method

Long-term equity investments in subsidiaries are accounted for using the cost method in the Company's separate financial statements. A subsidiary is an investee that is controlled by the Group.

Under the cost method, a long-term equity investment is measured at initial investment cost. When additional investment is made or the investment is recouped, the cost of the long-term equity investment is adjusted accordingly. Investment income is recognised in the period in accordance with the attributable share of cash dividends or profit distributions declared by the investee.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Long-term equity investments (Continued)

16.3 Subsequent measurement and recognition of profit or loss (Continued)

16.3.2 Long-term equity investments accounted for using the equity method

The Group accounts for investment in associates and joint ventures using the equity method. An associate is an entity over which the Group has significant influence; a joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, the difference is recognised in profit or loss for the period, and the cost of the long-term equity investment is adjusted accordingly.

Under the equity method, the Group recognises its share of the net profit or loss and other comprehensive income made by the investee as investment income and other comprehensive income respectively, and adjusts the carrying amount of the long-term equity investment accordingly; the carrying amount of the investment is reduced by the portion of any profit distributions or cash dividends declared by the investee that is distributed to the Group; Other changes in owners' equity of the investee other than net profit or loss and other comprehensive income are adjusted accordingly to the carrying amount of the long-term equity investment, and recognised in the capital reserve. The Group recognises its share of the investee's net profit or loss based on the fair value of the investee's individual identifiable assets, etc. at the acquisition date after making appropriate adjustments. When the investors' accounting policies and accounting period are inconsistent with those of the Company, the Company recognises investment income and other comprehensive income after making appropriate adjustments to conform to the Company's accounting policies and accounting period. For the Group's transactions with its associates and joint ventures where assets contributed or sold do not constitute a business, unrealised intra-group profits or losses are recognised as investment income or loss to the extent that those attributable to the Group's proportionate share of interest are eliminated. However, unrealised losses resulting from the Group's transactions with its investee which represent impairment losses on the transferred assets are not eliminated.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Long-term equity investments (Continued)

16.3 Subsequent measurement and recognition of profit or loss (Continued)

16.3.2 Long-term equity investments accounted for using the equity method (Continued)

The Group discontinues recognising its share of net loss of the investee after the carrying amount of the long-term equity investment together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero. If the Group has incurred obligations to assume additional losses of the investee, a provision is recognised according to the expected obligation, and recorded as investment loss for the period. Where net profits are subsequently made by the investee, the Group resumes recognising its share of those profits only after its share of the profits exceeds the share of losses previously not recognised.

16.4 Disposal of long-term equity investments

On disposal of a long-term equity investment, the difference between the proceeds actually received and receivable and the carrying amount is recognised in profit or loss for the period.

17. Fixed assets

17.1 Recognition criteria

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and have useful lives of more than one accounting year. A fixed asset is recognised only when it is probable that economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. Fixed assets are initially measured at cost, taking into account the impact of anticipated disposal cost factors.

Subsequent expenditures incurred for the fixed asset are included in the cost of the fixed asset if it is probable that economic benefits associated with the asset will flow to the Group and the cost can be measured reliably. Meanwhile, the carrying amount of the replaced part is derecognised. Other subsequent expenditures are recognised in profit or loss for the period in which they are incurred.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Fixed assets (Continued)

17.2 Depreciation method

A fixed asset is depreciated over its useful life using the straight-line method or the units of production method since the month subsequent to the one in which it is ready for intended use. The depreciation method, depreciation period, residual value rate and annual depreciation rate of each category of fixed assets are as follows:

Resources-related subsidiaries of the Group situated in PRC

Category	Depreciation method	Depreciation period (years)	Residual value rate (%)	Annual depreciation rate (%)
Land use rights and buildings	Straight-line method	8-45	0~5	2.1~12.5
Mining projects	Units of production method	Expected life of mines	0	Unit of production
Machinery and equipment	Straight-line method	8-10	5	9.5~11.9
Electronic equipment, fixtures and furniture	Straight-line method	5	5	19.0
Transportation equipment	Straight-line method	8	5	11.9

Niobium and phosphorus resources-related subsidiaries of the Group situated in Brazil

Category	Depreciation method	Depreciation period (years)	Residual value rate (%)	Annual depreciation rate (%)
Land ownership	N/A	Permanent	–	–
Buildings	Straight-line method	20-50	0~5	1.9~5.0
Mining projects	Units of production method	Expected life of mines	0	Unit of production
Machinery and other equipment	Straight-line method	5-20	0~5	4.8~20.0

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Fixed assets (Continued)

17.2 Depreciation method (Continued)

Gold resources-related subsidiaries of the Group situated in Brazil

Category	Depreciation method	Depreciation period (years)	Residual value rate (%)	Annual depreciation rate (%)
Land ownership	N/A	Permanent	–	–
Buildings	Units of production method	Expected life of mines	0	Unit of production
Mining projects	Units of production method	Expected life of mines	0	Unit of production
Machinery and other equipment	Straight-line method	3-11	0	9.1~33.3

Resources-related subsidiaries of the Group situated in Congo (DRC)

Category	Depreciation method	Depreciation period (years)	Residual value rate (%)	Annual depreciation rate (%)
Land ownership	N/A	Permanent	–	–
Mining projects	Units of production method	Expected life of mines	0	Unit of production
Buildings	Straight-line method	5-33	0~5	2.9~20.0
Machinery and other equipment	Straight-line method	3-20	0~5	4.8~33.3

Resources-related subsidiaries of the Group situated in Ecuador

Category	Depreciation method	Depreciation period (years)	Residual value rate (%)	Annual depreciation rate (%)
Buildings	Straight-line method	10-45	0	2.2~10
Machinery and other equipment	Straight-line method	3-20	0	5~33.3

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Fixed assets (Continued)

17.2 Depreciation method (Continued)

Metal trading-related subsidiaries of the Group

Category	Depreciation method	Depreciation period (years)	Residual value rate (%)	Annual depreciation rate (%)
Buildings	Straight-line method	20	5	4.8
Machinery and equipment	Straight-line method	3-5	5	19.0~31.7
Electronic equipment, fixtures and furniture	Straight-line method	5	5	19.0

Estimated net residual value of a fixed asset is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

17.3 Other descriptions

If a fixed asset is upon disposal or no future economic benefits are expected to be generated from its use or disposal, the fixed asset is derecognised. When a fixed asset is sold, transferred, retired or damaged, the amount of any proceeds on disposal of the asset net of the carrying amount and related taxes is recognised in profit or loss for the period.

The Group reviews the useful life and the estimated net residual value of a fixed asset and the depreciation method applied at least once at each financial year-end, and accounts for any change as a change in an accounting estimate.

18. Construction in progress

Construction in progress is measured at its actual costs. The actual costs include various construction expenditures during the construction period, borrowing costs capitalised before it is ready for intended use and other relevant costs. Construction in progress is not depreciated.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Construction in progress (Continued)

Construction in progress is transferred to a fixed asset when it is ready for intended use. The criteria and time points for the transfer of various types of construction in progress to fixed assets are as follows:

Category	Basis of transfer		Time point of transfer
Lands, buildings and mining projects	(1)	The main construction project and supporting projects have been completed, the predetermined design requirements have been met and acceptance has been completed.	When it is ready for intended use
	(2)	If a construction project is ready for the intended use but has not yet completed the final accounts, it will be transferred to fixed assets at the estimated value based on actual project cost from the date when it is ready for the intended use.	
Machinery and equipment, electronic equipment, fixture and furniture and transportation equipment to be installed	(1)	Relevant equipment and other supporting facilities have been installed.	When it is ready for intended use
	(2)	The equipment can maintain normal and stable operation for a period of time after commissioning.	

19. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalised when expenditures for such asset and borrowing costs are incurred and activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced. Capitalisation of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Where funds are borrowed under a specific-purpose borrowing, the amount of interest to be capitalised is the actual interest expenses incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds. Where funds are borrowed under general-purpose borrowings, the Group determines the amount of interest to be capitalised on such borrowings by applying a capitalisation rate to the weighted average of the excess of cumulative expenditures on the asset over the amounts of specific purpose borrowings. The capitalisation rate is the weighted average of the interest rates applicable to the general-purpose borrowings.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Biological assets

Biological assets of the Group are timber forests that will be harvested as agricultural products in the future.

Upon harvest of timber forests, the Group uses the weighted average method to carry forward the cost by carrying amount.

If there is an active market for timber forests and the Group can obtain market prices and other relevant information regarding the same or similar type of timber forests from the market so as to reasonably estimate the fair value of the related timber forests, the Group subsequently measures the timber forests at fair value with changes of the fair value are recognised in profit or loss for the current period.

21. Intangible assets

(1) Useful life and its determination basis, estimation, amortisation method or review procedures

Intangible assets include land use rights and land ownership rights, exploration and mining rights, copper supply concessions, supplier relationships, etc.

An intangible asset is measured initially at cost. When an intangible asset with a finite useful life is available for use, its original cost less accumulated impairment provision is amortised over its estimated useful life using the straight-line method or the units of production method. Amortisation method, useful life and estimate residual value rate of all intangible assets are as follows:

Category	Amortisation method	Useful life (year) and its basis	Residual value rate (%)
Land use rights (China and others)	Straight-line method	50 years, the time when the lands are available for use	0
Land ownership rights (Ecuador)	N/A	Permanent	–
Exploration and mining rights	Units of production method	N/A	0
Copper supply concessions	Units of purchase method	N/A	0
Supplier relationship	Straight-line method	15 years, the expected period that can bring economic benefits to the Company	0

For an intangible asset with a finite useful life, the Group reviews the useful life and amortisation method at the end of the year, and makes adjustments when necessary.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Intangible assets (Continued)

(2) Scope of and related accounting treatment for research and development expenditure

Expenditure during the research phase is recognised as an expense in the period in which it is incurred.

Expenditure during the development phase that meets all of the following conditions at the same time is recognised as an intangible asset. Expenditure during development phase that does not meet the following conditions is recognised in profit or loss for the period.

(1) it is technically feasible to complete the intangible asset so that it will be available for use or sale;

(2) the Group has the intention to complete the intangible asset and use or sell it;

(3) the Group can demonstrate the ways in which the intangible asset will generate economic benefits, including the evidence of the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;

(4) the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and

(5) the expenditure attributable to the intangible asset during its development phase can be reliably measured.

If the expenditures cannot be distinguished between the research phase and development phase, the Group recognises all of them in profit or loss for the period.

The scope of research and development expenditure includes salaries and welfare expenses of personnel directly engaged in research and development activities, materials, fuel and power expenses directly consumed in research and development activities, depreciation expenses of instruments and equipment in research and development activities, lease and maintenance expenses of research and development sites, travel, transportation and communication expenses required for research and experimental development. The Group takes whether the product design has been approved as the specific basis for classifying research and development projects into research phase and development phase.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Impairment of long-term assets

The Group reviews the long-term equity investments, fixed assets, construction in progress, right-of-use assets and intangible assets with finite useful life at each balance sheet date to determine whether there is any indication that they have suffered an impairment loss. If there is any indication that such assets may be impaired, recoverable amounts are estimated for such assets. Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that the assets may be impaired.

Recoverable amount is estimated on an individual asset basis. If it is not practical to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs will be estimated. The recoverable amount of an asset or asset group is the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset or asset group.

If such recoverable amount is less than its carrying amount, a provision for impairment losses in respect of the deficit is recognised in profit or loss for the period.

Goodwill is tested for impairment at least at the end of each year. For the purpose of impairment testing, goodwill is considered together with the related asset groups or sets of asset groups, i.e., goodwill is reasonably allocated to the related asset group or set of asset groups expected to benefit from the synergies of the combination. An impairment loss is recognised if the recoverable amount of the asset group or set of asset groups (including goodwill) is less than its carrying amount. The impairment loss is firstly allocated to reduce the carrying amount of any goodwill allocated to such asset group or set of asset groups, and then to the other assets (other than goodwill) of the asset group or set of asset groups pro-rata on the basis of the carrying amount of each asset (other than goodwill) in the asset group or set of asset groups.

Once an impairment loss of the above-mentioned assets is recognised, it will not be reversed in any subsequent period.

23. Long-term prepaid expenses

Long-term prepaid expenses represent expenses incurred that should be borne and amortised over the current and subsequent periods (together of more than one year). Long-term prepaid expenses are amortised using the straight-line method over the expected periods in which benefits are derived.

24. Contract liabilities

Contract liabilities refer to the Group's obligation to transfer goods or services to a customer for consideration received or receivable from the customer. Contract assets and contract liabilities under the same contract are presented at net amounts.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Employee benefits

(1) Accounting treatment of short-term employee benefits

In an accounting period in which an employee has rendered services to the Group, the Group recognises the short-term employee benefits for that service as a liability, and the related expenditures are charged to profit or loss for the period or in costs of relevant assets. Employee welfare incurred by the Group is recognised in profit or loss for the period or the costs of relevant assets based on the actual amount when incurred. Non-monetary employee welfare is measured at fair value.

Payment made by the Group of social security contributions for employees such as premiums or contributions on medical insurance, work injury insurance, etc. and payments of housing funds, as well as union running costs and employee education costs provided in accordance with relevant requirements, are calculated according to prescribed bases and percentages in determining the amount of employee benefits and recognised as relevant liabilities, with a corresponding charge to the profit or loss for the period or the costs of relevant assets in the accounting period in which employees provide services.

(2) Accounting treatment of post-employment benefits

Post-employment benefits are classified into defined contribution plans and defined benefit plans.

In an accounting period in which an employee has rendered service to the Group, the amount payable calculated in accordance with the defined contribution plan is recognised as a liability by the Group and charged to profit or loss for the period, or included in cost of related assets.

For defined benefit plans, the Group assigns the welfare obligation generated from the defined benefit plans to the period of rendering services using the formula determined by the projected unit credit method, and includes it in the current profit or loss or related asset costs. Employee benefit costs generated from the defined benefit plans are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on settlements);
- net interest of net liabilities or assets of defined benefit plan (including interest income of planned assets, interest expenses of defined benefit plan liabilities and effect of asset ceiling); and
- changes arising from remeasurement of net liabilities or net assets of defined benefit plans.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Employee benefits (Continued)

(2) Accounting treatment of post-employment benefits (Continued)

Service costs and net interest of net liabilities or net assets of defined benefit plans are recognised in profit or loss for the period or costs of related assets. Changes arising from remeasurement of the net defined benefit liability (asset) (including actuarial gains or losses, the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset), and any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)) are recognised in other comprehensive income.

Deficit or surplus generated from the present value of the obligation of defined benefit plan less the fair value of defined benefit plan asset is recognised as a net liability or a net asset of defined benefit plan. If there is a surplus in the defined benefit plan, the lower of the surplus of defined benefit plan and the asset ceiling is used to measure the net asset of the defined benefit plan.

(3) Accounting treatment of termination benefits

A liability for a termination benefit is recognised in profit or loss for the period at the earlier of when the Group cannot unilaterally withdraw from the termination plan or the redundancy offer and when the Group recognises any related restructuring costs or expenses.

26. Provisions

Provisions are recognised when the Group has a present obligation related to a contingency, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money. Where the effect of the time value of money is material, the amount of the provision is determined by discounting the related future cash outflows.

27. Share-based payments

A share-based payment is a transaction which the Group grants equity instruments, or incurs liabilities for amounts that are determined based on the price of equity instruments, in return for services rendered by employees. The Group's share-based payments include equity-settled share-based payments and cash settled share-based payments.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Share-based payments (Continued)

27.1 Equity-settled share-based payments

Equity-settled share-based payments granted to employees

Equity-settled share-based payments in exchange for services rendered by employees are measured at the fair value of the equity instruments granted to employees at the grant date. Such amount is recognised as related costs or expenses on a straight-line basis over the vesting period, based on the best estimate of the number of equity instruments expected to vest, with a corresponding increase in capital reserve.

At each balance sheet date during the vesting period, the Group makes the best estimate according to the subsequent latest information of change in the number of employees who are granted options that may vest, etc. and revises the number of equity instruments expected to vest. The effect of the above estimate is recognised as related costs or expenses, with a corresponding adjustment to capital reserve.

27.2 Cash-settled share-based payments

Cash-settled share-based payments are measured at the fair value of the liabilities incurred by the Group, which are determined based on the price of the share or other equity instruments. The Group recognises the services for the period as related costs or expenses, with a corresponding increase in liability, at an amount equal to the fair value of the liability based on the best estimate of the outcome of vesting at each balance sheet date within the vesting period. Until the liability is settled, the Group re-measures the fair value of the liability at each balance sheet date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

27.3 Accounting treatment related to implementation, modification and termination of share-based payment arrangement

In case the Group modifies a share-based payment arrangement, if the modification increases the fair value of the equity instruments granted, the Group will include the incremental fair value of the equity instruments granted in the measurement of the amount recognised for services received. If the modification increases the number of the equity instruments granted, the Group will include the fair value of additional equity instruments granted in the measurement of the amount recognised for services received. The increase in the fair value of the equity instruments granted is the difference between fair value of the equity instruments before and after the modification on the date of the modification. If the Group modifies the terms or conditions of the share-based payment arrangement in a manner that reduces the total fair value of the share-based payment arrangement, or is not otherwise beneficial to the employee, the Group will continue to account for the services received as if that modification had not occurred (other than a cancellation of some or all the equity instruments granted).

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Share-based payments (Continued)

27.3 Accounting treatment related to implementation, modification and termination of share-based payment arrangement (Continued)

If cancellation of the equity instruments granted occurs during the vesting period, the Group will account for the cancellation of the equity instruments granted as an acceleration of vesting, and recognise immediately the amount that otherwise would have been recognised over the remainder of the vesting period in profit or loss for the period, with a corresponding recognition in capital reserve. When the employee or counterparty can choose whether to meet the non-vesting condition but the condition is not met during the vesting period, the Group treats it as a cancellation of the equity instruments granted.

28. Preference shares, perpetual bonds and other financial instruments

Other financial instruments such as the as preference shares, perpetual bonds issued by the Group are accounted for as equity instruments if all the following criteria are satisfied:

(1) The financial instrument does not include a contractual obligation of delivering cash or other financial assets to other parties, or exchanging financial assets or financial liabilities with other parties under potential disadvantages;

(2) Where the financial instrument is required to be or may be settled using the Group's own equity instrument, it does not include a contractual obligation of settlement by delivering variable quantity of the Group's own equity instruments if the financial instrument is not a derivative instrument; or the financial instrument is settled by exchanging only fixed quantity of the Group's own equity instruments for a fixed amount of cash or other financial assets if the financial instrument is a derivative instrument.

Except for other financial instruments that can be classified as equity instruments described above, other financial instruments issued by the Group are classified as financial liabilities.

For other financial instruments (including preference shares, perpetual bonds, etc.) classified as financial liabilities, the interest expenses or dividends distribution are accounted for as borrowing cost, with any gain or loss arising from the repurchase or redemption included in profit or loss for the period. If the financial liabilities are measured at amortised cost, related transaction costs are included in initial measurement amount.

For other financial instruments including preference shares and perpetual bonds classified as equity instruments, the interest expenses or dividends distributions are accounted for as profit distribution, and the repurchase and cancellation are dealt with as changes in equity, with related transaction costs deducted from equity.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Revenue

(1) Disclosure of accounting policies adopted in revenue recognition and measurement in accordance with business types

The revenue of the Group is mainly from:

(1) Sale of goods and metal trading

The Group sells minerals including self-produced mineral products of molybdenum, tungsten, niobium, phosphorus, copper, cobalt and gold, etc. and commercial mineral products of copper, lead and zinc concentrates and copper, lead and zinc refined metal to the customers. Generally, the performance business only includes delivery of goods in the contract concerning sales of goods, so the consideration of sale is recognised according to the price as agreed in the sales contract. The Group recognises the revenue at the time point when the control over the relevant goods are passed to the customers. In the meanwhile, the Group carries out business by receipts in advance or sales on credit based on credit status of counterparties.

(2) Metal flow transaction

In respect of the Group's metal flow transactions, the Group receives payments in advance from customers for the sale of goods, which are first recognised as liabilities (contract liabilities and other non-current liabilities – metal flow transaction contract liabilities) and then transferred to revenue when the relevant performance obligations are satisfied, i.e. when control of the goods is transferred to the customer. Where a metal flow contract has a significant financing component, the Group determines the transaction price at the time of entering into the metal flow contract based on the amount payable in cash assuming that the customer will pay for the goods as soon as it obtains control over these goods, and the difference between this transaction price and the contract consideration is amortised over the term of the contract using the effective interest method.

Where a contract includes a variable consideration, the Group determines the best estimate of the variable consideration based on the volume of mineral reserve, the expected delivery time and quantity of goods and the expected market price of goods. The transaction price including variable consideration shall not exceed the amount of the cumulatively recognised revenue which is most unlikely to be significantly reversed when relevant uncertainty is eliminated. At each balance sheet date, the Group re-estimates the amount of variable consideration to be included in the transaction price.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Revenue (Continued)

29.1 Disclosure of accounting policies adopted in revenue recognition and measurement in accordance with business types (Continued)

(3) Hotel services

The Group provides room and catering services to the customers through its self-operated hotels and accordingly obtains revenue, of which the revenue from room service provided is recognised over the period when the customers obtain and consume the service, and the revenue from catering service provided is recognised at the time point when the customers obtain the control over relevant goods.

(4) Other revenue

Meanwhile, the Group sells auxiliary materials including scraps to the customers. Generally, there is only one performance obligation i.e. delivery of goods in the contract concerning sales of goods. Relevant revenue is recognised at the time point when the control over the relevant goods is transferred to the customers. The consideration for sales of goods is determined based on the fixed price agreed in the sales contract.

A performance obligation is a commitment that the Group transfers distinct goods or services to a customer in the contract.

30. Government grants

Government grants are transfer of monetary assets and non-monetary assets from the government to the Group at no consideration. A government grant is recognised only when the Group can comply with the conditions attaching to the grant and the Group will receive the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value; if fair value is not reliably determinable, it is measured at a nominal amount. A government grant measured at a nominal amount is recognised immediately in profit or loss for the period.

30.1 Determination basis and accounting treatment of government grants related to assets

The government grants of the Group mainly include grant for demonstration base project, etc. Due to direct relationship with investment and construction of fixed assets, such government grants are defined as the government grants related to assets.

A government grant related to an asset is recognised as deferred income, and evenly amortised to profit or loss over the useful life of the related asset.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Government grants (Continued)

30.2 Determination basis and accounting treatment of government grants related to income

The government grants of the Group mainly include receipts of tax refunds, etc. Such government grants are defined as the government grants related to income.

For a government grant related to income, if the grant is a compensation for related costs and losses to be incurred in subsequent periods, the grant is recognised as deferred income, and recognised in profit or loss over the periods in which the related costs or losses are recognised. If the grant is a compensation for related costs or losses already incurred, the grant is recognised immediately in profit or loss for the period.

A government grant related to the Group's daily activities is recognised in other income based on the nature of economic activities. A government grant not related to the Group's daily activities is recognised in non-operating income.

31. Leases

A lease is a contract whereby the lessor conveys to the lessee the right to use an asset for an agreed period of time in return for a consideration.

The Group assesses whether a contract is, or contains, a lease at inception date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

31.1.1 Separating components of a contract

If the contract contains one or more lease and non-lease components, the Group will separate the individual lease and non-lease components and allocate contract consideration according to the relative proportion of the sum of the stand-alone prices of the lease components and the stand-alone prices of the non-lease components.

31.1.2 Right-of-use assets

Except for short-term leases, the Group recognises a right-of-use asset at the commencement date of the lease. The commencement date of the lease is the date on which a lessor makes an underlying asset available for use. The right-of-use asset is measured at cost. The cost of the right-of-use asset shall include:

- the amount of the initial measurement of the lease liabilities;

- any lease payments made at or before the commencement date, less any lease incentives received;

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Leases (Continued)

31.1.2 Right-of-use assets (Continued)

- any initial direct costs incurred by the Group;

- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Group depreciates right-of-use assets by reference to the relevant depreciation provisions of Accounting Standards for Business Enterprises No. 4 – Fixed Assets. The right-of-use assets are depreciated over the remaining useful lives of the leased assets where the Group is reasonably certain to obtain ownership of the underlying assets at the end of the lease term. Otherwise, right-of-use assets are depreciated over the shorter of the lease term and the remaining useful lives of the leased assets.

The Group assesses and determines whether the right-of-use asset is impaired and accounts for any impairment loss identified in accordance with Accounting Standards for Business Enterprises No. 8 – Impairment of Assets.

31.1.3 Lease liabilities

Except for short-term leases, at the commencement date of the lease, the Group measures the lease liabilities at the present value of the lease payments that are not paid at that date. In calculating the present value of lease payments, the Group uses the interest rate implicit in the lease as the discount rate. The Group uses the incremental borrowing rate if the interest rate implicit in the lease is not readily determinable.

The lease payments are payments to the lessor for the right to use the underlying asset during the lease term made by the Group, including fixed payments and in-substance fixed payments, less any lease incentives receivable, if applicable.

After the commencement date of the lease, the Group calculates interest expenses of lease liabilities for each period of the lease term based on a fixed periodic rate, and recognises such expenses in profit or loss or costs of related assets.

After the commencement date, the lease term has changed or there is a change in the assessment of exercise of a purchase option, the Group remeasures the related lease liability by discounting the revised lease payments using a revised discount rate and adjusts the corresponding right-of-use asset. If the carrying amount of the right-of-use asset has been reduced to zero, but the lease liability still needs to be further reduced, the difference is recognised in the profit or loss for the current period.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Leases (Continued)

31.1.4 Basis of adopting simplified methods and relevant accounting treatment for short-term leases as lessee

The Group elects not to recognise right-of-use assets and lease liabilities for short-term leases of transportation devices and machinery equipment. A short-term lease is a lease that at the commencement date, has a lease term of 12 months or less and does not contain any purchase options. The Group shall recognise the lease payments associated with short-term leases in profit or loss or the costs of related assets on a straight-line basis over the lease term.

31.1.5 Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and

- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope which is adjusted based on circumstances of the particular contract.

If the lease modification is not accounted for as an individual lease, on the effective date of the lease modification, the Group reallocates the consideration of the contract after the change, re-determines the lease term, and remeasures the lease liabilities at the present value of revised lease payment discounted at revised discount rate.

If the lease modification results in a reduction in the lease scope or lease term, the carrying amount of the right-of-use assets will be reduced, and the gains or losses relevant to the lease partially of fully terminated will be included in profit or loss for the period; for other lease modifications resulting in the remeasurement of lease liabilities, the carrying amount of right-of-use assets is adjusted accordingly.

32. Deferred tax assets/Deferred tax liabilities

Income tax expenses include current income tax and deferred income tax.

32.1 Current income taxes

At the balance sheet date, current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid (or recovered) according to the requirements of tax laws.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Deferred tax assets/Deferred tax liabilities (Continued)

32.2 Deferred tax assets and deferred tax liabilities

For temporary differences between the carrying amounts of certain assets or liabilities and their tax base, or between the nil carrying amount of those items that are not recognised as assets or liabilities and their tax base that can be determined according to tax laws, deferred tax assets and liabilities are recognised using the balance sheet liability method.

Deferred tax is generally recognised for all temporary differences. Deferred tax assets for deductible temporary differences are recognised to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilised. However, for temporary differences associated with the initial recognition of goodwill and the initial recognition of an asset or liability arising from a transaction (not a business combination) that affects neither the accounting profit nor taxable income (or deductible losses) and does not give rise to equal taxable temporary differences and deductible temporary differences at the time of transaction, no deferred tax asset or liability is recognised.

For deductible losses and tax credits that can be carried forward, deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible losses and tax credits can be utilised.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be taxable income against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates, according to tax laws, that are expected to apply in the period in which the asset is realised or the liability is settled.

Current and deferred tax expenses or benefits are recognised in profit or loss for the period, except when they arise from transactions or events that are directly recognised in other comprehensive income or in shareholders' equity, in which case they are recognised in other comprehensive income or in shareholders' equity; and when they arise from business combinations, in which case they adjust the carrying amount of goodwill.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Deferred tax assets/Deferred tax liabilities (Continued)

32.2 Deferred tax assets and deferred tax liabilities (Continued)

At the balance sheet date, the carrying amount of deferred tax assets is reviewed and reduced if it is no longer probable that sufficient taxable income will be available in the future to allow the benefit of deferred tax assets to be utilised. Such reduction in amount is reversed when it becomes probable that sufficient taxable income will be available.

32.3 Income tax offsetting

When the Group has a legal right to settle on a net basis and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously, current tax assets and current tax liabilities are offset and presented on a net basis.

When the Group has a legal right to settle current tax assets and liabilities on a net basis, and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax assets and liabilities on a net basis or to realise the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be reversed, deferred tax assets and deferred tax liabilities are offset and presented on a net basis.

33. Stripping costs

During mining operations, the Group may find that mineral wastes and surface cover to be removed before mining, and the removal activities for such wastes is called stripping. The stripping costs are usually capitalised in the mining development phase (before production). The capital expenditure is divided into cash outflows of investment activities.

After mining development phase can be ended for getting into the production phase, the waste removal activity is referred to as production stripping.

If the production stripping activity is related to the current mining, the associated stripping costs are included in the statement of profit or loss for the current period as operating costs. If the production stripping is associated with inventory production and improves the mining environment for subsequent years, the expenditure on the removal of wastes should be reasonably allocated between the two activities, and the portion that is beneficial to the mining environment for subsequent years shall be capitalised into fixed assets. In some cases, where a large amount of wastes is removed or only a small volume of inventory is produced, the costs incurred by the stripping of wastes will be fully capitalised.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Stripping costs (Continued)

On the basis of the proven reserves of ore, all capitalised waste stripping costs are depreciated in accordance with the output method.

The impact on the waste stripping costs or on the remaining ore reserves arising from changes in mine life expectancy or mining plans will be treated as changes in accounting estimates.

34. Exploration, assessment and development expenditures

The costs of exploration and assessment are directly recognised in costs when they are incurred. When a mine is determined to be of economic value, all subsequent assessment and exploration expenditures, including expenditures incurred in the development phase, are capitalised into the cost of the underlying asset. The above capitalisation terminates after the mine has reached the commercial production phase. The exploration assets generated from acquisitions are presented on the balance sheet at the assessed value.

35. Other significant accounting policies and accounting estimates

35.1 Work safety expenses

In accordance with the Notice on Issuing the Administrative Measures for the Collection and Utilisation of Enterprise Work Safety Funds (Cai Qi [2012] No. 16), the safety expenses for domestic mining enterprises are provided as per RMB5/ton for raw ore of surface mine, RMB10/ton for raw ore of downhole mine and RMB1/ton for tailing pond; the safety expenses for domestic metallurgy enterprises are provided as per actual operating income in the prior year and are provided month by month based on the following standards with excessive and accumulative withdrawal method:

(I) Provided 3% if the operating income does not exceed RMB10 million;

(II) Provided 1.5% if the operating income is RMB10 million to RMB0.1 billion;

(III) Provided 0.5% if the operating income is RMB0.1 billion to RMB1 billion;

(IV) Provided 0.2% if the operating income is RMB1 billion to RMB5 billion;

(V) Provided 0.1% if the operating income is RMB5 billion to RMB10 billion;

(VI) Provided 0.05% if the operating income exceeds RMB10 billion.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Other significant accounting policies and accounting estimates (Continued)

35.1 Work safety expenses (Continued)

In accordance with the Notice on Issuing the Administrative Measures for the Collection and Utilisation of Enterprise Work Safety Funds (Cai Zi [2022] No. 136), from 1 December 2022, the safety expenses for domestic mining enterprises are provided as per RMB5/ton for raw ore of surface mine, RMB15/ton for raw ore of downhole mine and RMB4/ton for tailing pond.

When safety expenses of the enterprises are provided as per the standards, debit "manufacturing expenses" and credit "special reserve".

When the safety protection equipment and facilities are purchased with safety production reserve within specified limit, it should debit "construction in progress" and credit "bank deposit" based on the amount included into assets cost. The safe projects will be deemed as fixed assets upon completion and reaching the reserved serviceable condition; the special reserves will be written down as per the cost of fixed assets and the cumulative depreciation in the same amount will be confirmed; debit "special reserve" and credit "accumulated depreciation". The fixed asset will not withdraw depreciation later, but amount carried forward is within the limit of the balance of "special reserves" being offset to be zero.

When the safety production reserve is used to pay the expenses in safety production inspection, evaluating expenditure, safety skills training and emergency rescue drill, it should directly write down special reserves, debit "special reserve" and credit "bank deposits". The amount carried forward should be within the scope that the balance of "special reserve" is written down to zero.

35.2 Hedge accounting

35.2.1 Basis of adopting hedge accounting and relevant accounting treatment

Some financial instruments are designated as hedging instruments by the Group for the purpose of managing risk exposure caused by specific risks such as currency risk, interest rate risk, price risk, etc. The Group applies hedging accounting for a hedge that satisfies the prescribed conditions. Hedging activities of the Group include fair value hedges and cash flow hedges.

At the inception of hedging, the Group officially designated hedging instruments and hedged items, and prepared written documents recording the nature of hedging instruments, hedged items, hedged risks, and hedging effectiveness evaluation methods (including the analysis of the causes of invalid hedging and methods to determine the hedging ratio).

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Other significant accounting policies and accounting estimates (Continued)

35.2 Hedge accounting (Continued)

35.2.1 Basis of adopting hedge accounting and relevant accounting treatment (Continued)

The Group will discontinue hedge accounting when one of the following conditions occurs:

- the risk management objective is changed so that the hedging relationship no longer meets the risk management objective.
- the hedging instrument expires, or is sold, terminated or exercised.
- There is no longer an economic relationship between the hedged items and the hedging instruments, or in the value changes arising from the economic relationship between the hedged items and the hedging instruments, the impact of credit risk begins to dominate.
- The hedging relationship no longer meets other conditions for using the hedge accounting methods.

Fair value hedges

The Group recognises gains or losses arising from hedging instruments in current profit or loss. Where a hedging instrument is a hedge of an investment in a non-held-for-trading equity instrument that has been elected to be measured at FVTOCI, the gain or loss arising on the hedging instrument is included in other comprehensive income.

The Group recognises gains or losses on hedged items arising from hedged exposures in current profit or loss and adjusts the carrying amount of recognised hedged items not measured at fair value. If the hedged item is a financial asset classified as at FVTOCI, the gain or loss arising from the hedged exposure is included in profit or loss for the period.

Cash flow hedges

The Group includes the effective portion of the gains or losses arising from hedging instruments as the cash flow hedge reserve into other comprehensive income, and the ineffective portion of the hedge into the profit or loss. The cash flow hedge reserve shall be determined to be the lower of (in absolute amounts) 1) the cumulative gain or loss on the hedging instrument from inception of the hedge; and 2) the cumulative change in present value of the expected future cash flows on the hedged item from inception of the hedge.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Other significant accounting policies and accounting estimates (Continued)

35.2 Hedge accounting (Continued)

35.2.1 Basis of adopting hedge accounting and relevant accounting treatment (Continued)

Cash flow hedges (Continued)

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, or the forecast transaction of a non-financial asset or a non-financial liability forms a firm commitment applicable to fair value hedge accounting, the Group will reclassify the cash flow hedging reserve originally recognised in the other comprehensive income into initial carrying amount of the asset or liability. For the cash flow hedges not under the above conditions, the Group will reclassify the cash flow hedging reserve originally recognised in the other comprehensive income into current profit or loss in the same period(s) during which the hedged expected cash flow affects profit or loss. If the cash flow hedging reserve recognised in the other comprehensive income is a loss all or a portion of which will not be recovered in future accounting periods, the Group shall reclassify into profit or loss the amount that is not expected to be recovered.

When the Group discontinues hedge accounting for a cash flow hedge, if the hedged future cash flow is still expected to happen, the accumulated cash flow hedge reserve will be reserved and accounted for with the above method; if the hedged future cash flow is not expected to happen, the accumulated cash flow hedge reserve will be reclassified from other comprehensive income into current profit or loss.

35.2.2 Method for assessing effectiveness of hedging

The Group continuously evaluates whether the hedging relationship meets the requirements of hedging effectiveness on and after the inception date of hedging. If the hedging meets the following conditions at the same time, the Group will determine that the hedging relationship meets the requirements for hedging effectiveness:

- An economic relationship exists between the hedged items and the hedging instruments.
- Among the value changes caused by the economic relationship between hedged items and hedging instruments, the impact of credit risk does not dominate.
- The hedge ratio of the hedging relationship will be equal to the ratio of the actual number of the Group's hedged items to the actual number of hedging instruments.

If the hedging relationship no longer meets the requirement of hedging effectiveness due to the hedge ratio, but the risk management objectives of the hedging relationship have not changed, the Group will rebalance the hedging relationship. The number of hedged items or hedging instruments in the hedging relationship is adjusted so that the hedge ratio meets the requirements of hedging effectiveness again.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Other significant accounting policies and accounting estimates (Continued)

35.3 Accounting treatment related to repurchase of the Company's shares

The consideration and transaction costs paid to repurchase shares are deducted from equity. No gain or loss is recognised in profit or loss on the repurchase, sale or cancellation of the Company's shares.

36. Key assumptions and uncertainties in the accounting estimates

In the application of the Group's accounting policies, which are described in Note (V), the Group is required to make judgments, estimates and assumptions about the carrying amounts of items in the financial statements that cannot be measured accurately, due to the internal uncertainty of the operating activities. These judgments, estimates and assumptions are based on historical experiences of the Group's management as well as other factors that are considered to be relevant. Actual results may differ from these estimates.

The aforementioned judgments, estimates and assumptions are reviewed regularly on a going concern basis. The effect of a change in accounting estimate is recognised in the period of the change, if the change affects that period only; or recognised in the period of the change and future periods, if the change affects both.

At the balance sheet date, the key assumptions and uncertainties in accounting estimates that are probable to cause significant adjustments to the carrying amounts of assets and liabilities in future periods include:

Estimate of mineral reserve

The estimate of mineral reserve is determined based on the materials formulated by the industrial experts or other judicial authorities. Use the method to determine the mineral reserve and other minerals and calculate depreciation and amortisation of assets, evaluate impairment indicators and useful life of mine, calculate metal flow transaction and forecast the payment time of rehabilitation cost for forecasting to be closed or rehabilitate mine.

When evaluating the useful life of mine for the purpose of accounting, calculate the mineral resources with mining value. The estimate of mineral reserve will involve multiple uncertainties. Estimate the currently effective assumptions and material changes in actual data. The changes in market prices, exchange rate, production cost or recovery may change the current economic situation of reserve and cause revaluation of the reserve in the end.

Useful life of fixed assets

The management judges the estimated useful life of fixed assets and their residual value. The estimate should base on the experience in actual useful life of fixed assets and assume the government will update upon expiration of mining rights. The scientific innovation and fierce industrial competition have material impact on the estimate of useful life. Where the actual useful life is different from the estimated useful life, the management should adjust the depreciation amount.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

36. Key assumptions and uncertainties in the accounting estimates (Continued)

Impairment of non-current assets other than financial assets

The Group assesses whether there are any indicators of impairment of all non-current assets other than financial assets at the balance sheet date. Non-current assets other than financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. Intangible assets with indefinite useful life or not yet available for use and goodwill are tested for impairment annually, irrespective of whether there is any indication that the assets and goodwill may be impaired. If it is not practical to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs will be estimated. Impairment exists if the carrying amount of an asset or asset group is higher than recoverable amount, the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset or asset group. For the net amount of fair value less costs of disposal, it is determined by referring to the observable market prices less incremental costs for disposing of the asset. For the estimated future cash flows, the changes in assumptions adopted by the Group, such as budgeted gross profits, discount rates and inflation rates of raw material prices, may have a significant impact on the present value of future cash flows used in the impairment test.

Revenue recognition – metal flow transactions

The Group's metal cash flow transaction contract contains variable considerations and significant financing components. The unrecognised financing expenses are amortised in each reporting period, with the balance of contract liabilities and other non-current liabilities (metal flow transaction contract liabilities) adjusted accordingly. In application of Revenue Standards to account for the metal flow transactions, the key assumptions adopted by the Group include the discount rate of significant financing component, mineral reserves, expected time and quantity of delivery, as well as the forecasted market price of the goods, etc. The changes in the above estimates may have impact on the adjustment of variable considerations and the measurement of contract liabilities and other non-current liabilities (metal flow transaction contract liabilities).

Provision for closure, restoration and rehabilitation costs

Provision for closure, restoration and rehabilitation costs has been determined by the directors based on their best estimates. The directors estimated this liability for final reclamation and mine closure based upon detailed calculations of the amount and timing of future cash flows spending for a supplier to perform the required work, escalated for inflation, then discounted at a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability, such that the provision reflects the present value of the expenditures expected to be required to settle the obligation. However, in so far as the effect on the land and the environment from current mining activities becomes apparent in future periods, the estimate of the associated costs may be subject to change in the future. The provision is reviewed regularly to verify that it properly reflects the present value of the obligation arising from the current and past mining activities. The adjustments to the expected rehabilitation costs for the current period are detailed in Note (VII) 14.

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

36. Key assumptions and uncertainties in the accounting estimates (Continued)

Deferred tax assets

The realisation of deferred tax assets mainly depends on actual future profits and taxable temporary differences. In cases where the actual future profits are less than the expected profits or the actual tax rates are lower than the expected tax rates, deferred tax assets recognised will be reversed and recognised in the consolidated profit or loss account for the period during which such reversals take place.

Income tax

Since the operating environment for subsidiaries of the Group situated in the Brazil and Congo (DRC) is special, and the final tax decisions on certain transactions made by local tax authorities have uncertainties. The income tax expenses accrued by the relevant subsidiaries during the reporting period are objectively estimated based on existing tax laws and other relevant tax policies. The provision for liabilities uses significant accounting estimates and is based on the management's best estimate of future income tax to be paid.

The subsidiaries of the Group situated in Congo (DRC) are subject to a series of local laws and regulations in Congo (DRC), including but not limited to the mining law passed in 2018 ("2018 mining law of Congo (DRC)") and the constantly updated fiscal bill; Under the relevant legal system, the Company may be exposed to a series of taxes and operating expenses, including royalties, excess profit tax, etc. The tax laws and regulations of Congo (DRC) are complicated and constantly updated. The relevant laws and regulations promulgated and updated at any time and the interpretation of relevant laws and regulations by local tax authorities may have a significant impact on the income tax currently recognised by the Group.

Contingent liabilities

The Group will face a wide range of legal disputes in the course of continuing operations, and the results of the relevant disputes are highly uncertain.

When the economic benefits related to a particular administrative and legal dispute are considered to be extremely likely to flow out and measurable, the management of the Group will make corresponding provisions according to the professional legal advice. The management uses judgment to determine whether a provision shall be made for the relevant administrative and legal dispute or whether the dispute shall be disclosed as a contingent liability. Details are set out in Note (VII) 37 and Note (XVI).

Fair value measurement and valuation procedure

The Group's held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and trading inventories at fair value that are related with IXM business are measured at fair value. In determining the fair value of the underlying assets and liabilities, the management of the Group will adopt the appropriate valuation method and the input value of the fair value measurement according to the nature of the underlying assets and liabilities. For the selection of input values, the Group will use observable market data wherever possible. The Group will set up an internal valuation team or employs eligible appraisers from a third party to assess the part of financial instruments in respect of which the Level 1 inputs are not available. The financial department of the Group will cooperate with the valuation team or eligible external appraisers closely to determine suitable valuation technology and inputs of relevant model. For the relevant information relating to the valuation technology and input adopted in determining the fair value of assets and liabilities, refer to Note (XIII).

VI. TAXATION

1. Major categories of taxes and tax rates

Details of major categories of taxes and tax rates

Category of tax	Basis of tax assessment	Tax rate
China value-added taxes ("VAT")	The Company is a general taxpayer. The balance of VAT payable is output VAT less deductible input VAT.	13%, 9%, 6%
China urban maintenance and construction tax	Turnover tax actually paid	For urban area, the tax rate is 7%; For county and town, the tax rate is 5%; For others, the tax rate is 1%.
China resource tax	Sales volume of concentrate	6.5%, 8% collected on ad valorem basis *(Note 1)*
China education surcharge	Turnover tax actually paid	3%
China local education surcharges	Turnover tax actually paid	2%
Income from transfer of mining rights in China	Sales volume of relevant mineral products	2.3% for molybdenum concentrate, 2.3% for tungsten concentrate, 1.8% for iron ore concentrate and 1.2% for copper concentrate
Brazil social contribution tax and goods turnover tax	Brazil local social contribution tax (PIS & CONFINS) and the goods turnover tax (ICMS) are applicable to CMOC Brazil, of which the tax basis is the income from the sales of goods and the rendering of services in Brazil. Tax payable is the balance of output tax less deductible input tax. No social contribution tax or goods turnover tax is levied on export goods.	The social contribution tax is 9.25% of the sales price of goods or services. The goods turnover tax is 4% – 20% of the sales price of goods or services. The tax rates vary among different states of Brazil.
Congo (DRC) VAT	CMOC Kisanfu Mining S.A.R.L ("KFM") and Tenke Fungurume Mining S.A. ("TFM") are subject to VAT of the Democratic Republic of the Congo ("DRC").	The output VAT is calculated at 16% of the sales volume calculated in accordance with the relevant tax regulations.
Royalties of mining rights in Congo (DRC)	Sales volume of related products	*Note 2*

VI. TAXATION (CONTINUED)

1. Major categories of taxes and tax rates (Continued)

Details of major categories of taxes and tax rates (Continued)

Category of tax	Basis of tax assessment	Tax rate
Congo (DRC) consumption tax	Purchase production costs of relevant products	The consumption tax rate ranges from 10% to 25%, depending on the category of taxable products.
Congo (DRC) exchange tax	The amount of foreign currency paid to or received from countries other than Congo (DRC).	0.2%
Enterprise income tax	Taxable income: income tax payable is calculated based on taxable income adjusted pre-tax accounting profit for the period in accordance with the relevant tax laws multiplying by the statutory tax rate.	*Note 3*

Note 1: According to the Resource Tax Law of People's Republic of China, the resource tax is calculated and collected on an ad valorem basis or on a volume basis. The taxes on tungsten and molybdenum resources are calculated and collected on an ad valorem basis at tax rates of 6.5% and 8% respectively.

Note 2: In accordance with the new Mining Act of Congo (DRC), the Group calculates and pays royalties of mining rights at 3.5% and 10% respectively in respect of the sales income from products relating to copper and cobalt business in Congo (DRC).

Note 3: Applicable tax rates:

Except for the tax incentive disclosed below, the applicable enterprise income tax rate for the Company and its domestic subsidiaries is 25%.

According to the two-tier profit tax regime, the qualified HK companies apply profit tax rate of 8.25% to the first HKD2,000,000 taxable profit, and apply 16.5% to the portion of taxable profit exceeding HKD2,000,000. For related companies within a single group, only one enterprise can be nominated for the benefit. China Molybdenum (Hong Kong) Company Limited and CMOC Holding Limited ("CMOC Limited") are both incorporated in Hong Kong. The applicable enterprise income tax rate for China Molybdenum (Hong Kong) Company Limited is 16.5%; the applicable enterprise income tax rates for CMOC Limited are 8.25% and 16.5%.

CMOC UK Limited ("CMOC UK") is incorporated in the United Kingdom, thus is subject to the applicable income tax rate of 25%.

CMOC Brazil Mineração, Indústria e Participações Ltda. ("CMOC Brazil") is incorporated in Brazil, thus is subject to the income tax rate of 34%.

VI. TAXATION (CONTINUED)

1. Major categories of taxes and tax rates (Continued)

Details of major categories of taxes and tax rates (Continued)

Note 3: Applicable tax rates: (Continued)

Mineração Aurizona S.A., Mineração Riacho Dos Machados Ltda. and Santa Luz Desenvolvimento Mineral Ltda. are incorporated in Brazil and are subject to a statutory income tax rate of 34%. As CMOC Brazil Gold benefits from tax incentives provided by the Brazilian Development Authority, the income tax rate applicable to it is 15.25%.

Odin Mining del Ecuador is incorporated in Ecuador and is subject to an enterprise income tax rate of 25%.

The Group's subsidiaries located in the Cayman Islands and the British Virgin Islands ("BVI") are not subject to enterprise income tax.

The applicable income tax rate for the Group's subsidiaries located in Bermuda is 15%.

TFM and KFM are incorporated in Congo (DRC) and are subject to the enterprise income tax rate of 30%. In addition, when the prices of materials or goods significantly increase by 25% on average basis comparing to the prices disclosed in the feasibility study report of the Company, the mining enterprises are required to pay excess profit tax at 50% of the profit.

IXM and its subsidiaries principally operate in Switzerland and China. The applicable income tax rate of its subsidiaries in Switzerland is 14.70%.

2. Tax incentive

According to the Law of the People's Republic of China on Enterprise Income Tax and the Implementation Provisions, the revenue from products satisfying the state industrial policy produced by comprehensive utilisation of resources may be partially deducted when calculating the taxable income. Such deduction represents that the enterprise's revenue from using the resources included in the Catalogue of Preferential Enterprise Income Tax for Comprehensive utilisation of Resources as the main raw material to produce the products that are neither restricted not forbidden by the state and satisfy the national and industrial standards is included in taxable income at 90%. The proportion of the aforesaid raw material to the total materials used to produce the product shall not be lower than the standards specified in the Catalogue of Preferential Enterprise Income Tax for Comprehensive utilisation of Resources. However, the Company's iron concentrate, copper concentrate, and sulfur concentrate fall within the scope of Catalogue of Preferential Enterprise Income Tax for Comprehensive utilisation of Resources. Therefore, the Company still recognised 90% of sales of iron concentrate, copper concentrate, and sulphur concentrate to taxable income during the first half of 2025 and the first half of 2026.

In accordance with the Resource Tax Law of the People's Republic of China ("New Resource Tax Law"), the resource tax rate for molybdenum minerals is 8%, and the exemption or reduction of resource tax for associated minerals is decided by the provincial people's congresses; in accordance with the decision of the Nineteenth Meeting of the Standing Committee of the Thirteenth People's Congress of Henan Province on 31 July 2020, associated minerals are exempt from resource tax. Since 1 September 2020, the Company's associated iron, copper and sulphur and other associated minerals continue to be exempt from resource tax.

VI. TAXATION (CONTINUED)

2. Tax incentive (Continued)

On 22 November 2023, the Company received a "high-tech enterprise certificate", No. GR202341002662, which was jointly issued by Henan Science and Technology Department, Henan Finance Department, the State Taxation Administration, Henan Provincial Tax Service. The issuance of the high-tech enterprise certificate is a re-recognition after the expiration of the previous certificate, which is valid for 3 years. The Company will enjoy a preferential enterprise income tax from 1 January 2023 to 31 December 2025 and the applicable enterprise income rate during above period is 15%. The Company has submitted its application for re-recognition as a high-tech enterprise to the science and technology authority of Henan Province in August 2026. According to Article 4 of the Guidelines for the Administration of High-Tech Enterprise Recognition: In the year when the high-tech enterprise qualification expires, prior to successful re-recognition, the enterprise income tax shall be provisionally paid at a preferential rate of 15%. For the current period, the Company is provisionally paying enterprise income tax at a rate of 15%.

In accordance with the Measures for the Implementation of the Enterprise Income Tax Policies of the Xizang Autonomous Region (Provisional) (Zang Zheng Fa (2022) No. 11) issued by the People's Government of the Xizang Autonomous Region, Article 5 of the above documents stipulates that enterprises meeting certain conditions shall be exempted from local share of enterprise income tax from 1 January 2022 to 31 December 2025. Pursuant to the Notice issued by the People's Government of Xizang Autonomous Region on amending the Measures for the Implementation of the Enterprise Income Tax Policies of the Xizang Autonomous Region (Provisional) (Zang Zheng Fa (2026) No. 4), the application period stipulated in Article 5 has been extended to 31 December 2027. The subsidiary of the Group, Tibet Schmocke Investment Co., Ltd. ("Tibet Schmocke"), meets the condition for enjoying a preferential tax and the condition for exemption from local share of enterprise income tax stipulated in the above documents. Therefore, the applicable enterprise income rate of Tibet Schmoke is 15% during the first half of 2025 and the first half of 2026.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

Unit: RMB

Item	**Closing balance**	Opening balance
Cash on hand	**2,141,335.93**	6,328,994.71
Bank deposits	**40,433,308,462.62**	32,216,272,429.44
Other cash and bank balances	**2,087,391,271.84**	1,341,354,428.30
Total	**42,522,841,070.39**	33,563,955,852.45
Including: Total amount deposited abroad	**24,583,180,252.95**	20,335,650,006.30

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

1. Cash and bank balances (Continued)

Other descriptions

At the end of the current period, the above other cash and bank balances which are restricted for use mainly include deposits for mines, deposits for borrowings, pledged certificates of deposits and other deposits, amounting to RMB99,985,375.57, RMB739,759,025.10, RMB1,150,000,000.00 and RMB97,646,871.17 (at the end of the prior year: RMB83,913,512.09, RMB667,883,437.45, RMB350,000,000.00 and RMB239,557,478.76).

2. Held-for-trading financial assets

Unit: RMB

Item	**Closing balance**	Opening balance
Financial assets at FVTPL		
Including:		
Receivables *(Note 1)*	**10,139,087,653.03**	11,533,125,889.19
Structured deposits *(Note 2)*	**300,055,479.45**	300,011,260.27
Wealth management products	**1,003,983,525.69**	581,676,086.25
Fund products of financial institutions	**3,585,741,124.74**	1,058,739,214.76
Others	**1,058,797,925.11**	169,089,065.01
Total	**16,087,665,708.02**	13,642,641,515.48

Other descriptions:

Note 1: The major products of the Group are copper, lead and zinc concentrates and cobaltous hydroxide etc., selling price of which is provisionally determined according to the market price upon delivery. Generally, the price is finally determined according to the monthly average spot price quoted by the London Metals Exchange (LME) or other agreed pricing methods within a specified period or a period subsequent to the delivery. The Group classifies the accounts receivable generated from relevant business as financial assets at FVTPL.

As at 30 June 2026, receivables pledged by the Group to obtain short-term borrowings amounted to RMB0.00 (31 December 2025: RMB2,493,103,760.53).

Note 2: They are the structured deposits of RMB purchased by the Group from domestic financial institutions in the current period, the yield of which is linked to exchange rate, and the Group classifies such deposits as financial assets at FVTPL.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Derivative financial assets

Unit: RMB

Item	Closing balance	Opening balance
Derivative financial instruments of which hedging relationship is not designated *(Note 1)*		
Forward commodity contracts	**2,067,443,596.46**	1,441,339,174.06
Forward foreign exchange contracts	**235,071,641.92**	78,536,752.30
Commodity futures contracts	**683,799,112.51**	326,117,183.19
Including: forward commodity contracts included in non-current derivative financial assets	**-46,003,777.96**	–
Total	**2,940,310,572.93**	1,845,993,109.55

Other descriptions:

Note 1: The Group uses commodity (copper, lead, zinc concentrates, refined metals, etc.) futures contracts, forward commodity contracts, and commodity option contracts to manage the risk of commodity purchases and future sales so as to avoid bearing the risk of significant changes in the price of relevant products arising from the fluctuation of the market price. Besides, the Group uses forward foreign exchange contracts for risk management to avoid the Group's exchange rate risk.

The above forward commodity contracts, forward foreign exchange contracts, commodity futures contracts and commodity option contracts are not designated as hedging instruments. The gains or losses arising from changes in fair value of these contracts shall be directly recorded into profit or loss. See Note (VII), 55 for details.

4. Accounts receivable

(1) Disclosure by ageing

Unit: RMB

Aging	Closing balance	Opening balance
Within 1 year (inclusive)	**1,252,145,770.23**	1,232,633,010.35
1 to 2 years	**100,825,803.17**	4,196,095.03
2 to 3 years	**61,326.25**	1,281.00
Over 3 years	**2,106,166.20**	1,803,973.38
Total	**1,355,139,065.85**	1,238,634,359.76

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(2) Disclosure by category under bad debt provision methods

The Group classifies customers into different groups on the basis of ageing at the balance sheet date and historical repayments and determines the expected loss rate of accounts receivable for each group. At the balance sheet date, the Group recognises the ECL allowance for accounts receivable based on the impairment matrix.

	30 June 2026				31 December 2025			
Internal credit rating	Expected average loss rate	Gross carrying amount	Loss allowance	Carrying amount	Expected average loss rate	Gross carrying amount	Loss allowance	Carrying amount
Low risk	0.10%	883,423,776.67	926,612.13	882,497,164.54	0.15%	807,640,381.42	1,172,042.71	806,468,338.71
Normal	5.02%	448,246,663.39	22,491,369.46	425,755,293.93	5.66%	409,550,327.98	23,187,709.44	386,362,618.54
Attention	10.67%	21,135,165.37	2,254,475.95	18,880,689.42	10.62%	19,200,375.16	2,038,993.12	17,161,382.04
Doubtful (impaired)	53.50%	209,628.70	112,150.34	97,478.36	53.50%	70,969.00	37,968.08	33,000.92
Loss (impaired)	100.00%	2,123,831.72	2,123,831.72	-	100.00%	2,172,306.20	2,172,306.20	–
Total		1,355,139,065.85	27,908,439.60	1,327,230,626.25		1,238,634,359.76	28,609,019.55	1,210,025,340.21

The expected average loss rate is measured based on historical actual impairment rate with the current situation and prediction on future economy taken into consideration. There are no changes in assessment approach and significant assumption for the period from January to June 2026 and in 2025.

(3) Provision for bad debts based on general ECL model

Unit: RMB

Bad debt provision	Lifetime ECL
Balance at 1 January 2026	28,609,019.55
Provision	234,291.29
Reversal	-1,619,031.04
Changes in exchange rate	684,159.80
Balance at 30 June 2026	27,908,439.60

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(4) *Top five accounts receivable and contract assets at the end of the period by debtors*

Unit: RMB

Name of entity	Closing balance of accounts receivable	Proportion to total accounts receivable and contract assets at the end of the period (%)	Closing balance of bad debt provision
CH	**294,505,357.16**	**21.73**	**–**
BU	**97,978,920.00**	**7.23**	**112,461.38**
BB	**79,310,691.69**	**5.85**	**91,033.76**
CI	**65,697,260.31**	**4.85**	**–**
BA	**49,900,582.20**	**3.68**	**57,276.49**
Total	**587,392,811.36**	**43.34**	**260,771.63**

5. Financing with receivables

(1) *Disclosure of financing with receivables by category*

Unit: RMB

Item	Closing balance	Opening balance
Notes receivable	**20,762,998.23**	59,223,805.38
Including: Bank acceptances	**20,762,998.23**	59,223,805.38
Total	**20,762,998.23**	59,223,805.38

Part of notes receivable are endorsed or discounted by the Group according to its daily funds demand. Therefore, relevant notes receivable are classified as financial assets at FVTOCI.

At 30 June 2026, the Group believes that there is minor possibility of significant loss arising from the default of banks, therefore it has no significant credit risk on bank acceptances.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Financing with receivables (Continued)

(2) At the end of the current period, the financing with receivables that have been endorsed or discounted by the Company but are not yet due at the balance sheet are as follows:

Unit: RMB

Item	**Amount derecognised as at 30 June 2026**	Amount not derecognised as at 30 June 2026
Bank acceptances	**1,531,254,984.73**	–
Total	**1,531,254,984.73**	–

At 30 June 2026 and 31 December 2025, the Group had no financing with receivables were pledged for issue of notes payable.

6. Prepayments

(1) Disclosure of prepayments by aging

Unit: RMB

	Closing balance		Opening balance	
Aging	**Amount**	**Proportion (%)**	Amount	Proportion (%)
Within 1 year	**2,886,612,970.18**	**97.75**	1,760,438,871.47	95.72
1 to 2 years	**48,251,602.54**	**1.63**	62,485,126.16	3.40
2 to 3 years	**5,055,452.35**	**0.17**	13,508,493.86	0.73
Over 3 years	**13,010,006.47**	**0.45**	2,726,565.28	0.15
Total	**2,952,930,031.54**	**100.00**	1,839,159,056.77	100.00

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Prepayments (Continued)

(2) Top five of prepayments at the end of the period by receivers

Unit: RMB

Name of entity	Closing balance	Proportion to total prepayments at the end of the period (%)
CG	**310,265,716.56**	**10.51**
CJ	**272,502,363.98**	**9.23**
CK	**238,381,500.00**	**8.07**
CL	**230,913,348.15**	**7.82**
CE	**193,181,756.70**	**6.54**
Total	**1,245,244,685.39**	**42.17**

7. Other receivables

7.1 Presentation of items

Unit: RMB

Item	Closing balance	Opening balance
Interest receivable	**90,638,702.13**	338,482,419.43
Dividends receivable	**–**	32,000,000.00
Other receivables	**5,717,138,491.27**	5,559,940,927.55
Total	**5,807,777,193.40**	5,930,423,346.98

7.2 Interest receivable

(1) Category of interest receivable

Unit: RMB

Item	Closing balance	Opening balance
Interest receivable on bank deposits	**75,218,001.70**	130,290,184.96
Interest receivable from related parties *(Note (XIV), 6)*	**9,089,746.64**	202,437,918.91
Interest receivable from third parties	**6,330,953.79**	5,754,315.56
Total	**90,638,702.13**	338,482,419.43

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

7.3 Dividends receivable

(1) Dividends receivable

Unit: RMB

Item (or investee)	**Closing balance**	Opening balance
Luoyang Yulu Mining Co., Ltd. ("Yulu Mining")	–	32,000,000.00
Total	–	32,000,000.00

7.4 Other receivables

(1) Disclosure of other receivables by nature

Unit: RMB

Nature of other receivables	**Closing balance**	Opening balance
VAT refunds receivable and other taxes *(Note 1)*	**5,168,038,949.56**	4,936,682,722.39
Deductible Brazil social contribution tax *(Note 2)*	**107,495,190.56**	156,008,125.56
Deposits	**152,977,062.51**	153,602,373.91
Gains from close position *(Note 3)*	**55,123,313.54**	250,983.48
Others	**251,818,280.85**	332,250,078.69
Total	**5,735,452,797.02**	5,578,794,284.03

Note 1: It mainly refers to the VAT refundable amount generated from the Group's export business. The entity has applied for tax refunds from the government.

Note 2: Details are set out in note 2 of Note (VII), 21.

Note 3: It refers to the gains that will be received at the settlement after the period from the Group's forward commodity contracts that have been closed out.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

7.4 Other receivables (Continued)

(2) Credit risk of other receivables

The Group has other receivables of which the loss allowance is recognised on the basis of ECL as below:

Unit: RMB

	Closing balance			Opening balance		
	Gross carrying amount	**Loss allowance**	**Carrying amount**	Gross carrying amount	Loss allowance	Carrying amount
Other receivables of which the loss allowance is recognised on the basis of ECL	**5,735,452,797.02**	**18,314,305.75**	**5,717,138,491.27**	5,578,794,284.03	18,853,356.48	5,559,940,927.55

At 30 June 2026, the management of the Group believes that there's no significant ECL on other receivables as their credit risk has not been increased significantly since the initial recognition, except for which impairment has been provided.

(3) Top five other receivables balances at the end of the year based on debtors

Unit: RMB

Name	**Closing balance**	**Proportion of the amount to the total other receivables (%)**	**Nature of the amount**	**Aging**	**Closing balance of bad debt allowance**
CB	**4,850,609,574.50**	**84.57**	Tax refunds receivable	Within 6 years	**-**
Federal government of Brazil	**317,429,375.06**	**5.54**	Tax refunds receivable	Within 2 years	**-**
Federal government of Brazil	**107,495,190.56**	**1.87**	Deductible tax	Within 3 years	**-**
Jiaxing customs of PRC	**36,710,244.95**	**0.64**	Deposits	Within 1 year	**-**
CM	**30,906,375.34**	**0.54**	Gains from close position	Within 1 year	**-**
Total	**5,343,150,760.41**	**93.16**	/	/	**-**

(4) There are no other receivables concerning government grants during the reporting period.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories

Unit: RMB

Item	Closing balance Carrying amount	Opening balance Carrying amount
Inventories:		
– Measured at cost	**39,819,782,454.72**	33,463,325,652.11
– Measured at fair value	**12,127,655,692.47**	14,191,182,518.90
Total	**51,947,438,147.19**	47,654,508,171.01

As at 30 June 2026, the carrying amount of the inventories, which are pledged by the Group to obtain short-term borrowings, is USD1,462,910,000.00, equivalent to RMB9,963,733,719.00 (31 December 2025: USD1,659,851,650.28, equivalent to RMB11,666,765,279.47).

Inventories measured at cost

(1) Categories of inventories

Unit: RMB

Measured at cost	Closing balance			Opening balance		
Current:	Gross carrying amount	Provision for decline in value of inventories	Carrying amount	Gross carrying amount	Provision for decline in value of inventories	Carrying amount
Raw materials	**10,899,391,300.99**	**86,005,956.60**	**10,813,385,344.39**	8,092,022,044.62	77,791,560.19	8,014,230,484.43
Work in progress	**6,630,445,421.47**	**–**	**6,630,445,421.47**	6,470,694,943.43	–	6,470,694,943.43
Finished goods	**9,362,110,573.32**	**–**	**9,362,110,573.32**	5,782,021,060.64	–	5,782,021,060.64
Trading inventories	**6,269,079,532.82**	**–**	**6,269,079,532.82**	6,235,833,536.30	–	6,235,833,536.30
Total	**33,161,026,828.60**	**86,005,956.60**	**33,075,020,872.00**	26,580,571,584.99	77,791,560.19	26,502,780,024.80

	Closing balance			Opening balance		
Non-current:	Gross carrying amount	Provision for decline in value of inventories	Carrying amount	Gross carrying amount	Provision for decline in value of inventories	Carrying amount
Raw materials *(Note 1)*	**6,744,761,582.72**	**–**	**6,744,761,582.72**	6,960,545,627.31	–	6,960,545,627.31
Total	**6,744,761,582.72**	**–**	**6,744,761,582.72**	6,960,545,627.31	–	6,960,545,627.31

Note 1: Non-current raw materials are ores reserved by the Group for future production or sales, mainly including the low-grade ores produced from Tenke Copper-Cobalt mine in Congo (DRC). As the ore recovery process is further demanded in the future, the management estimates that these ores will not be ready for sales within one year, so it is presented as non-current assets.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

Inventories measured at cost (Continued)

(2) Provision for decline in value of inventories

Unit: RMB

Item	Opening balance	Increase		Decrease		Closing balance
		Provision	Others	Reversal or write-off	Others	
Raw materials	77,791,560.19	12,364,374.04	–	3,880,078.11	269,899.52	86,005,956.60
Total	77,791,560.19	12,364,374.04	–	3,880,078.11	269,899.52	86,005,956.60

Note: The item of "Decrease-Others" represents translation differences of financial statements denominated in foreign currencies.

Inventories at fair value

(1) Categories of inventories

Unit: RMB

Item	30 June 2026 Carrying amount	31 December 2025 Carrying amount
Current: Trading inventories outside the PRC	12,034,205,465.46	14,097,857,397.62
Non-current: Consumable biological assets	93,450,227.01	93,325,121.28
Total	12,127,655,692.47	14,191,182,518.90

(2) Changes in consumable biological assets are set out below

Unit: RMB

Item	Quantity	31 December 2025	Increase		Decrease	Translation differences of financial statements denominated in foreign currencies	30 June 2026
			Transfer from construction in progress	Changes in fair value	Utilisation		
Eucalyptus forest in Brazil	1,941 hectares	93,325,121.28	5,572,797.12	-679,651.47	-1,826,583.95	-2,941,455.97	93,450,227.01

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Non-current assets due within one year

Unit: RMB

Item	Closing balance	Opening balance
Borrowings due from SNEL *(Note (VII) 21)*	**206,108,163.48**	212,702,147.95
Certificates of deposit due within one year *(Note (VII) 21)*	**575,535,477.49**	1,201,330,013.33
Others	**255,408.75**	7,643,819.72
Total	**781,899,049.72**	1,421,675,981.00

10. Other current assets

Unit: RMB

Item	Closing balance	Opening balance
Derivatives deposits *(Note 1)*	**6,935,760,037.31**	8,671,855,078.73
Input VAT to be deducted	**1,435,125,324.94**	1,202,935,199.46
Prepaid enterprise income tax	**384,754,849.88**	128,698,845.98
Prepaid insurance expenses	**1,602,122.92**	6,997,152.44
Prepayment of VAT	**310,283,907.48**	167,596,442.72
Others	**1,008,357,375.17**	56,209,400.61
Total	**10,075,883,617.70**	10,234,292,119.94

Other description:

The Group accounts the financial assets in the other current assets according to ECL model. At 30 June 2026, the management believes that the relevant financial assets have a low credit risk.

Note 1: It is the deposit paid by the Group to acquire derivatives.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments

(1) Long-term equity investments

Unit: RMB

Investee	Note	Opening balance (Carrying amount)	Changes for the period: Additional investments	Reduction in investments	Investment profit or loss recognised under equity method	Cash dividends or profit declared	Impairment provision	Translation differences of financial statements denominated in foreign currencies	Others	Closing balance (Provision for impairment)
Luoyang Huanyu Molybdenum Co., Ltd. ("Huan Yu")	*Note 1*	615,265,157.62	–	–	40,206,423.20	–	–	–	–	**655,471,580.82**
USHAKA CARGO TERMINAL PROPRIETARY LIMITED ("USHAKA")	*Note 2*	–	–	–	–	–	–	–	–	**-**
PHOENIX COMMODITIES LLC ("PHOENIX")	*Note 3*	7,349,983.13	–	–	-5,657,734.28	–	–	-251,062.83	–	**1,441,186.02**
Sub-total		622,615,140.75	–	–	34,548,688.92	–	–	-251,062.83	–	**656,912,766.84**
Yulu Mining	*Note 4*	62,044,563.64	–	–	167,899,560.07	–	–	–	–	**229,944,123.71**
Caly Nanomoly Development, Inc. ("Nanomoly Development")	*Note 5*	–	–	–	–	–	–	–	–	**-**
Luoyang Shenyu Molybdenum Co., Ltd ("Luoyang Shenyu")	*Note 6*	7,345,018.26	–	–	702,266.88	-1,500,000.00	–	–	–	**6,547,285.14**
You Qing Trade	*Note 7*	14,909,503.40	–	–	-942,415.61	–	–	–	–	**13,967,087.79**
Walvis Bay Cargo Terminal Pty. Ltd ("Walvis Bay")	*Note 8*	2,010,400.36	–	–	-2,591,511.86	–	–	581,111.50	–	**-**
PT.Huayue Nickel Cobalt ("Huayue Nickel Cobalt")	*Note 9*	2,606,291,928.60	–	–	490,545,157.75	–	–	-88,175,752.35	-21,936,804.64	**2,986,724,529.36**
Tongxiang Huaang	*Note 10*	7,066,290.12	–	–	-1,486,174.49	–	–	–	–	**5,580,115.63**
ENERLOG SA	*Note 11*	238,979.23	–	–	–			-7,408.60	–	**231,570.63**
Guochuang Intelligent Mining Equipment Research Institute (Luoyang) Co., Ltd. ("Guochuang Intelligent")	*Note 12*	4,188,760.61	–	–	-84,915.10	–	–	–	–	**4,103,845.51**
LUALABA POWER SA ("LUALABA")	*Note 13*	534,188,800.00	6,919,850.00	–	–	–	–	-16,669,350.00	–	**524,439,300.00**
RESOURCE SUSTAINABLE TECHNOLOGIES B.V. ("RESOURCE")	*Note 14*	–	–	–	–	–	–	–	–	**-**
Ascend Resources Pty Limited ("Ascend Resources")	*Note 15*	37,112,064.00	29,337,396.06	–	-1,427,569.21	–	–	-1,589,939.97	–	**63,431,950.88**
Sub-total		3,275,396,308.22	36,257,246.06	–	652,614,398.43	-1,500,000.00	–	-105,861,339.42	-21,936,804.64	**3,834,969,808.65**
Total		3,898,011,448.97	36,257,246.06	–	687,163,087.35	-1,500,000.00	–	-106,112,402.25	-21,936,804.64	**4,491,882,575.49**

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments (Continued)

(1) Long-term equity investments (Continued)

Other descriptions

Note 1: Huan Yu, a joint venture where the Group holds 50% equity, holds 90% equity in Fu Chuan. Meanwhile, the Group directly holds 10% equity in Fu Chuan. According to the agreement with local government, the local government is entitled to 8% of the dividend rights of Fu Chuan.

Note 2: In April 2023, USHAKA was incorporated and in October 2023, the Group, as a shareholder with a 50% equity therein, made a cash contribution of ZAR5,000,000, while the Company assigned two directors to USHAKA, accounting for it as a joint venture.

Note 3: In December 2024, the Group, as a shareholder with a 50% equity therein, made a cash contribution of USD1,040,000 to incorporate PHOENIX, which is accounted for as a joint venture.

Note 4: The Group holds a 40% equity interest in Yulu Mining. According to the resolution of Yulu Mining's 2007 annual general meeting of shareholders, both investors would share the net profit at 50% respectively since year 2008.

Note 5: The Group holds 40% of Nanomoly Development's equity and accounts investment therein based on equity method. In accordance with Articles of Association of Nanomoly Development, the Group does not assume any additional liabilities for additional loss. As at the end of the current period, the Group has written down its investment in Nanomoly Development to zero.

Note 6: In April 2016, the Company entered into a collaboration agreement with a third party, and the Company invested RMB1.5 million by way of intangible assets and the counterparty invested RMB8.5 million of cash to incorporate Luoyang Shenyu. Meanwhile, the Company appointed a director and a supervisor to Luoyang Shenyu. Therefore, Luoyang Shenyu is accounted for as an associate due to the Company's significant influence.

Note 7: In October 2019, the Company signed an equity transfer agreement with a third party, purchasing 30% of equity in You Qing held by a third party at a cash consideration price of RMB1.5 million. In 2022, in accordance with the Articles of Association, the Company supplemented its capital by RMB1.5 million, and the shareholding ratio remained unchanged. At the same time, the Company assigned two directors and one supervisor. Therefore, it is accounted for as an associate due to the Company's significant influence.

Note 8: Walvis Bay is an associate of IXM Holding SA, which is a wholly-owned subsidiary of the Company.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments (Continued)

(1) Long-term equity investments (Continued)

Note 9: In November 2019, the Group's wholly-owned subsidiary CMOC Limited signed an equity transfer agreement with Newstride Limited, acquiring 100% of equity in W-Source Holding Limited ("W-Source Holding") at a consideration price of USD1,125.87, and indirectly acquiring 21% share of PT.Huayue Nickel Cobalt held by W-Source Holding. On 25 July 2020, CMOC Limited increased its equity held in PT.Huayue Nickel Cobalt to 30% in the way of subscribing the registered capital newly increased by PT.Huayue Nickel Cobalt through W-Source Holding. W-Source Holding assigned a director and a supervisor to PT.Huayue Nickel Cobalt. Therefore, it is accounted for as an associate due to the Company's significant influence.

Note 10: Tongxiang Huaang was incorporated in August 2019 and the Company, as a shareholder with 30% equity therein, contributed RMB600,000 in cash. In 2022, in accordance with the Articles of Association, the Company supplemented its capital by RMB900,000, and the shareholding ratio remained unchanged. The Company assigned one director and one supervisor. Therefore, Tongxiang Huaang is accounted for as an associate due to the Company's significant influence.

Note 11: In July 2021, the Company, as a shareholder with 34% equity therein, contributed USD34,000. Therefore, ENERLOG SA is accounted for as an associate due to the Company's significant influence.

Note 12: In February 2023, the Company contributed RMB4 million in cash to Guochuang Intelligent, accounting for 20% equity therein, and assigned one director. Therefore, Guochuang Intelligent is accounted for as an associate due to the Company's significant influence.

Note 13: In May 2024, the Group entered into an equity transfer agreement with a third party to purchase 44% equity interest in LUALABA held by the third party at a cash consideration of USD65 million with two directors, which is accounted for as an associate due to the significant influence over it. In the same year, the Company and other shareholders increased their capital in proportion to their shareholdings, and the Company increased its capital by USD11 million, with no change in its shareholding proportion. In the current period, the Company increased its capital by US$1 million, while its shareholding percentage remained the same.

Note 14: In April 2024, the Group, as a shareholder with a 33% equity therein, made a cash contribution of USD1,080 and assigned one director. Therefore, RESOURCE is accounted for as an associate due to the Company's significant influence.

Note 15: In December 2025, the Group, as a shareholder with a 15% equity therein, made a cash contribution of AUD8 million and assigned one director. Therefore, Ascend Resources is accounted for as an associate due to the Company's significant influence. In the current period, the Group increased its capital by AUD 6 million in cash, and its shareholding percentage stood at 27.5% following the capital increase.

There are no circumstances relating to the Group's long-term equity investments that restrict the ability to transfer funds to the investees.

The enterprises in which the Group has long-term equity investments are all unlisted companies.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Investments in other equity instruments

(1) Investments in other equity instruments

Unit: RMB

				Changes for the period					
Item	Opening balance	Additional investments	Reduction in investments	Gains recognised in other comprehensive income for the period	Losses recognised in other comprehensive income for the period	Others	Closing balance	Accumulated gains recognised in other comprehensive income	Accumulated losses recognised in other comprehensive income
Z company equity	5,313,604.00	–	–	–	–	–	5,313,604.00	–	-94,687,396.00
AA company equity	5,795,576.24	–	–	–	–	–	5,795,576.24	–	–
AB company equity	35,270,518.40	–	–	62,084,165.04	–	-1,093,422.20	96,261,261.24	62,084,165.04	–
Total	46,379,698.64	–	–	62,084,165.04	–	-1,093,422.20	107,370,441.48	62,084,165.04	-94,687,396.00

Other descriptions:

As the investments in equity instruments of the Group and its subsidiaries are the investments that the Group and its subsidiaries plan to hold for a long term, they are designated as financial assets at FVTOCI.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Other non-current financial assets

Unit: RMB

Item	Closing balance	Opening balance
AC Partnership shares *(Note 1)*	198,780,258.64	322,549,750.00
AD Partnership shares	204,719,153.00	204,719,153.00
AE Partnership shares	58,223,618.87	60,086,357.51
AF Fund shares	163,711,400.59	197,217,584.80
Target asset management plan *(Note 2)*	983,577,607.39	994,994,573.35
AJ company equity	138,394,879.43	142,822,523.97
AK Fund shares	660,805,784.43	583,689,812.82
AL Partnership	415,784,236.00	390,784,236.00
AM company equity	–	1,089,728.28
AN fund investment *(Note 3)*	69,931,690.88	67,597,154.23
AO Partnership shares	330,000,000.00	–
Others	155,888,814.88	155,888,814.88
Total	3,379,817,444.11	3,121,439,688.84

Other descriptions:

Note 1: It is the Group's partnership share. According to the partnership agreement, the Group recovered the investment cost of RMB12,575,998.06 and investment income of RMB86,803,845.68 from the partnership in the current year.

Note 2: It is the Group's target asset management plan, which mainly include shares and fund investments.

Note 3: It is the fund investment by IXM, a wholly-owned subsidiary of the Company. The Fund mainly invests in commodities and related derivative instruments.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Fixed assets

(1) Fixed assets

Unit: RMB

Item	Buildings and mining projects	Machinery and equipment	Electronic equipment, fixtures and furniture	Transportation equipment	Total
I. Original carrying amount:					
1. Opening balance	32,233,686,131.32	35,223,818,801.34	266,328,647.03	194,065,711.87	67,917,899,291.56
2. Increase	4,791,668,437.78	1,406,250,269.81	78,105,564.35	57,067,535.41	6,333,091,807.35
(1) Purchase	503,487,696.39	7,460,992.04	47,919,329.25	8,869,401.92	567,737,419.60
(2) Transfer from CIP	532,069,760.84	427,657,544.98	8,467,941.94	31,700,770.66	999,896,018.42
(3) Increase due to business combinations *(Note 1)*	3,890,126,181.78	971,131,732.79	21,718,293.16	16,497,362.83	4,899,473,570.56
(4) Revaluation of rehabilitation and asset disposal cost *(Note 2)*	-134,015,201.23	–	–	–	-134,015,201.23
3. Decrease	14,855,221.00	139,619,547.62	3,769,698.65	2,070,057.68	160,314,524.95
(1) Disposal or retirement	14,855,221.00	139,619,547.62	3,769,698.65	2,070,057.68	160,314,524.95
4. Translation differences of financial statements denominated in foreign currencies	-976,982,403.99	-1,108,421,700.65	-4,317,473.99	-4,497,730.82	-2,094,219,309.45
5. Closing balance	36,033,516,944.11	35,382,027,822.88	336,347,038.74	244,565,458.78	71,996,457,264.51
II. Accumulated depreciation					
1. Opening balance	10,969,242,866.89	14,574,592,460.06	213,086,384.82	85,630,068.97	25,842,551,780.74
2. Increase	1,294,624,160.50	1,432,032,490.45	60,550,474.32	18,153,224.56	2,805,360,349.83
(1) Provision	1,294,624,160.50	1,432,032,490.45	60,550,474.32	18,153,224.56	2,805,360,349.83
3. Decrease	2,125,705.93	130,834,392.46	3,620,764.51	1,321,200.01	137,902,062.91
(1) Disposal or retirement	2,125,705.93	130,834,392.46	3,620,764.51	1,321,200.01	137,902,062.91
4. Translation differences of financial statements denominated in foreign currencies	-264,274,940.77	-444,118,825.27	-2,955,562.53	-1,573,133.75	-712,922,462.32
5. Closing balance	11,997,466,380.69	15,431,671,732.78	267,060,532.10	100,888,959.77	27,797,087,605.34
III. Impairment provision					
1. Opening balance	18,992,633.68	15,471,781.78	1,202,571.44	13,318.55	35,680,305.45
2. Increase	–	–	–	–	–
(1) Provision	–	–	–	–	–
3. Decrease	–	157,949.52	–	1,224.71	159,174.23
(1) Disposal or retirement	–	157,949.52	–	1,224.71	159,174.23
4. Translation differences of financial statements denominated in foreign currencies	-23,536.47	-304,252.97	-6,515.39	–	-334,304.83
5. Closing balance	18,969,097.21	15,009,579.29	1,196,056.05	12,093.84	35,186,826.39
IV. Carrying amount					
1. Closing carrying amount	24,017,081,466.21	19,935,346,510.81	68,090,450.59	143,664,405.17	44,164,182,832.78
2. Opening carrying amount	21,245,450,630.75	20,633,754,559.50	52,039,690.77	108,422,324.35	42,039,667,205.37

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Fixed assets (Continued)

(1) Fixed assets (Continued)

Note 1: It includes the assets acquired by the Group on 23 January 2026 through the acquisition of 100% equity interest in Brazilian Gold Mine, please refer to Note (IX) 1 for details.

Note 2: At the end of the reporting period, the Group reviewed its future restoration and asset retirement obligations and adjusted the book value of restoration and asset retirement costs pursuant to the updated restoration plan.

As at the 30 June 2026, no fixed assets are used as collateral.

(2) Details of the fixed assets without certificate of titles

Unit: RMB

Item	**Carrying amount**	**Reason why the property rights certificate is not completed**
High-pressure roller mill workshop	18,144,956.37	Completed and settled, with asset title in progress
High-pressure roller mill slope support	5,377,593.49	Completed and settled, with asset title in progress
Tungsten and molybdenum extraction and separation workshop	4,575,810.94	Completed and settled, with asset title in progress
Main decomposition workshop	4,456,865.07	Completed and settled, with asset title in progress
Main extraction workshop	4,373,565.79	Completed and settled, with asset title in progress
Office staff dining hall	4,246,744.66	Completed and settled, with asset title in progress
Main crystallisation workshop	3,669,325.30	Completed and settled, with asset title in progress
Quality control building	2,474,099.26	Completed and settled, with asset title in progress
Sandaogou tailing pond pressurised pumping station	2,432,420.28	Completed and settled, with asset title in progress
Others	9,039,713.67	Completed and settled, with asset title in progress
Total	58,791,094.83	

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Construction in progress

(1) Construction in progress

Unit: RMB

	Closing balance			Opening balance		
Item	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
House acquisition and decoration project	1,114,974,964.53	–	1,114,974,964.53	1,047,557,030.45	–	1,047,557,030.45
Copebras phosphorus production plant maintenance project	248,788,976.25	–	248,788,976.25	398,311,583.37	–	398,311,583.37
Niobras Niobium production plant maintenance project	208,570,971.77	–	208,570,971.77	192,341,642.27	–	192,341,642.27
Project replacing Xuansan Tailing	15,172,899.22	–	15,172,899.22	2,476,532.34	–	2,476,532.34
TFM dehydration equipment installation project	6,624,220.86	–	6,624,220.86	6,660,428.46	–	6,660,428.46
Copebras phosphorus production process improvement project	35,251,502.80	–	35,251,502.80	63,695,134.11	–	63,695,134.11
Niobras tailings dam heightening project	11,774,942.46	–	11,774,942.46	46,741,030.30	–	46,741,030.30
TFM mine power distribution project	10,683,631.83	–	10,683,631.83	11,025,431.48	–	11,025,431.48
TFM mine power supporting project	533,479,323.86	–	533,479,323.86	–	–	–
KFM mine power supporting project	309,039,401.50	–	309,039,401.50	–	–	–
KFM phase II construction project	2,198,795,172.94	–	2,198,795,172.94	433,942,927.79	–	433,942,927.79
T3, T4 and T5 tailing pond phase II construction project	72,783,009.62	–	72,783,009.62	150,232,785.24	–	150,232,785.24
Optimisation of the 15K grinding system and 10K beneficiation system	158,831.51	–	158,831.51	133,450,053.13	–	133,450,053.13
DRC grid transmission project	150,834,122.35	–	150,834,122.35	–	–	–
MASA underground mine project	223,013,291.39	–	223,013,291.39	–	–	–
SLDM tailing pond heightening project	35,716,690.41	–	35,716,690.41	–	–	–
MRDM thickener project	34,376,662.99	–	34,376,662.99	–	–	–
TFM new and expanded camp project	52,963,619.30	–	52,963,619.30	20,021,009.15	–	20,021,009.15
FBDM underground mine expansion project	24,288,380.53	–	24,288,380.53	–	–	–
TFM power emergency engineering construction project	661,830,762.86	–	661,830,762.86	–	–	–
KFM power emergency engineering construction project	319,884,868.72	–	319,884,868.72	–	–	–
Others	2,175,546,695.51	31,615,388.19	2,143,931,307.32	1,578,810,919.66	31,615,388.19	1,547,195,531.47
Total	8,444,552,943.21	31,615,388.19	8,412,937,555.02	4,085,266,507.75	31,615,388.19	4,053,651,119.56

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Construction in progress (Continued)

(2) Changes in significant construction in progress

Unit: RMB

Item	Budget amount	Opening balance	Increase	Transferred to fixed assets	Other decreases	Translation differences of financial statements denominated in foreign currencies	Closing balance	Proportion of project investment to budget amount (%)	Project progress	Accumulated interest capitalisation	Including: interest capitalisation for the period	Interest capitalisation rate for the period	Source of fund
House acquisition and decoration project	1,256,218,038.64	1,047,557,030.45	67,417,934.08	-	-	-	**1,114,974,964.53**	89.00	89.00	-	-	-	Funds in hand
Copebras phosphorus production plant maintenance project	1,520,757,597.53	398,311,583.37	88,811,425.04	-216,208,723.79	-11,971,542.49	-10,153,765.88	**248,788,976.25**	57.87	57.87	-	-	-	Funds in hand
Niobras Niobium production plant maintenance project	611,485,155.68	192,341,642.27	68,382,061.57	-45,834,949.76	-	-6,317,782.31	**208,570,971.77**	67.58	67.58	-	-	-	Funds in hand
Project replacing Xuansan Tailing	534,212,588.00	2,476,532.34	12,696,366.88	-	-	-	**15,172,899.22**	89.64	89.64	-	-	-	Funds in hand
TFM dehydration equipment installation project	168,030,351.72	6,660,428.46	172,996.25	-	-	-209,203.85	**6,624,220.86**	84.00	84.00	-	-	-	Funds in hand
Copebras phosphorus production process improvement project	361,339,673.04	63,695,134.11	9,844,467.38	-36,736,893.73	-	-1,551,204.96	**35,251,502.80**	43.44	43.44	-	-	-	Funds in hand
Niobras tailings dam heightening project	201,815,647.29	46,741,030.30	7,376,835.65	-41,177,800.54	-252,256.14	-912,866.81	**11,774,942.46**	67.28	67.28	-	-	-	Funds in hand
TFM mine power distribution project	97,096,190.40	11,025,431.48	-	-	-	-341,799.65	**10,683,631.83**	100.00	98.00	-	-	-	Funds in hand
TFM mine power supporting project	2,030,644,935.11	-	543,962,424.50	-	-	-10,483,100.64	**533,479,323.86**	26.27	26.27	-	-	-	Raised/Funds in hand

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Construction in progress (Continued)

(2) Changes in significant construction in progress (Continued)

Item	Budget amount	Opening balance	Increase	Transferred to fixed assets	Other decreases	Translation differences of financial statements denominated in foreign currencies	Closing balance	Proportion of project investment to budget amount (%)	Project progress	Accumulated interest capitalisation	Including: interest capitalisation for the period	Interest capitalisation rate for the period	Source of fund
KFM mine power supporting project	981,478,385.31	-	314,933,128.70	-	-	-5,893,727.20	**309,039,401.50**	31.49	31.49	-	-	-	Raised/Funds in hand
KFM phase II construction project	7,239,284,972.97	433,942,927.79	1,848,006,014.86	-	-	-83,153,769.71	**2,198,795,172.94**	57.00	80.00	-	-	-	Funds in hand
T3, T4 and T5 tailing pond phase II construction project	577,022,860.26	150,232,785.24	142,617,593.32	-216,574,416.41	-	-3,492,952.53	**72,783,009.62**	48.00	80.00	-	-	-	Funds in hand
Optimisation of the 15K grinding system and 10K beneficiation system	369,150,780.00	133,450,053.13	9,851,534.47	-141,074,211.91	-	-2,068,544.18	**158,831.51**	89.00	98.00	-	-	-	Funds in hand
DRC grid transmission project	1,002,227,337.33	-	150,972,625.86	-	-	-138,503.51	**150,834,122.35**	15.05	15.05	-	-	-	Raised/Funds in hand
MASA underground mine project	403,586,531.50	-	252,377,357.92	-23,702,264.10	-325,672.64	-5,336,129.79	**223,013,291.39**	55.26	55.26	-	-	-	Funds in hand
SLDM tailing pond heightening project	60,417,418.96	-	36,489,049.88	-	-	-772,359.47	**35,716,690.41**	59.12	59.12	-	-	-	Funds in hand
MRDM thickener project	52,563,986.82	-	36,012,503.71	-840,487.68	-	-795,353.04	**34,376,662.99**	65.38	65.38	-	-	-	Funds in hand
TFM new and expanded camp project	83,558,246.20	20,021,009.15	34,057,564.43	-	-	-1,114,954.28	**52,963,619.30**	60.00	80.00	-	-	-	Funds in hand
FBDM underground mine expansion project	50,060,012.29	-	38,898,907.70	-13,986,335.29	-	-624,191.88	**24,288,380.53**	37.48	37.48	-	-	-	Funds in hand
TFM power emergency engineering construction project	1,447,560,121.07	-	661,830,762.86	-	-	-	**661,830,762.86**	45.72	45.72	-	-	-	Raised/Funds in hand
KFM power emergency engineering construction project	699,654,058.51	-	319,884,868.72	-	-	-	**319,884,868.72**	45.72	45.72	-	-	-	Raised/Funds in hand

At 30 June 2026, the balance of impairment provision for the Group's construction in progress was RMB31,615,388.19 (31 December 2025: RMB31,615,388.19).

Note 1: It includes the assets acquired by the Group on 23 January 2026 through the acquisition of 100% equity interest in Brazilian Gold Mine, please refer to Note (IX) 1 for details.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Right-of-use assets

(1) Right-of-use assets

Unit: RMB

Item	Buildings	Machinery and equipment	Total
I. Original carrying amount			
1. Opening balance	339,785,171.03	211,942,793.46	551,727,964.49
2. Increase	47,051,287.42	119,678,477.18	166,729,764.60
(1) Leasehold	47,051,287.42	18,026,651.57	65,077,938.99
(2) Increase in business combination *(Note 1)*	–	101,651,825.61	101,651,825.61
3. Decrease	70,189,621.30	9,563,382.93	79,753,004.23
(1) Disposal	70,189,621.30	9,563,382.93	79,753,004.23
4. Translation differences of financial statements denominated in foreign currencies	-5,752,281.34	-9,335,458.76	-15,087,740.10
5. Closing balance	310,894,555.81	312,722,428.95	623,616,984.76
II. Accumulated depreciation			
1. Opening balance	221,594,674.12	149,588,706.68	371,183,380.80
2. Increase	30,533,354.09	43,173,346.05	73,706,700.14
(1) Provision	30,533,354.09	43,173,346.05	73,706,700.14
3. Decrease	44,476,427.97	8,531,270.35	53,007,698.32
(1) Disposal	44,476,427.97	8,531,270.35	53,007,698.32
4. Translation differences of financial statements denominated in foreign currencies	-3,784,812.74	-5,168,961.14	-8,953,773.88
5. Closing balance	203,866,787.50	179,061,821.24	382,928,608.74
III. Impairment provision			
1. Opening balance	–	–	–
2. Increase	–	–	–
(1) Provision	–	–	–
3. Decrease	–	–	–
(1) Disposal	–	–	–
4. Translation differences of financial statements denominated in foreign currencies	–	–	–
5. Closing balance	–	–	–
IV. Carrying amount			
1. Closing carrying amount	107,027,768.31	133,660,607.71	240,688,376.02
2. Opening carrying amount	118,190,496.91	62,354,086.78	180,544,583.69

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Right-of-use assets (Continued)

(1) Right-of-use assets (Continued)

Note 1: It includes the assets acquired by the Group on 23 January 2026 through the acquisition of 100% equity interest in Brazilian Gold Mine, please refer to Note (IX) 1 for details.

The Group's lease liabilities and interest expense on lease liabilities are set out in Note (VII) 35, and Note (VII) 52 respectively. As at 30 June 2026, except for the Group's payment of deposit to the lessor as guarantee for leasehold assets, lease agreements have no other additional guarantee terms.

As at 30 June 2026, the Group has no leases that have been entered into but not yet incepted.

As at 30 June 2026, the management of the Group does not identify any indication of impairment in right-of-use assets, therefore, no impairment test is performed.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Intangible assets

(1) Intangible assets

Unit: RMB

Item	Land use rights and land ownership rights	Exploration and mining rights	Copper supply concessions *(Note 1)*	Supplier relationship *(Note 1)*	Others	Total
I. Original carrying amount						
1. Opening balance	562,743,062.80	35,951,206,770.83	134,809,718.47	288,180,800.00	495,654,384.07	37,432,594,736.17
2. Increase	63,388,875.44	1,583,287,190.02	–	–	52,948,707.48	1,699,624,772.94
(1) Purchase	63,388,875.44	–	–	–	21,416,204.87	84,805,080.31
(2) Transfer from CIP	–	–	–	–	22,460,001.14	22,460,001.14
(3) Increase in business combination *(Note 2)*	–	1,583,287,190.02	–	–	9,072,501.47	1,592,359,691.49
3. Decrease	–	–	–	–	–	–
(1) Disposal	–	–	–	–	–	–
4. Translation differences of financial statements denominated in foreign currencies	-4,797,765.58	-1,110,021,564.45	-4,179,239.37	-8,933,900.00	-13,796,356.89	-1,141,728,826.29
5. Closing balance	621,334,172.66	36,424,472,396.40	130,630,479.10	279,246,900.00	534,806,734.66	37,990,490,682.82
II. Accumulated amortisation						
1. Opening balance	115,562,920.66	12,750,145,947.55	107,829,350.28	105,066,275.61	289,422,411.20	13,368,026,905.30
2. Increase	4,861,547.35	969,303,318.56	4,103,536.65	9,457,128.36	21,977,032.08	1,009,702,563.00
(1) Provision	4,861,547.35	969,303,318.56	4,103,536.65	9,457,128.36	21,977,032.08	1,009,702,563.00
3. Decrease	–	–	–	–	–	–
(1) Disposal	–	–	–	–	–	–
4. Translation differences of financial statements denominated in foreign currencies	–	-397,680,521.95	-3,407,428.70	-3,406,060.49	-7,890,358.93	-412,384,370.07
5. Closing balance	120,424,468.01	13,321,768,744.16	108,525,458.23	111,117,343.48	303,509,084.35	13,965,345,098.23
III. Impairment provision						
1. Opening balance	–	20,484,319.60	–	–	2,343.90	20,486,663.50
2. Increase	–	–	–	–	–	–
(1) Provision	–	–	–	–	–	–
3. Decrease	–	–	–	–	–	–
(1) Disposal	–	–	–	–	–	–
4. Translation differences of financial statements denominated in foreign currencies	–	–	–	–	-72.66	-72.66
5. Closing balance	–	20,484,319.60	–	–	2,271.24	20,486,590.84
IV. Carrying amount						
1. Closing carrying amount	500,909,704.65	23,082,219,332.64	22,105,020.87	168,129,556.52	231,295,379.07	24,004,658,993.75
2. Opening carrying amount	447,180,142.14	23,180,576,503.68	26,980,368.19	183,114,524.39	206,229,628.97	24,044,081,167.37

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Intangible assets (Continued)

(1) Intangible assets (Continued)

As at 30 June 2026, there are no land use rights or mining rights used as collateral.

As at 30 June 2026, the Group has no land use rights without certificate of titles.

The land use rights in Chinese mainland are acquired with the lease period of 50 years.

Note 1: Copper supply concessions and supplier relationship are acquired through acquisition of IXM.

Note 2: It includes the assets acquired by the Group on 23 January 2026 through the acquisition of 100% equity interest in Brazilian Gold Mine, please refer to Note (IX) 1 for details.

18. Goodwill

(1) Original carrying amount of goodwill

Unit: RMB

Name of investee or events generating goodwill	Opening balance	Increase	Decrease		Closing balance
		Arising from business combination	Disposal	Translation differences of financial statements denominated in foreign currencies	
Brazil phosphorus business	664,440,381.10	–	–	-20,598,332.44	**643,842,048.66**
Total	664,440,381.10	–	–	-20,598,332.44	**643,842,048.66**

(2) Provision for impairment of goodwill

Unit: RMB

Name of investee or events generating goodwill	Opening balance	Increase	Decrease		Closing balance
		Provision	Disposal	Translation differences of financial statements denominated in foreign currencies	
Brazil phosphorus business	237,572,654.11	–	–	-7,364,995.64	**230,207,658.47**
Total	237,572,654.11	–	–	-7,364,995.64	**230,207,658.47**

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Goodwill (Continued)

(3) Information of the asset group or portfolio of asset groups with goodwill

Name	Composition of the asset group or a set of asset groups and its basis	Operating segment and its basis	Consistent with prior years or not?
Brazil phosphorus business	Major cash inflows from Brazil phosphorus business of CMOC Brazil are independent of other assets or asset groups	Niobium-and-phosphorus related products segment classified according to product types	Yes

(4) Specific method of determining the recoverable amount

Recoverable amount is determined according to the present value of expected future cash flows

Unit: RMB

Item	Carrying amount	Recoverable amount	Impairment amount	Length of the expected period	Key parameters of the forecast period (growth rate, profit margin, etc.)	Basis of parameters in the expected period	Key parameter of the stable period (growth rate, profit margin, discount rate, etc.)	Determination basis of key parameters in the stable period
Brazil phosphorus business	5,274,099,795.15	5,428,181,071.14	–	5 years	Budgeted gross profit, discount rate	Market price of metal, remaining years of mining rights	Budgeted gross profit, discount rate	Market price of metal, remaining years of mining rights
Total	5,274,099,795.15	5,428,181,071.14	–	/	/	/	/	/

Other descriptions:

Note: The recoverable amount of the asset group of Brazil phosphorus business is determined according to the present value of the expected future cash flows. Future cash flows are determined based on the financial budget of the next five years approved by the management and based on the production life of available reserves and future mining plans, and a discount rate of 8.47% is used. As the sale of the products in phosphorus business is priced in USD and settled in BRL, the management believes that the inflation risk faced by the relevant business in the operation process mainly comes from the inflation risk in the environment denominated in USD. Therefore, the inflation rate used to infer the cash flow from the asset group after 5 years is 2.50% (based on the USD environment).

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Long-term prepaid expenses

Unit: RMB

Item	Opening balance	Increase	Amortisation	Translation differences of financial statements denominated in foreign currencies	Closing balance
Relocation compensation *(Note 1)*	30,778,780.03	–	1,360,912.84	–	**29,417,867.19**
Geological Museum project *(Note 2)*	22,200,000.00	–	300,000.00	–	**21,900,000.00**
Tailing pond maintenance fee *(Note 3)*	106,439,861.92	–	8,816,627.66	–	**97,623,234.26**
Others	78,515,170.01	2,138,068.00	11,023,718.39	-526,420.42	**69,103,099.20**
Total	237,933,811.96	2,138,068.00	21,501,258.89	-526,420.42	**218,044,200.65**

Other descriptions:

Note 1: The Company paid relocation compensation to the villagers around the areas of tailing dams and the industrial park.

Note 2: According to the Geological Museum use right agreement signed by Luanchuan Finance Bureau and the Company on 18 December 2012, the Company would be allocated with 2,000 square meters of showroom area in the Geological Museum for promoting the Company's products for 50 years from 1 January 2013.

Note 3: The Company paid the maintenance fee for the Secao Lake tailing pond seepage prevention project.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Deferred tax assets/Deferred tax liabilities

(1) Deferred tax assets before offsetting

Unit: RMB

Item	Closing balance: Deductible temporary differences	Closing balance: Deferred tax assets	Opening balance: Deductible temporary differences	Opening balance: Deferred tax assets
Provision for impairment of assets	**3,977,882,266.69**	**1,173,695,578.24**	2,726,037,811.32	815,320,448.23
Deductible losses	**395,682,528.26**	**95,357,984.58**	222,184,604.42	56,918,694.93
Unrealised gross profit	**15,172,438,295.67**	**3,374,011,716.90**	10,508,747,728.06	2,244,666,106.14
Deferred income from government grants	**17,416,644.50**	**2,845,992.29**	21,111,872.33	3,750,519.95
Gains or losses on changes in fair value	**286,052,620.17**	**72,174,322.09**	–	–
Outstanding expenses – net	**2,299,725,311.47**	**511,849,936.62**	2,195,319,827.87	501,201,107.58
Equity incentives not yet unlocked	**68,219,987.76**	**17,054,996.94**	184,269,506.40	46,067,376.60
Differences in depreciation of fixed assets	**33,116,923.06**	**9,391,066.64**	23,529,731.63	6,935,324.97
Lease liabilities	**165,573,578.70**	**46,000,175.43**	186,400,589.09	56,402,961.41
Differences in inventory costs	**272,941,568.97**	**79,443,532.43**	328,956,007.47	98,686,802.24
Others	**343,990,857.64**	**74,479,424.71**	163,375,767.86	47,098,927.52
Total	**23,033,040,582.89**	**5,456,304,726.87**	16,559,933,446.45	3,877,048,269.57

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Deferred tax assets/Deferred tax liabilities (Continued)

(2) Deferred tax liabilities before offsetting

Unit: RMB

Item	**Closing balance** Taxable temporary differences	**Closing balance** Deferred tax liabilities	Opening balance Taxable temporary differences	Opening balance Deferred tax liabilities
Accrued interest income	**138,134,690.40**	**20,720,203.56**	224,748,490.39	33,712,273.56
Effect of exchange rate of non-monetary items *(Note 1)*	**782,562,112.92**	**236,845,570.44**	1,330,405,071.39	456,341,581.87
Differences in depreciation of fixed assets	**11,379,082,942.30**	**3,411,932,725.91**	11,822,520,850.29	3,554,627,643.74
Gains or losses on changes in fair value	**928,938,137.88**	**188,157,232.32**	599,959,734.39	92,374,154.94
Additional provision under Swiss tax laws *(Note 2)*	**4,122,732,789.82**	**618,688,850.68**	4,349,077,816.17	640,711,794.93
Adjustment to the fair value of assets in business combination not involving enterprises under common control *(Note 3)*	**8,939,202,233.65**	**2,599,760,698.14**	9,100,226,990.58	2,705,939,333.37
Right-of-use assets	**148,875,169.53**	**41,273,756.25**	175,272,986.41	49,430,114.41
Others	**1,517,147,842.71**	**379,577,800.07**	1,535,595,969.75	384,472,009.89
Total	**27,956,675,919.21**	**7,496,956,837.37**	29,137,807,909.37	7,917,608,906.71

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Deferred tax assets/Deferred tax liabilities (Continued)

(2) Deferred tax liabilities before offsetting (Continued)

Note 1: Certain enterprises of the Group's business in Brazil adopt USD as functional currency, while making tax declarations and annual filings in BRL for the operating activities in Brazil in accordance with local tax regulations in Brazil. Management recognises the tax loss in the BRL-based statements as a deferred tax asset, treating it as a tax adjustment. At the same time, non-monetary items, including inventories and fixed assets of such enterprises on the balance sheet are recognised and subsequently measured at historical exchange rate, resulting in temporary differences between their tax bases and carrying amounts upon tax accounting. The Company accordingly recognises the relevant temporary difference as a deferred tax asset/liability, treating it as a tax adjustment.

Note 2: It represents the taxable temporary differences arising from additional provision made to a certain extent based on the carrying amount of inventories under Switzerland tax laws.

Note 3: It mainly represents the deferred tax liabilities arising from the adjustments on fair values of assets in the acquisitions of Congo (DRC) business in 2016, Brazil business in 2016, Switzerland metal trading platform business in 2019 and Brazilian Gold Mine business in 2026. The Group made a structural reorganisation in 2020 to consolidate the three legal entities of the niobium phosphorus business in Brazil, redetermine the tax basis of their carrying assets and liabilities and adjust the deferred income tax liabilities mentioned above.

(3) Deferred tax assets or liabilities that are presented at the net amount after offsetting

Unit: RMB

Item	**Closing balance**		Opening balance	
	Offsetting amount for deferred tax assets and liabilities	**Deferred tax assets or liabilities after offsetting**	Offsetting amount for deferred tax assets and liabilities	Deferred tax assets or liabilities after offsetting
Deferred tax assets	**1,755,080,270.61**	**3,701,224,456.26**	1,515,165,890.35	2,361,882,379.22
Deferred tax liabilities	**1,755,080,270.61**	**5,741,876,566.76**	1,515,165,890.35	6,402,443,016.36

(4) Details of unrecognised deferred tax assets

Unit: RMB

Item	**Closing balance**	Opening balance
Deductible losses	**114,636,159.02**	114,365,302.88
Deductible temporary differences	**102,490,119.13**	100,289,334.92
Total	**217,126,278.15**	214,654,637.80

Note: Due to the uncertainty in availability of sufficient taxable income in the future, deferred tax assets are not recognised.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Deferred tax assets/Deferred tax liabilities (Continued)

(5) Deductible losses, for which no deferred tax assets are recognised, will expire in the following years:

Unit: RMB

Year	Closing balance	Opening balance
2026	–	11,877,615.21
2027	46,027,062.29	46,027,062.29
2028	12,640,889.44	12,640,889.44
2029	23,012,276.20	23,012,276.20
2030	20,807,459.74	20,807,459.74
2031	12,148,471.35	–
Total	114,636,159.02	114,365,302.88

21. Other non-current assets

Unit: RMB

Item	Closing balance Gross carrying amount	Closing balance Provision for impairment	Closing balance Carrying amount	Opening balance Gross carrying amount	Opening balance Provision for impairment	Opening balance Carrying amount
Borrowing due from SNEL *(Note 1)*	1,680,797,020.51	–	1,680,797,020.51	1,786,337,037.53	–	1,786,337,037.53
Deductible Brazil social contribution tax *(Note 2)*	163,211,940.18	–	163,211,940.18	144,557,546.98	–	144,557,546.98
Prepayments for utilities	184,977,543.41	–	184,977,543.41	91,115,200.00	–	91,115,200.00
Compensatory assets *(Note 3)*	121,203,079.99	–	121,203,079.99	202,880,204.04	–	202,880,204.04
Litigation guarantees *(Note 4)*	222,169,997.90	–	222,169,997.90	182,982,683.25	–	182,982,683.25
Borrowings to associates *(Note 5)*	389,134,633.93	–	389,134,633.93	422,804,101.27	–	422,804,101.27
Certificates of deposit *(Note 6)*	575,535,477.49	–	575,535,477.49	1,201,330,013.33	–	1,201,330,013.33
Prepayments for construction and equipment	1,258,604,929.96	–	1,258,604,929.96	490,023,876.92	–	490,023,876.92
Prepayments for resource tax	231,570,600.00	–	231,570,600.00	–	–	–
Others	45,236,575.24	–	45,236,575.24	19,652,799.29	–	19,652,799.29
Less: Non-current assets due within one year *(Note (VII) 9)*	781,899,049.72	–	781,899,049.72	1,421,675,981.00	–	1,421,675,981.00
Total	4,090,542,748.89	–	4,090,542,748.89	3,120,007,481.61	–	3,120,007,481.61

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Other non-current assets (Continued)

Other descriptions:

The Group recognises ECL allowance of relevant financial assets in the other non-current assets on the basis of ECL. At 30 June 2026, the management of the Group believes that the credit risk of the relevant financial assets has not increased significantly since its initial recognition, and there is no significant ECL.

Note 1: It represents the Congo (DRC) subsidiary's borrowing due from SNEL. The applicable interest rate for the borrowing is determined by 6-months Libor interest rate plus 3%, which will be settled by electricity charges payable in the future. Therein, the portion expected to be deductible within one year is detailed in Note (VII) 9.

Note 2: It represents Brazil social contribution tax applicable to CMOC Brazil, of which the tax base is the balance of income from the sales of goods and rendering of services in Brazil after deducting deductible costs. As it is not required to pay the social contribution tax and goods circulation tax for export goods, the company has no tax retained at the end of the year. The social contribution tax is levied by the Brazil's federal government, so the tax credit can be used to deduct the enterprise income tax levied by the federal government without an expiry date. The portion of deductible balance within one year is accounted for as other receivables by the Group. See Note (VII) 7 for details.

Note 3: Based on the agreement between the Group and Anglo American in the course of the acquisition of the Brazilian Niobium Phosphorus business, if CMOC Brazil subsidiary has incurred cash outflows in the course of the business due to tax-related contingencies, compensation will be provided by Anglo American. The Group recognised a liability for CMOC Brazil subsidiary related contingencies at fair value (Note (VII) 37), accordingly recognises the right of relevant tax related compensation as non-current assets.

Note 4: It represents CMOC Brazil's disputes and litigation arising from some of the tax, labour and civil related legal proceedings in the course of business. Some of these proceedings require the submission of litigation collateral at the request of the court. The deposit is restricted for use and the interest is calculated at the Brazilian benchmark interest rate during this period. After the end of the litigation, according to the results, the Company can call back the deposit or settle the litigation by the deposit.

Note 5: It represents the shareholder borrowings provided by the Group to Huayue Nickel Cobalt and RESOURCE.

Note 6: As at 30 June 2026, among the Group's large certificates of deposit, the certificate of deposit with carrying amount of RMB280,000,000.00 (due within one year) is pledged to obtain short-term borrowings.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Assets with restricted ownership or right to use

Unit: RMB

Item	Gross carrying amount	Type of restriction	Gross carrying amount	Type of restriction
Cash and bank balances	**2,087,391,271.84**	**Collateral, deposits for short-term borrowings**	1,341,354,428.30	Collateral, deposits for short-term borrowings
Held-for-trading financial assets	**–**	**Collateral for short-term borrowings**	2,493,103,760.53	Collateral for short-term borrowings
Inventories	**9,963,733,719.00**	**Collateral for short-term borrowings**	11,666,765,279.47	Collateral for short-term borrowings
Non-current assets due within one year	**280,000,000.00**	**Collateral for short-term borrowings**	660,000,000.00	Collateral for short-term borrowings
Total	**12,331,124,990.84**	/	16,161,223,468.30	/

23. Short-term borrowings

(1) Categories of short-term borrowings

Unit: RMB

Item	Closing balance	Opening balance
Credit borrowings	**17,909,531,587.73**	10,424,498,347.02
Secured borrowings *(Note 1)*	**17,951,438,633.50**	16,704,387,481.21
Total	**35,860,970,221.23**	27,128,885,828.23

Description of categories of short-term borrowings:

Note 1: Details for secured borrowings are set out in Note (VII) 1, 2, 8 and 21.

(2) At the end of this period, there are no outstanding short-term borrowings of the Group that are overdue.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Held-for-trading financial liabilities

Unit: RMB

Item	Opening balance	Closing balance
Held-for-trading financial liabilities		
Including:		
1. Payables at FVTPL *(Note 1)*	**8,184,442,794.65**	8,891,408,446.65
2. Contingent consideration *(Note 2)*	**–**	270,003,681.00
Total	**8,184,442,794.65**	9,161,412,127.65

Other descriptions:

Note 1: The major products of the Group are copper, lead, and zinc concentrates etc., the purchasing price of which is provisionally determined according to the market price upon delivery. Generally, the price is finally determined according to the spot price quoted by the LME with additional mark-ups and discounts within a specified period or a period subsequent to the delivery. The Group classifies payables generated from relevant business as financial liabilities at FVTPL.

Note 2: This relates to contingent consideration arising from the Group's acquisition of Brazilian gold mining operations, measured at fair value at the reporting date.

25. Derivative financial liabilities

Unit: RMB

Item	Closing balance	Opening balance
Derivatives of which hedging relationship is not designated *(Note 1)*		
Commodity futures contracts	**2,055,157,812.35**	7,445,631,181.17
Commodity option contracts	**1,429,113,357.81**	1,522,779,755.59
Forward foreign exchange contracts	**80,395,603.74**	83,454,007.66
Forward commodity contracts	**2,630,037,714.38**	1,373,935,967.01
Total	**6,194,704,488.28**	10,425,800,911.43

Other descriptions:

Note 1: See Note 1 of Note (VII) 3 for details.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Notes payable

Unit: RMB

Category	Closing balance	Opening balance
Bank acceptances	**660,756,258.68**	472,133,125.45
Total	**660,756,258.68**	472,133,125.45

27. Accounts payable

(1) Accounts payable

Unit: RMB

Item	Closing balance	Opening balance
Payables for purchase of goods	**4,703,569,928.42**	3,286,364,347.87
Others	**1,830,762,120.38**	1,855,431,408.27
Total	**6,534,332,048.80**	5,141,795,756.14

Other descriptions:

Aging analysis on accounts payable is set out as follows:

Unit: RMB

Item	30 June 2026	31 December 2025
Within 1 year	**6,260,058,742.21**	4,722,180,401.28
1-2 years	**177,512,690.64**	247,800,544.60
Over 2 years	**96,760,615.95**	171,814,810.26
Total	**6,534,332,048.80**	5,141,795,756.14

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Contract Liabilities

(1) *Contract liabilities*

Unit: RMB

Item	Closing balance	Opening balance
Receipts in advance of sales of goods *(Note)*	**1,812,973,118.14**	1,382,222,971.59
Metal flow transaction contract liabilities *(Note (VII) 39 Note 1)*	**278,767,133.73**	130,118,348.79
Total	**2,091,740,251.87**	1,512,341,320.38

Other descriptions:

Note: The Group recognises the receipts in advance collected on a basis of commodity sales contract as contract liabilities, and relevant contract liabilities are recognised as sales income when the control over the goods were transferred to the customers.

The receipts in advance for sales of goods at the beginning of year have been recognised as revenue in the current year. The receipts in advance for sales of goods at the beginning of period have been recognised as revenue in the current period. At the end of period, the contract liabilities with carrying amount of RMB1,812,973,118.14 are expected to be recognised as revenue within one year, and the contract liabilities with carrying amount of RMB10,540,270,406.12 are expected to be recognised as revenue after one year.

29. Employee benefits payable

(1) *Employee benefits payable*

Unit: RMB

Item	Opening balance	Increase	Decrease	Translation differences of financial statements denominated in foreign currencies	Closing balance
I. Short-term employee benefits	2,031,409,869.35	2,794,273,392.52	3,132,606,936.97	-30,701,103.51	**1,662,375,221.39**
II. Post-employment benefits-defined contribution plans	4,047,059.12	64,423,219.08	63,669,754.20	-5,525.86	**4,794,998.14**
III. Others	5,202,571.37	12,508,406.22	12,150,547.37	-86,772.46	**5,473,657.76**
Total	2,040,659,499.84	2,871,205,017.82	3,208,427,238.54	-30,793,401.83	**1,672,643,877.29**

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Employee benefits payable (Continued)

(2) Short-term employee benefits

Unit: RMB

Item	Opening balance	Increase	Decrease	Translation differences of financial statements denominated in foreign currencies	Closing balance
I. Wages and salaries, bonuses, allowances and subsidies	1,913,349,928.05	2,491,569,830.60	2,825,967,143.99	-28,577,973.93	**1,550,374,640.73**
II. Employee welfare	131,037.31	21,161,711.67	19,715,125.52	-27,311.06	**1,550,312.40**
III. Social security contributions	102,043,239.90	221,158,459.21	226,052,521.54	-2,093,633.73	**95,055,543.84**
Including: Medical insurance	91,160,907.83	85,521,415.45	102,615,614.29	-2,463,627.72	**71,603,081.27**
Work injury insurance	10,882,332.07	135,637,043.76	123,436,907.25	369,993.99	**23,452,462.57**
IV. Housing funds	2,228,986.00	49,264,723.39	48,911,825.37	–	**2,581,884.02**
V. Union running costs and employee education costs	13,656,678.09	11,118,667.65	11,960,320.55	-2,184.79	**12,812,840.40**
Total	2,031,409,869.35	2,794,273,392.52	3,132,606,936.97	-30,701,103.51	**1,662,375,221.39**

(3) Defined contribution plan

Unit: RMB

Item	Opening balance	Increase	Decrease	Translation differences of financial statements denominated in foreign currencies	Closing balance
1. Basic pension insurance	3,941,249.95	62,082,275.62	61,340,905.46	-5,525.86	**4,677,094.25**
2. Unemployment insurance	105,809.17	2,340,943.46	2,328,848.74	–	**117,903.89**
Total	4,047,059.12	64,423,219.08	63,669,754.20	-5,525.86	**4,794,998.14**

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Employee benefits payable (Continued)

(3) Defined contribution plan (Continued)

Other descriptions:

The Group participates, as required, in the pension insurance and unemployment insurance plans established by government institutions. According to such plans, the Group contributes monthly to such plans based on the employees' basic wages and salaries. Except for above monthly contributions, the Group does not assume further payment obligations. The related expenditures are either included in cost of related assets or charged to profit or loss in the period when they are incurred.

For the period from January to June 2026, the Group should contribute RMB62,082,275.62 and RMB2,340,943.46 (January to June 2025: RMB52,532,762.65 and RMB2,083,785.83) to pension insurance and unemployment insurance plans respectively. As at 30 June 2026, the Group has contributions payable of RMB4,677,094.25 and RMB117,903.89 (31 December 2025: RMB3,941,249.95 and RMB105,809.17) which are due in this reporting period but not yet paid to pension insurance and unemployment insurance plans respectively. The relevant contributions have been paid after the reporting period.

30. Taxes payable

Unit: RMB

Item	Closing balance	Opening balance
PRC enterprise income tax	**500,185,024.34**	422,421,424.32
Overseas enterprise income tax	**9,801,659,353.56**	7,198,675,700.42
Urban maintenance and construction tax	**6,970,853.25**	3,894,838.81
VAT	**345,421,181.89**	182,445,736.03
Resource tax and royalties of mineral rights	**260,512,859.29**	222,408,622.55
Education surcharge	**6,946,318.35**	3,769,130.69
Individual income tax	**88,816,882.39**	48,612,247.52
Consumption tax	**92,426,278.49**	56,164,881.95
Others	**121,705,874.96**	96,473,560.07
Total	**11,224,644,626.52**	8,234,866,142.36

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Other payables

(1) Presentation of items

Unit: RMB

Item	Closing balance	Opening balance
Dividends payable	**34,063,210.06**	34,063,210.06
Other payables	**5,263,013,583.82**	3,464,278,179.62
Total	**5,297,076,793.88**	3,498,341,389.68

(2) Dividends payable

Unit: RMB

Item	Closing balance	Opening balance
Luanchuan Taifeng Industry and Trading Co., Ltd. *(Note)*	**6,623,109.24**	6,623,109.24
Luanchuan Hongji Mining Co., Ltd. *(Note)*	**15,943,017.89**	15,943,017.89
Luanchuan Chengzhi Industrial Co., Ltd. *(Note)*	**11,497,082.93**	11,497,082.93
Total	**34,063,210.06**	34,063,210.06

Note: Minority shareholders of subsidiaries of the Group.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Other payables (Continued)

(3) Other payables

Other payables by nature

Unit: RMB

Item	Closing balance	Opening balance
Project and equipment funds	**2,658,023,516.47**	1,134,010,008.03
Royalties payable	**327,615,792.18**	206,502,479.11
Service and transportation expenses	**94,349,964.96**	114,852,422.00
Deposits, guarantees and advances	**711,240,396.55**	584,464,645.32
Service fees payable	**211,675,511.87**	188,270,072.39
Resource expenses payable	**14,497,048.05**	13,886,480.84
Obligations to repurchase restricted stock	**7,941,705.00**	39,210,628.85
Earnest money for equity transfer *(Note 1)*	**500,000,000.00**	500,000,000.00
Amount due to LUALABA for equity *(Note (VII) 11, Note 13)*	**–**	140,576,000.00
Others	**737,669,648.74**	542,505,443.08
Total	**5,263,013,583.82**	3,464,278,179.62

Other descriptions:

Note 1: On 19 June 2024, the Company entered into an equity transfer agreement with a third party, intending to sell its 65.1% equity interest at a price of RMB2.9 billion to the third party. As at 30 June 2026, the Company had received an earnest money of RMB500 million from the third party. However, the effectiveness of the agreement is subject to substantial conditions that had not been met by period-end.

32. Non-current liabilities due within one year

Unit: RMB

Item	Closing balance	Opening balance
Long-term borrowings due within one year *(Note (VII) 34)*	**1,608,537,976.53**	2,626,388,218.41
Lease liabilities due within one year *(Note (VII) 35)*	**162,232,864.23**	122,594,615.07
Other liabilities due within one year *(Note (VII) 39)*	**744,419,126.07**	739,031,450.82
Total	**2,515,189,966.83**	3,488,014,284.30

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

33. Other current liabilities

Unit: RMB

Item	**Closing balance**	Opening balance
Accrued expenses	**1,418,310,043.01**	969,249,337.52
Liability portion of convertible bonds	**7,959,231,885.35**	–
Total	**9,377,541,928.36**	969,249,337.52

34. Long-term borrowings

(1) Categories of long-term borrowings

Unit: RMB

Item	**Closing balance**	Opening balance
Secured borrowings *(Note)*	**68,813,040.42**	213,050,940.83
Credit borrowings	**2,137,724,936.11**	3,579,537,277.58
Less: Long-term borrowings due within one year *(Note (VII) 32)*	**1,608,537,976.53**	2,626,388,218.41
Total	**598,000,000.00**	1,166,200,000.00

Description of categories of long-term borrowings:

Note: This represents the borrowings obtained by the Group through pledge of equities of subsidiaries. The Group pledges 100% equity interest in CMOC DRC Limited ("CMOC DRC") to the bank and provides a joint guarantee.

(2) Maturity analysis of long-term borrowings due over one year:

Unit: RMB

Maturity date	**Closing balance**	Opening balance
No more than 2 years	**598,000,000.00**	1,166,200,000.00
Total	**598,000,000.00**	1,166,200,000.00

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Long-term borrowings (Continued)

(2) Maturity analysis of long-term borrowings due over one year: (Continued)

Other descriptions

As at 30 June 2026, the annual interest rate for the above borrowings ranges from 2.0000% to 6.9083% (31 December 2025: 2.0000% to 6.8073%).

According to the borrowing agreement entered into between the Group and some banks, the Group is required to satisfy a series of specified financial indicators and requirements. Where the Group violates relevant terms, the banks may request for early repayment from the Company. As at 30 June 2026, the Group has no breach of relevant terms.

35. Lease liabilities

Unit: RMB

Item	Closing balance	Opening balance
Operating lease payables	**267,139,689.52**	214,031,926.99
Less: Lease liabilities included in non-current liabilities due within one year *(Note (VII) 32)*	**162,232,864.23**	122,594,615.07
Total	**104,906,825.29**	91,437,311.92

Other descriptions:

The Group is not exposed to significant liquidity risk related to lease liabilities.

(1) Maturity analysis of lease liabilities due over one year:

Unit: RMB

Item	Closing balance	Opening balance
No more than 2 years	**59,025,879.19**	23,093,974.24
More than 2 years but no more than 5 years	**41,535,495.62**	58,099,473.63
Over 5 years	**4,345,450.48**	10,243,864.05
Total	**104,906,825.29**	91,437,311.92

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Long-term employee benefits payable

(1) Schedule of long-term employee benefits

Unit: RMB

Item	Closing balance	Opening balance
I. Post-employment benefits-net liability from defined benefit plan	**598,161,183.19**	582,943,098.62
II. Other long-term benefits		
– Long service leave *(Note)*	**9,938,885.23**	7,691,304.82
– Others	**2,145,038.47**	2,213,664.33
Total	**610,245,106.89**	592,848,067.77

Other descriptions:

Note: It represents liabilities relating to annual leave and long service leave accrued for employees by overseas companies of the Group, in which the portion expected to be paid within 12 months is accounted for in employee benefits payable.

37. Provisions

Unit: RMB

Item	Closing balance	Opening balance
Rehabilitation and asset retirement cost *(Note 1)*	**2,793,832,043.47**	2,424,110,303.80
Litigation *(Note 2)*	**440,362,925.16**	331,781,251.83
Total	**3,234,194,968.63**	2,755,891,555.63

Other descriptions, including the description of the key assumptions and estimates relating to significant provisions:

Note 1: The Group has the obligation of rehabilitation, environmental restoration and dismantling of related assets due to the environmental impact caused by mineral production and development activities. The management's best estimate of future economic benefits outflow generated from the above obligations is recognised as a provision upon discounting. The above estimate is determined based on the industry practices and the current local laws and regulations, and significant changes in related laws and regulations may have a significant impact on the Group's estimate.

Note 2: The Group's niobium-phosphorus and gold mining operations in Brazil are facing a series of local litigations and disputes related to tax matters, labours and other civil cases. When the relevant litigations are likely to lose and result in economic benefits outflow, the management of the Group estimates the amount of potential economic benefits outflow and provides corresponding provisions.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Deferred income

Deferred income

Unit: RMB

Item	Opening balance	Increase	Decrease	Closing balance
Refunds of land-transferring fees *(Note 1)*	12,274,481.30	–	192,792.90	**12,081,688.40**
Demonstration base project subsidies *(Note 2)*	5,837,391.00	–	3,502,434.90	**2,334,956.10**
Exemption from land transfer payments *(Note 3)*	107,638,940.55	–	1,092,990.24	**106,545,950.31**
Others	3,000,000.00	2,350,000.00	2,350,000.00	**3,000,000.00**
Total	128,750,812.85	2,350,000.00	7,138,218.04	**123,962,594.81**

Other descriptions:

Note 1: It represents the refunds of land-transferring fees received by the Group, which is included in deferred income, and amortised on a straight-line basis over the useful life of the land.

Note 2: It represents the special funds for major science and technology of Henan Province, the special funds for mineral resources conservation and comprehensive utilisation and the subsidies for the central mineral resources comprehensive utilisation demonstration base received by the Group, which are to be used for the study of key technologies for molybdenum-tungsten dressing and deep processing, are included in deferred income, and recognised as other income when related technology research costs are incurred.

Note 3: It represents the land use rights granted by the government with exemption from land transfer payments, which is included in deferred income, and amortised on a straight-line basis over the useful life of the land.

39. Other non-current liabilities

Unit: RMB

Item	Closing balance	Opening balance
Contract liabilities	**10,540,270,406.12**	10,754,059,230.05
Metal flow transaction contract liabilities *(Note 1)*	**6,285,147,535.19**	6,523,650,368.65
Royalty payable *(Note 2)*	**949,722,319.73**	1,631,631,548.01
Others	**3,068,976.89**	2,195,269.05
Total	**17,778,209,237.93**	18,911,536,415.76

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Other non-current liabilities (Continued)

Other descriptions:

Note 1: On 9 December 2022, the Group and a third party signed a metal flow agreement. In accordance with the agreement, the third party is required to pay a prepayment of USD830 million in cash to the Group, and for mineral products delivered under the metal purchase and sale agreement, the third party shall pay an additional payment to the Group at a certain proportion of the spot price of the mineral products upon actual delivery. In accordance with the metal purchase and sale agreement, the Group is required to deliver a certain proportion of its own mineral products sold in its own mining area to a third party based on the metal purchase and sale agreement. The metal purchase and sale agreement does not stipulate a minimum delivery quantity. As at 30 June 2026, the liabilities under the above metal flow business (including the portion due within one year) are RMB6,563,914,668.92 (31 December 2025: RMB6,653,768,717.44).

Note 2: It represents the additional royalty for additional reserves of copper metal (hereinafter referred to as the "additional royalty") calculated and paid by the Group to Gécamines (minority shareholder of the Group) in accordance with the Amended and Restated Mining Convention signed on 28 September 2005 and the Addendum No. 1 to the Amended and Restated Mining Convention signed on 11 December 2010 by and between the DRC government, Gécamines, Lundin Holdings Limited (subsequently renamed as TF Holdings Limited) and TFM (hereinafter referred to as the "Mining Convention"), and the Amended and Restated Shareholders Agreement signed on 28 September 2005 and the Addendum No. 1 to the Amended and Restated Shareholders Agreement signed on 11 December 2010 by and between TFM, Lundin Holdings Limited (subsequently renamed as TF Holdings Limited), Chui LTD, Faru LTD, Mboko LTD, Mofia LTD, Tembo LTD and Gécamines (together referred to as the "Shareholders Agreement"). Since the third quarter of 2021, the management teams of the Group and its TFM copper and cobalt business have been conducting continuous meetings and communications with relevant Congolese parties to discuss the intended increase of mineral reserves for the TFM Mixed Ore Development Project under implementation belonging to the TFM copper and cobalt business in the DRC, as well as the corresponding additional royalty payable to the minority shareholder, Gécamines, based on such reserves.

On 18 April 2023, the Group and Gécamines reached a consensus on the above-mentioned royalty. According to the settlement agreement signed with Gécamines, TFM shall pay Gécamines a total settlement of USD800 million, which will be paid in instalments within six years from 2023 to 2028. The Group recognised the present value of the relevant settlement of USD701,982,485.00 (equivalent to RMB4,930,479,277.46) as an intangible asset. Meanwhile, the Group presented the relevant amount as other non-current liabilities and non-current liabilities due within one year according to the payment progress.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Share capital

Unit: shares

	At the beginning of the period	Changes (+, -) New issue	Bonus issue	Capitalisation of reserve	Others	Sub-total	At the end of the period
Total shares	21,394,310,176.00	–	–	–	–	–	21,394,310,176.00

Other descriptions:

On 26 January 2026, CMOC Capital Limited, an indirectly controlled overseas subsidiary of the Company, completed the issuance of zero-coupon secured convertible bonds with an aggregate principal amount of USD1,200,000,000, maturing on 24 January 2027 (the "Convertible Bonds"). The Company provided an unconditional and irrevocable guarantee for the Convertible Bonds, which are listed and traded on the Vienna Multilateral Trading Facility (MTF) operated by the Vienna Stock Exchange. Holders of the Convertible Bonds have the right to convert the bonds into fully paid H shares of the Company, each with a par value of RMB0.20, at an initial conversion price of HKD28.03 per H share (subject to adjustment), from the 41st day after the issue date up to the 10th day prior to the maturity date. The converted shares will be allocated and issued pursuant to the general mandate granted by shareholders to the Board of Directors. Due to the implementation of the Company's 2025 annual profit distribution, the conversion price of the Convertible Bonds was adjusted from HKD28.03 per H share to HKD27.55 per H share, effective 27 May 2026. Assuming full conversion at the adjusted conversion price, the Convertible Bonds would be converted into approximately 339,554,265 H shares, increasing the Company's total share capital from 21,394,310,176 shares to 21,733,864,441 shares. As at 30 June 2026, no conversion of the Convertible Bonds had occurred, and the Company's total share capital and registered capital remained unchanged.

On 27 May 2026, the Company completed the distribution of its 2025 annual equity dividend. Based on the total share capital of 21,394,310,176 shares prior to implementation (comprising 17,460,842,176 A-shares and 3,933,468,000 H-shares), a cash dividend of RMB0.286 (tax-inclusive) per share was distributed, amounting to a total cash payout of RMB6,118,772,710.63 (tax-inclusive). This equity distribution was in the form of a cash dividend only, with no bonus shares issued or share capital increased from capital reserve. As a result, the Company's total share capital remained unchanged.

On 16 June 2026, the Company convened the Twelfth Extraordinary Meeting of the Seventh Board of Directors, which approved the Proposal on the Performance Assessment for the 2023 Entitlement Period under the 2021 First Employee Share Ownership Scheme and the Proposal on the Extension of the Term of the 2021 First Employee Share Ownership Scheme. Based on the assessment outcomes, a total of 32,810,630 underlying shares were unlocked for four incentive participants, Sun Ruiwen, Yuan Honglin, Li Chaochun, and Liu Dajun, for the third entitlement period. The entitlements of incentive participant Zhou Jun that have not yet been unlocked for the third entitlement distribution period will be repurchased by the Employee Share Ownership Scheme at the subscription cost. Additionally, the term of the 2021 First Employee Share Ownership Scheme has been extended by 24 months, i.e. expiring on 16 June 2028. These matters did not result in any change to the Company's total share capital.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Other equity instruments

(1) Basic information on preferred shares, perpetual bonds, and other financial instruments outstanding at the end of the period

Unit: RMB

Item	30 June 2026	31 December 2025
Convertible bonds *(Note)*	**292,087,876.54**	–

Note: See Note (VII) 40 for details

42. Capital reserve

Unit: RMB

Item	Opening balance	Increase	Decrease	Closing balance
Capital premium (Share premium)	26,459,110,771.55	–	–	**26,459,110,771.55**
Other capital reserve	133,795,662.82	–	62,672,134.95	**71,123,527.87**
Total	26,592,906,434.37	–	62,672,134.95	**26,530,234,299.42**

Other descriptions, including the changes during the period and the reasons for such changes:

Note: See Note (VII) 40 for details.

43. Treasury shares

Unit: RMB

Item	Opening balance	Increase	Decrease	Closing balance
Treasury shares *(Note)*	82,426,321.88	–	64,007,632.80	**18,418,689.08**
Total	82,426,321.88	–	64,007,632.80	**18,418,689.08**

Other descriptions, including the changes during the period and the reasons for such changes:

Note: See Note (VII) 40 for details.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Other comprehensive income

Unit: RMB

Item	Opening balance	Amount incurred in the period before tax	Less: Amount previously included in other comprehensive income and transferred to profit or loss in the period	Less: Amount previously included in other comprehensive income and transferred to retained earnings in the period	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to minority interests after tax	Closing balance
		Amount incurred in the period						
I. Other comprehensive income that cannot be reclassified subsequently to profit or loss	-58,894,338.91	62,084,165.04	–	–	–	62,084,165.04	–	**3,189,826.13**
Including: Changes from remeasurement of defined benefit plans	20,614,804.34	–	–	–	–	–	–	**20,614,804.34**
Changes in fair value of investments in other equity instruments	-79,509,143.25	62,084,165.04	–	–	–	62,084,165.04	–	**-17,424,978.21**
II. Other comprehensive income that will be reclassified to profit or loss	247,266,320.14	-3,480,741,917.06	–	–	–	-2,921,541,998.91	-559,199,918.15	**-2,674,275,678.77**
Including: Cash flow hedge reserve	–	–	–	–	–	–	–	**-**
Translation differences of financial statements denominated in foreign currencies	247,266,320.14	-3,480,741,917.06	–	–	–	-2,921,541,998.91	-559,199,918.15	**-2,674,275,678.77**
Total other comprehensive income	188,371,981.23	-3,418,657,752.02	–	–	–	-2,859,457,833.87	-559,199,918.15	**-2,671,085,852.64**

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Special reserve

Unit: RMB

Item	Opening balance	Increase	Decrease	Closing balance
Work safety expenses	377,298,142.22	92,255,167.66	31,925,214.91	**437,628,094.97**
Total	377,298,142.22	92,255,167.66	31,925,214.91	**437,628,094.97**

46. Surplus reserve

Unit: RMB

Item	Opening balance	Increase	Decrease	Closing balance
Statutory surplus reserve	2,159,924,058.30	–	–	**2,159,924,058.30**
Total	2,159,924,058.30	–	–	**2,159,924,058.30**

47. Retained profits

Unit: RMB

Item	Current period	Prior year
Retained profits at the beginning of period	**48,920,405,956.63**	34,093,404,253.98
Add: Net profit attributable to shareholders of the parent company	**16,152,187,485.37**	20,338,750,797.53
Less: Ordinary stock dividends payable *(Note 1)*	**6,118,772,710.63**	5,455,549,094.88
Perpetual bonds dividends payable	**–**	56,200,000.00
Retained profits at the end of period	**58,953,820,731.37**	48,920,405,956.63

Note 1: Cash dividends approved by the shareholders' meeting during the period.

As resolved at the Company's 2025 Annual General Meeting on 28 April 2026, the Company distributed to all shareholders cash dividends at RMB2.86 per 10 shares, totalling RMB6,118,772,710.63 (2025: RMB5,455,549,094.88).

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Operating income and operating costs

(1) Operating income and operating costs

Unit: RMB

	Amount incurred in the period		Amount incurred in the prior period	
Item	**Income**	**Cost**	Income	Cost
Principal operating activities	**134,984,096,088.36**	**104,000,989,593.84**	94,666,462,155.16	74,642,886,469.03
Other operating activities	**335,789,509.86**	**183,042,802.12**	106,041,615.04	84,445,481.68
Total	**135,319,885,598.22**	**104,184,032,395.96**	94,772,503,770.20	74,727,331,950.71

(2) Principal operating activities (by products)

Unit: RMB

	Amount incurred in the period		Amount incurred in the prior period	
Name of products	**Operating income**	**Operating costs**	Operating income	Operating costs
Molybdenum, tungsten and related products	**7,127,442,609.50**	**2,815,804,597.08**	4,063,788,105.76	2,219,093,533.53
Niobium, phosphorus and related products	**3,746,274,199.20**	**2,808,074,782.62**	3,892,330,342.60	2,415,597,042.19
Copper, cobalt and related products	**35,676,078,030.64**	**12,603,335,532.43**	31,446,371,636.64	14,111,724,881.37
Gold related products	**3,017,006,642.46**	**1,776,385,669.39**	–	–
Concentrates metal trading	**44,805,987,674.21**	**43,323,573,487.80**	36,307,582,234.40	33,399,654,239.26
Refined metal trading	**75,056,839,359.68**	**73,552,081,739.64**	46,024,818,523.64	45,817,682,240.20
Intercompany Elimination	**-34,445,532,427.33**	**-32,878,266,215.12**	-27,068,428,687.88	-23,320,865,467.52
Total	**134,984,096,088.36**	**104,000,989,593.84**	94,666,462,155.16	74,642,886,469.03

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Taxes and levies

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Urban maintenance and construction tax	**36,207,058.42**	17,906,317.23
Education surcharge	**35,899,359.75**	17,438,392.67
Resource tax and royalties of mineral rights	**2,120,246,219.48**	1,635,852,706.11
Others	**264,165,187.64**	180,321,103.52
Total	**2,456,517,825.29**	1,851,518,519.53

50. Selling expenses

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Wages and salaries, bonus and allowances	**16,936,960.36**	31,675,526.85
Business entertainment expenses	**527,092.41**	969,822.75
Travel expenses	**859,942.52**	1,157,505.60
Market consulting fees	**8,805,283.01**	1,850,757.91
Others	**15,373,164.94**	20,875,004.48
Total	**42,502,443.24**	56,528,617.59

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

51. Administrative expenses

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Wages and salaries, bonus and allowances	985,720,751.29	766,159,620.24
Depreciation and amortisation	85,154,143.20	82,111,485.79
Consulting and agency fees	114,400,897.71	70,329,416.40
Business entertainment expenses	28,214,062.85	15,879,611.23
Insurance premiums	3,671,137.22	5,849,659.65
Travel expenses	46,483,492.32	33,454,906.22
Rental expenses	8,753,596.19	11,025,093.38
Office expenses	63,155,741.88	81,666,324.14
Others	232,052,054.03	63,926,052.75
Total	1,567,605,876.69	1,130,402,169.80

52. Financial expenses

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Interest expenses on bonds	158,455,596.59	21,484,931.54
Interest expenses on lease liabilities	13,062,812.64	11,749,512.88
Interest expenses on bank borrowings and others	1,151,567,589.35	1,189,960,848.07
Metal flow project financing expenses	149,296,391.80	148,476,191.10
Less: Interest income	901,627,692.78	798,758,089.17
Exchange differences	1,049,416,731.90	50,335,574.42
Others	79,219,196.22	356,101,194.93
Total	1,699,390,625.72	979,350,163.77

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

53. Other income

Unit: RMB

Classified by nature	Amount incurred in the period	Amount incurred in the prior period
Government grants related to assets	**7,138,218.04**	4,151,849.78
Government grants related to income	**18,758,944.92**	29,761,209.91
Total	**25,897,162.96**	33,913,059.69

54. Investment income

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Income from long-term equity investments under equity method	**687,163,087.35**	301,196,747.46
Investment income from other non-current financial assets during the holding period *(Note (VII) 13)*	**86,862,973.87**	13,857,095.46
Investment income from disposal of subsidiaries and associates	**–**	543,601.70
Interest on discounted bills derecognised	**-7,707,676.49**	-44,002,333.87
Others	**19,497,356.76**	1,717,070.48
Total	**785,815,741.49**	273,312,181.23

Other descriptions:

There are no significant restrictions on remittance of investment income.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Gains from changes in fair value

Unit: RMB

Source of gains from fair value changes	Amount incurred in the period	Amount incurred in the prior period
Gains (Losses) from changes in fair value of derivative financial instruments	**-150,509,982.87**	-1,341,225,955.71
Gains (Losses) from changes in fair value of consumable biological assets	**-679,651.47**	-9,261,274.01
Gains (Losses) from changes in fair value of other non-current financial assets at FVTPL	**18,341,389.88**	13,027,944.96
Gains from changes in fair value of structured deposits	**6,842,147.87**	12,432,235.24
Gains from changes in fair value of wealth management products	**12,861,573.39**	13,572,509.08
Gains (Losses) from changes in fair value of other held-for-trading financial assets	**75,456,631.23**	158,893,543.92
Total	**-37,687,891.97**	-1,152,560,996.52

56. Losses from credit impairment

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Gains from credit impairment of accounts receivable	**1,384,739.75**	-8,103,083.92
Gains (Losses) from credit impairment of other receivables	**-15,090,828.44**	-420,330.02
Gains (Losses) from other non-current asset impairment	**-24,593,146.90**	–
Total	**-38,299,235.59**	-8,523,413.94

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

57. Asset impairment losses

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Losses on decline in value of inventories	-8,484,295.93	14,812,335.79
Impairment losses on fixed assets	–	-20,257.89
Total	-8,484,295.93	14,792,077.90

58. Gains from disposal of assets

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Gains (Losses) from disposal of fixed assets	13,790,929.32	-9,612,963.73
Total	13,790,929.32	-9,612,963.73

59. Non-operating income

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period	Amount included in non-recurring profit or loss for the period
Fines, liquidated damages and insurance claims	4,043,350.20	3,522,631.66	4,043,350.20
Others	20,464,433.10	3,938,557.23	20,464,433.10
Total	24,507,783.30	7,461,188.89	24,507,783.30

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

60. Non-operating expenses

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period	Amount included in non-recurring profit or loss for the period
Donations	**13,979,233.68**	11,833,286.13	13,979,233.68
Losses on retirement of non-current assets	**959,647.14**	5,233,406.70	959,647.14
Others	**35,955,659.95**	47,324,819.07	35,955,659.95
Total	**50,894,540.77**	64,391,511.90	50,894,540.77

61. Income tax expenses

(1) Schedule of income tax expenses

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Current tax expenses calculated according to tax laws and relevant requirements	**9,089,014,057.68**	6,017,770,397.17
Differences arising on settlement of prior-year income tax	**17,147,222.77**	-142,503,788.48
Adjustments to deferred income tax	**-1,851,568,924.24**	-815,761,465.43
Total	**7,254,592,356.21**	5,059,505,143.26

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

61. Income tax expenses (Continued)

(2) *Reconciliation of income tax expenses to the accounting profit*

Unit: RMB

Item	Amount incurred in the period
Accounting profit	25,704,798,844.40
Income tax expenses calculated at 15% (2025: 15%)	3,855,719,826.64
Effect of non-deductible expenses	517,593,070.99
Effect of tax-free income/additional deduction items	-108,660,859.77
Effect of using priorly unrecognised deductible losses and deductible temporary differences	-1,418,760.93
Effect of unrecognised deductible losses and deductible temporary differences	972,382.13
Effect of exchange rate of non-monetary items and corporate restructuring *(Note) (Note (VII) 20(2) Note 1 and Note 3)*	-147,485,316.56
Effect of different tax rates of subsidiaries operating in other jurisdictions	3,120,724,790.94
Differences arising on settlement of prior-year income tax	17,147,222.77
Income tax expenses	7,254,592,356.21

Other descriptions:

Note: The effect of exchange rate of non-monetary items represents the effect of the difference between the carrying amount and the tax basis of non-monetary assets held by CMOC Brazil due to the difference between the U.S. dollar, the functional currency, and the Brazilian real, the tax return currency.

62. Items in the cash flow statement

(1) *Cash relating to operating activities*

Other cash receipts relating to operating activities

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Receipt of compensation and penalty	2,340,293.46	18,105,520.60
Receipts of interest income	946,735,434.42	576,819,436.91
Receipt of subsidy income	9,802,785.09	26,781,651.36
Others	159,671,222.13	409,779,598.64
Total	1,118,549,735.10	1,031,486,207.51

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Items in the cash flow statement (Continued)

(1) *Cash relating to operating activities (Continued)*

Other cash payments relating to operating activities

Unit: RMB

Item	**Amount incurred in the period**	Amount incurred in the prior period
Payments of consulting fee, technology development fee and transportation fee, etc.	**169,901,610.90**	213,475,693.44
Payments of bank charges, etc.	**9,729,861.05**	9,315,364.06
Payments of donations and penalty, etc.	**14,274,474.16**	2,457,912.61
Payments of net investment settlement amount from derivative financial instruments	**42,985,091.95**	–
Others	**–**	302,071,037.21
Total	**236,891,038.06**	527,320,007.32

(2) *Cash relating to investing activities*

Cash receipts relating to significant investing activities

Unit: RMB

Item	**Amount incurred in the period**	Amount incurred in the prior period
Cash receipts from withdrawal of bank structured deposits and wealth management products of other financial institutions	**7,015,751,590.62**	5,558,464,361.56
Cash receipts from withdrawal of other non-current financial assets	**39,759,654.19**	2,224,497.00

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Items in the cash flow statement (Continued)

(2) Cash relating to investing activities (Continued)

Cash payments relating to significant investing activities

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Cash payments for purchase of bank structured deposits and wealth management products of other financial institutions	10,514,562,506.05	4,036,957,753.52
Purchase of non-current financial assets	355,000,000.00	1,936,845.00
Settlement of derivatives	–	72,466,285.02
Investments in associates or joint ventures	174,654,246.06	78,908,500.00

Other cash receipts relating to investing activities

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Cash receipts of repayments from third parties and related parties	223,302,342.67	216,595,357.55
Others	16,481,355.30	–
Total	239,783,697.97	216,595,357.55

Other cash payments relating to investing activities

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Others	48,431,401.14	85,467,482.98
Total	48,431,401.14	85,467,482.98

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Items in the cash flow statement (Continued)

(3) Cash relating to financing activities

Other cash receipts relating to financing activities

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Cash receipts from discharge of pledged certificates of deposits	**40,000,000.00**	900,000,000.00
Receipts of deposits for borrowing and arrangement fee	**–**	347,217,064.47
Others	**6,805,119.03**	58,423,572.45
Total	**46,805,119.03**	1,305,640,636.92

Other cash payments relating to financing activities

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Deposits for borrowing and arrangement fee	**140,097,424.84**	359,023,320.55
Cash payments for pledged certificates of deposit	**250,000,000.00**	1,100,000,000.00
Payments of royalty	**691,985,000.00**	717,350,000.00
Others	**8,277,775.96**	58,887,347.43
Total	**1,090,360,200.80**	2,235,260,667.98

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Supplementary information to the cash flow statement

(1) Supplementary information to the cash flow statement

Unit: RMB

Supplementary information	Amount for the period	Amount for the prior period
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	18,450,206,488.19	9,843,025,525.06
Add: Provision for impairment of assets	8,484,295.93	-14,792,077.90
Losses from credit impairment	38,299,235.59	8,523,413.94
Depreciation of fixed assets, depletion of oil and gas assets, and depreciation of bearer biological assets	2,805,360,349.83	2,334,296,987.33
Amortisation of right-of-use assets	73,706,700.14	69,849,827.59
Amortisation of intangible assets	1,009,702,563.00	1,111,256,984.53
Amortisation of long-term prepaid expenses	21,501,258.89	22,087,260.03
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are indicated with "-")	-13,790,929.32	9,612,963.73
Losses on retirement of fixed assets (gains are indicated with "-")	959,647.14	5,233,406.70
Losses on changes in fair value (gains are indicated with "-")	37,687,891.97	1,152,560,996.52
Financial expenses (income is indicated with "-")	2,591,288,457.46	1,762,632,833.62
Investment loss (income is indicated with "-")	-785,815,741.49	-273,312,181.23
Changes in deferred tax assets (increase is indicated with "-")	-2,231,099,269.55	-812,707,348.09
Decrease in inventories (increase is indicated with "-")	-5,837,676,011.01	1,419,171,942.24
Decrease in operating receivables (increase is indicated with "-")	-1,545,052,138.48	-5,081,480,833.87
Increase in operating payables (decrease is indicated with "-")	856,687,011.89	286,507,875.95
Others	853,240,925.23	166,200,744.19
Net cash flow from operating activities	16,333,690,735.41	12,008,668,320.34
2. Net changes in cash and cash equivalents:		
Closing balance of cash	39,485,449,798.55	29,191,465,936.51
Less: Opening balance of cash	30,682,025,424.15	27,280,717,697.81
Add: Closing balance of cash equivalents	–	–
Less: Opening balance of cash equivalents	–	–
Net increase in cash and cash equivalents	8,803,424,374.40	1,910,748,238.70

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Supplementary information to the cash flow statement (Continued)

(2) Net cash payments for acquisitions of subsidiaries in the period

Unit: RMB

	Amount
Cash or cash equivalents paid in the period for business combination occurred in the period	**6,231,469,284.68**
Less: Cash and cash equivalents held by the subsidiaries at the acquisition date	**315,385,301.17**
Net cash paid for acquisitions of subsidiaries	**5,916,083,983.51**

(3) Composition of cash and cash equivalents

Unit: RMB

Item	Closing balance	Opening balance
I. Cash	**39,485,449,798.55**	30,682,025,424.15
Including: Cash on hand	**2,141,335.93**	6,328,994.71
Bank deposits that are readily available for payment	**39,483,308,462.62**	30,675,696,429.44
II. Cash equivalents	**–**	–
III. Closing balance of cash and cash equivalents	**39,485,449,798.55**	30,682,025,424.15

(4) Monetary funds that are not cash and cash equivalents

Unit: RMB

Item	Closing balance	Opening balance	Reason
Bank deposits	**950,000,000.00**	1,540,576,000.00	Time deposits with a term of more than three months
Other monetary funds	**2,087,391,271.84**	1,341,354,428.30	Pledged certificates of deposit and deposits
Total	**3,037,391,271.84**	2,881,930,428.30	/

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Foreign currency monetary items

(1) Foreign currency monetary items

Unit: RMB

Item	Closing balance in original currencies	Translation exchange rate	Closing balance in RMB
Cash and bank balances			
Including: RMB	42,070,467.42	1.0000	42,070,467.42
USD	65,892,437.19	6.8109	448,786,800.43
EUR	965,462.70	7.7603	7,492,316.59
HKD	5,490,066.12	0.8686	4,768,577.09
AUD	853.55	4.6907	4,003.72
BRL	672,790,369.47	1.3157	885,196,436.89
GBP	184,303.66	9.0297	1,664,211.68
SGD	203,415.61	5.2612	1,070,215.38
CDF	3,727,287,842.45	0.0029	10,973,071.71
ZAR	21,945,934.95	0.4149	9,104,961.10
CHF	49,790.54	8.4272	419,597.14
CLP	15,328,160.00	0.0074	113,188.78
MXP	712,911.65	0.3891	277,377.24
PEN	97,575.09	1.9944	194,604.44
TRY	4,489.48	0.1460	655.34
IDR	250,647,789.00	0.0004	95,376.10
AED	369,489.93	1.8543	685,150.86
JPY	159,786,418,276.00	0.0421	6,720,295,356.72
CAD	447,984.70	4.7890	2,145,379.22
KRW	52,180,991.00	0.0044	229,156.95
Short-term borrowings			
Including: RMB	4,300,000,000.00	1.0000	4,300,000,000.00
USD	6,405,835.32	6.8109	43,629,503.78
MXP	192,133,045.52	0.3891	74,754,443.49
PEN	317,708,041.00	1.9944	633,639,147.60

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Foreign currency monetary items (Continued)

(2) *A description of overseas operating entities, including, for significant overseas operating entities, disclosure of their main place of operation, their functional currency and the basis for selection; where there has been a change in the functional currency, the reasons for such a change must also be disclosed*

Name of subsidiaries	Main place of operation	Functional currency	Basis of selection
COMC Brazil and Brazilian gold mine operations	Brazil	USD	Determined based on the primary economic environment in which it operates
TFM and KFM	Congo (DRC)	USD	Determined based on the primary economic environment in which it operates
IXM Holding SA	Switzerland	USD	Determined based on the primary economic environment in which it operates

VIII. RESEARCH AND DEVELOPMENT EXPENDITURES

1. By nature

Unit: RMB

Item	Amount incurred in the period	Amount incurred in the prior period
Research and development expenditure	**379,683,239.73**	219,231,302.10
Total	**379,683,239.73**	219,231,302.10
Including: Expensed R&D expenditure	**379,683,239.73**	219,231,302.10

IX. CHANGES IN SCOPE OF CONSOLIDATION

1. Business combinations not involving enterprises under common control

(1) Business combinations not involving enterprises under common control incurred in the period

Unit: RMB

Name of acquiree	Time point of equity acquisition	Acquisition cost	Percentage of shares acquired (%)	Acquisition method	Acquisition date	Basis for determining the acquisition date	Revenue of the acquiree from the acquisition date to the end of the period	Net profit of the acquiree from the acquisition date to the end of the period	Cash flows of the acquiree from the acquisition date to the end of the period
Brazilian gold mine	2026.1.23	6,508,687,969.53	100	Acquired by cash	2026.1.23	Control has been transferred	3,022,230,872.47	930,330,161.49	640,686,158.22

(2) Merger Cost and Goodwill

Unit: RMB

Merger Cost	Brazilian gold mine
– Cash	6,231,469,284.68
– Fair value of contingent consideration	277,218,684.85
Total merger cost	6,508,687,969.53
Less: Fair value of identifiable net assets acquired	6,508,687,969.53
Goodwill/Gain on bargain purchase	–

(3) Identifiable assets and liabilities of acquiree at the acquisition date

Unit: RMB

	Brazilian gold mine	
	Fair value at the acquisition date	Carrying amount at the acquisition date
Assets:		
Current assets	1,168,624,673.36	1,566,998,475.06
Non-current assets	7,031,648,218.24	6,136,882,073.83
Total assets	8,200,272,891.60	7,703,880,548.89
Liabilities:		
Current liabilities	944,346,562.77	944,346,562.77
Non-current liabilities	747,238,359.30	671,538,526.75
Total liabilities	1,691,584,922.07	1,615,885,089.52
Net assets	6,508,687,969.53	6,087,995,459.37
Less: Minority interests	–	–
Net assets acquired	6,508,687,969.53	6,087,995,459.37

X. INTERESTS IN OTHER ENTITIES

1. Interests in subsidiaries

(1) Constitution of the Group

Unit: RMB

Name of the subsidiary	Main place of operation	Registered capital	Place of registration	Nature of business	Shareholding ratio (100%) Direct	Indirect	Acquisition method
China Molybdenum Tungsten Co., Ltd. ("Wu Ye")	China	RMB300,000,000.00	Luanchuan, Henan	Refining and sales of mineral products	100	–	Investment establishment
Luanchuan Fu Kai Trading Co., Ltd. ("Fu Kai")	China	RMB100,000.00	Luanchuan, Henan	Trading of molybdenum and tungstenic products	100	–	Investment establishment
China Molybdenum (Hong Kong) Company Limited ("CMOC HK")	Hong Kong, China	HKD2,148,552,236.38	Hong Kong, China	Sales of mineral products	100	–	Investment establishment
Luoyang International Hotel Co., Ltd. ("Luoyang International")	China	RMB290,000,000.00	Luoyang, Henan	Hotel	100	–	Investment establishment
Luanchuan County Jiuyang Mining Co., Ltd. ("Jiu Yang")	China	RMB33,390,000.00	Luanchuan, Henan	Refining and sales of mineral products	51	–	Investment establishment
Luanchuan County Sanqiang Molybdenum Tungsten Co., Ltd. ("San Qiang")	China	RMB55,480,000.00	Luanchuan, Henan	Refining and sales of mineral products	51	–	Investment establishment
Luanchuan County Dadongpo Tungsten Molybdenum Co., Ltd. ("Da Dong Po")	China	RMB65,654,411.50	Luanchuan, Henan	Refining and sales of mineral products	51	–	Investment establishment
China Molybdenum Sales Co., Ltd. ("Sales Company")	China	RMB50,000,000.00	Luanchuan, Henan	Sales of mineral products	100	–	Investment establishment
CMOC Limited	Hong Kong, China	USD4,747,349,273.10	Hong Kong, China	Investment holding	100	–	Investment establishment
Schmocke (Shanghai) International Trading Co., Ltd. ("Schmocke")	China	RMB660,000,000.00	Shanghai	Import and export business of goods and technologies	100	–	Investment establishment
Beijing Yongbo Resources Investment Holding Co., Ltd. ("Beijing Yongbo")	China	RMB267,800,000.00	Beijing	Consulting, asset management and sales	100	–	Investment establishment
CMOC DRC	Hong Kong, China	–	Hong Kong, China	Mining services	–	100	Investment establishment

X. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Constitution of the Group (Continued)

Name of the subsidiary	Main place of operation	Registered capital	Place of registration	Nature of business	Shareholding ratio (100%) Direct	Shareholding ratio (100%) Indirect	Acquisition method
CMOC UK	UK	USD1.30	UK	Mining services and sales	–	100	Investment establishment
CMOC Luxembourg S.A.R.L ("CMOC Luxembourg")	Luxembourg	USD600,020,000.00	Luxembourg	Investment holding	–	100	Investment establishment
CMOC Capital Limited ("CMOC Capital")	BVI	–	BVI	Investment holding	–	100	Investment establishment
Shanghai Ruichao Investment Co., Ltd. ("Rui Chao")	China	RMB250,000,000.00	Shanghai	Consulting, enterprise operating and management	–	100	Investment establishment
Tibet Schmocke	China	RMB10,000,000.00	Tibet	Consulting, asset management and sales	–	100	Investment establishment
Shanghai Donghe Trading Co., Ltd. ("Dong He")	China	RMB50,000,000.00	Shanghai	Sales of metal materials, and mineral products	–	100	Investment establishment
Shanghai Hongmu Technology Services Co., Ltd.	China	–	Shanghai	Technology services	–	100	Investment establishment
Natural Resource Elite Investment Limited ("NREIL")	Hong Kong, China	USD212,400,000.00	Hong Kong, China	Investment holding	–	100	Investment establishment
W-Source Holding Limited	Hong Kong, China	USD1,125.87	Hong Kong, China	Investment holding	–	100	Business combinations not involving enterprises under common control
Ridgeway Commodities S.A.	Switzerland	USD99,108.42	Switzerland	Metal trading	–	100	Investment establishment
IXM Holding SA	Switzerland	USD102,818.49	Switzerland	Investment holding	–	100	Business combinations not involving enterprises under common control

X. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Constitution of the Group (Continued)

Name of the subsidiary	Main place of operation	Registered capital	Place of registration	Nature of business	Shareholding ratio (100%) Direct	Indirect	Acquisition method
IXM B.V. and its subsidiaries	Switzerland	USD0.05	Netherland	Metal trading	–	100	Business combinations not involving enterprises under common control
Luoyang Dinghong Trading Co., Ltd. ("Dinghong")	China	RMB493,923,000.00	Luoyang, Henan	Sales of metal materials and mineral products	–	100	Investment establishment
CMOC Singapore Pte. Ltd.	Singapore	USD417,225,912.27	Singapore	Metal trading	–	100	Investment establishment
KFM Holding Limited.	Hong Kong, China	USD550,020,000.00	Hong Kong, China	Investment holding	–	75	Investment establishment
CMOC Brasil Mineração, Indústria e Participações Ltda. ("COMC Brazil")	Brazil	USD830,000,000.00	Brazil	Mining, processing and sales of mineral products	–	100	Investment establishment
Ningbo Baiya Investment Co., Ltd. ("Ningbo Baiya")	China	RMB11,000,000.00	Ningbo, Zhejiang	Investment management	–	100	Investment establishment
Hainan Muxing Trading Co., Ltd. ("Hainan Muxing")	China	RMB200,000,000.00	Haikou, Hainan	Import and export trading	–	100	Investment establishment
Purveyors South Africa Mine Services CMOC ("CMOC South Africa")	Republic of South Africa	–	Republic of South Africa	Logistics transportation	–	100	Business combinations not involving enterprises under common control
CMOC International DRC Holdings Limited ("CIDHL")	Bermuda	–	Bermuda	Investment holding	–	100	Business combinations not involving enterprises under common control

X. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Constitution of the Group (Continued)

Name of the subsidiary	Main place of operation	Registered capital	Place of registration	Nature of business	Shareholding ratio (100%) Direct	Indirect	Acquisition method
BHR Newwood Investment Management Limited ("BHR")	BVI	USD470,000,000.00	BVI	Investment holding	–	100	Business combinations not involving enterprises under common control
Congo Construction Company SARL	Congo (DRC)	USD100,000.00	Congo (DRC)	Refining and sales of mineral products	–	100	Business combinations not involving enterprises under common control
TF Holdings Limited ("TFHL")	Bermuda	USD8,400.00	Bermuda	Investment holding	–	100	Business combinations not involving enterprises under common control
Shanghai Aoyide Trading Co., Ltd. ("Shanghai Aoyide")	China	RMB60,000,000.00	Shanghai	Domestic non-ferrous trading	–	100	Investment establishment
Kisanfu Holding Ltd.	Bermuda	USD97,876,162.00	Bermuda	Investment holding	–	75	Asset acquisition
TFM	Congo (DRC)	–	Congo (DRC)	Mining and processing	–	80	Business combinations not involving enterprises under common control
CMOC Kisanfu Mining S.A.R.L.	Congo (DRC)	USD102,132,800.00	Congo (DRC)	Mining and processing	–	71.25	Asset acquisition
CMOC Commodity	Hong Kong, China	–	Hong Kong, China	Investment holding	–	100	Investment establishment
Shanghai Muchao Enterprise Management Co., Ltd.	China	–	Shanghai	Consulting services	–	100	Investment establishment
Artemida Limited	Hong Kong, China	–	Hong Kong, China	Metal trading	–	100	Investment establishment

X. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Constitution of the Group (Continued)

Name of the subsidiary	Main place of operation	Registered capital	Place of registration	Nature of business	Shareholding ratio (100%) Direct	Indirect	Acquisition method
CMOC Zeta Limited	Hong Kong, China	–	Hong Kong, China	Investment holding	–	100	Investment establishment
CMOC Fortune Limited	Hong Kong, China	USD1,000,000.00	Hong Kong, China	Investment holding	–	100	Investment establishment
CMOC New Resources Limited	Hong Kong, China	–	Hong Kong, China	Investment holding	–	100	Investment establishment
CMOC ZIMBABWE (PRIVATE) LIMITED	Zimbabwe	USD1,000,000.00	Harare	Mining development and sales	–	100	Investment establishment
Hongde Kuangxin	China	RMB60,000,000.00	Shanghai	Technical services and software development	–	100	Investment establishment
Zhonghe Metallurgical	China	RMB20,000,000.00	Luanchuan, Henan	Selection and sales of mineral products	51	–	Business combinations not involving enterprises under common control
Lumina Gold Corp.	Canada	USD229,232,162,29	Canada	Investment holding	–	100	Asset acquisition
Lumina Trading (Cayman) Ltd.	Cayman Islands	USD1.00	Cayman Islands	Metal trading	–	100	Asset acquisition
Odin Mining del Ecuador	Ecuador	USD9,300,000.00	Ecuador	Mining and processing	–	100	Asset acquisition
Mineracao Aurizona SA *(Note 1)*	Brazil	USD92,638,702	Brazil	Mining and processing	–	100	Business combinations not involving enterprises under common control
Mineracao Riacho Dos Machados Ltda *(Note 1)*	Brazil	USD438,388,750	Brazil	Mining and processing	–	100	Business combinations not involving enterprises under common control
Santa Luz Desenvolvimento Minerais Ltda *(Note 1)*	Brazil	USD88,318,194	Brazil	Mining and processing	–	100	Business combinations not involving enterprises under common control

X. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Constitution of the Group (Continued)

Name of the subsidiary	Main place of operation	Registered capital	Place of registration	Nature of business	Shareholding ratio (100%) Direct	Indirect	Acquisition method
Fazenda Brasileiro Desenvolvimento Mineral Ltda *(Note 1)*	Brazil	USD11,624,058	Brazil	Mining and processing	–	100	Business combinations not involving enterprises under common control
NOVA Energy Capital Ltd.	Hong Kong, China	HKD1.00	Hong Kong, China	Investment holding	–	100	Investment establishment
Union Energy Limited	Hong Kong, China	HKD1.00	Hong Kong, China	Investment holding	–	100	Investment establishment

Other descriptions:

Note 1: Disclosed on 15 December 2025, the Company, through its holding subsidiary, acquired 100% equity interests in the Aurizona Gold Mine, RDM Gold Mine and Bahia Complex Mine Area from a Canadian listed company, Equinox Gold Corp. The acquisition was completed on 23 January 2026.

The subsidiaries of the Group incorporated in China are all limited liability companies.

In January 2026, the Company, through its indirectly controlled overseas subsidiary CMOC Capital Limited, issued USD1.2 billion of guaranteed corporate bonds convertible into H-shares of the Company.

2. Interests in joint ventures or associates

(1) Significant joint ventures or associates

Unit: RMB

Name of associate and joint venture	Main place of operation	Place of registration	Nature of business	Shareholding ratio (%) Direct	Indirect	Accounting treatments for investments in joint ventures or associates
Huan Yu	Luoyang, Henan	Luoyang, Henan	Investment	50	–	Equity method
YULU Mining	Luoyang, Henan	Luoyang, Henan	Refining and sales of mineral products	40	–	Equity method
Huayue Nickel Cobalt	Indonesia	Indonesia	Refining and sales of mineral products	–	30	Equity method
LUALABA	Congo (DRC)	Congo (DRC)	Electric power generation	–	44	Equity method

X. INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint ventures or associates (Continued)

(2) Major financial information of significant joint ventures

Unit: RMB

	30 June 2026/ Jan. - Jun. 2026 Huan Yu *(Note 1)*	31 December 2025/ Jan. - Jun. 2025 Huan Yu *(Note 1)*
Current assets	**350,854,410.38**	239,244,817.58
Including: Cash and cash equivalents	**174,499,616.96**	57,117,521.57
Non-current assets	**1,829,484,290.44**	1,840,909,179.36
Total assets	**2,180,338,700.82**	2,080,153,996.94
Current liabilities	**482,895,096.58**	352,289,206.76
Non-current liabilities	**126,482,888.53**	266,622,058.68
Total liabilities	**609,377,985.11**	618,911,265.44
Minority interests	**57,738,607.43**	46,542,790.09
Equity attributable to shareholders of the Company	**1,513,222,108.28**	1,414,699,941.41
Share of net assets calculated based on shareholding ratio	**756,611,054.14**	707,349,970.71
Adjusting events *(Note 2)*	**-101,139,473.32**	-92,084,813.09
Carrying amount of equity investments in joint ventures	**655,471,580.82**	615,265,157.62
Fair value of equity investments in joint ventures where there is a quoted price	**Not applicable**	Not applicable
Operating income	**366,592,014.27**	370,482,441.35
Financial expenses	**4,093,222.81**	7,380,066.80
Income tax expenses	**39,241,181.99**	48,647,602.89
Net profit	**113,182,363.04**	143,565,421.40
Total comprehensive income	**113,182,363.04**	143,565,421.40
Dividends received from joint ventures in the current period	**–**	–

Note 1: The joint venture of the Group, Huan Yu, has 90% equity interest in Fuchuan; meanwhile, the Company directly holds the remaining 10% interest in Fuchuan.

Note 2: According to the agreement with local government, the local government is entitled to 8% of the dividend rights of Fuchuan. Thus, the Group actually holds 47% of the profit or loss of Fuchuan under equity method.

X. INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint ventures or associates (Continued)

(3) Major financial information of significant associates

Unit: RMB

	Closing balance/Amount for the current period			Opening balance/Amount for the prior period		
	YULU Mining	Huayue Nickel Cobalt	LUALABA	YULU Mining	Huayue Nickel Cobalt	LUALABA
Current assets	513,297,962.68	4,529,510,317.19	87,698,666.62	231,725,747.58	4,363,898,340.11	99,208,965.24
Including: Cash and cash equivalents	262,008.42	323,023,353.58	39,754,702.33	592,603.54	570,331,919.81	68,706,446.13
Non-current assets	50,922,101.38	7,738,515,925.11	1,324,962,749.20	48,645,139.08	8,016,989,993.20	1,235,063,404.84
Total assets	564,220,064.06	12,268,026,242.30	1,412,661,415.82	280,370,886.66	12,380,888,333.31	1,334,272,370.08
Current liabilities	73,118,014.91	1,125,772,886.53	220,753,915.82	126,080,601.94	860,188,378.49	120,206,915.51
Non-current liabilities	–	1,249,543,345.97	–	–	2,871,468,629.37	–
Total liabilities	73,118,014.91	2,375,316,232.50	220,753,915.82	126,080,601.94	3,731,657,007.86	120,206,915.51
Minority interests	–	–	–	–	–	–
Equity attributable to shareholders of the Company	491,102,049.15	9,892,710,009.80	1,191,907,500.00	154,290,284.72	8,649,231,325.45	1,214,065,454.57
Share of net assets calculated based on shareholding ratio	196,440,819.66	2,967,813,002.94	524,439,300.00	61,716,113.89	2,594,769,397.64	534,188,800.00
Adjusting events	33,503,304.05	18,911,526.42	–	328,449.75	11,522,530.96	–
Carrying amount of equity investments in associates	229,944,123.71	2,986,724,529.36	524,439,300.00	62,044,563.64	2,606,291,928.60	534,188,800.00
Fair value of equity investments in associates where there is a quoted price	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Operating income	604,990,626.04	5,228,128,538.55	–	228,808,201.27	3,843,631,182.66	–
Net profit (loss)	335,799,120.14	1,635,150,525.83	–	64,054,030.78	798,360,579.18	17,869,996.67
Total comprehensive income (loss)	335,799,120.14	1,341,231,351.33	–	64,054,030.78	767,888,819.85	12,759,841.51
Dividends received from associates in the current period	–	–	–	54,050,000.00	–	–

Note: The Group holds 40% equity interest in Yulu Mining, but shares 50% dividend rights. For details, refer to Note (VII) 11.

XI. GOVERNMENT GRANTS

1. Items of liabilities related to government grants

Unit: RMB

Item	Opening balance	Increase	Transfer to other income	Closing balance	Related to assets/income
Deferred income	128,750,812.85	2,350,000.00	7,138,218.04	**123,962,594.81**	Related to assets
Total	128,750,812.85	2,350,000.00	7,138,218.04	**123,962,594.81**	/

2. Government grants included in profit or loss for the period

Unit: RMB

Type	Amount for the current period	Amount for the prior period
Related to assets	**7,138,218.04**	4,151,849.78
Related to income	**18,758,944.92**	29,761,209.91
Total	**25,897,162.96**	33,913,059.69

XII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

1. Risks of financial instruments

The Group's major financial instruments include cash and bank balances, held-for-trading financial assets, derivative financial assets, accounts receivable, receivables financing, other receivables, non-current assets due within one year, other current assets, investments in other equity instruments, other non-current financial assets, non-current derivative financial assets, other non-current assets, held-for-trading financial liabilities, derivative financial liabilities, notes payable, accounts payable, other payables, borrowings, non-current liabilities due within one year, other current liabilities, other non-current liabilities, etc. Details of these financial instruments are disclosed in Note (VII). The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure the risks are monitored within a certain range.

XII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

RMB'000

	30 June 2026	31 December 2025
Financial assets		
Measured at FVTPL		
Held-for-trading financial assets	16,087,666	13,642,642
Derivative financial assets	2,940,311	1,845,993
Other non-current financial assets	3,379,817	3,121,440
Non-current derivative financial assets	46,004	–
Measured at FVTOCI		
Receivables financing	20,763	59,224
Investments in other equity instruments	107,370	46,380
Measured at amortised cost		
Cash and bank balances	42,522,841	33,563,956
Accounts receivable	1,327,231	1,210,025
Other receivables	535,243	786,283
Other current assets	7,877,924	8,671,855
Non-current assets due within one year	575,791	1,208,974
Other non-current assets	732,508	815,696
Financial liabilities		
Measured at FVTPL		
Held-for-trading financial liabilities	9,161,412	8,184,443
Derivative financial liabilities	6,194,704	10,425,801
Measured at amortised cost		
Short-term borrowings	35,860,970	27,128,886
Notes payable	660,756	472,133
Accounts payable	6,534,332	5,141,796
Other payables	5,297,077	3,498,341
Non-current liabilities due within one year	2,352,957	3,365,420
Long-term borrowings	598,000	1,166,200
Other current liabilities	7,959,232	–
Other non-current liabilities	949,722	1,631,632

XII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

The Group adopts sensitivity analysis technique to analyse how the profit or loss for the period and shareholders' equity would have been affected by reasonably possible changes in the relevant risk variables. As it is unlikely that risk variables will change in an isolated manner, and the interdependence among risk variables will have a significant effect on the amount ultimately influenced by the changes in a single risk variable, the following are based on the assumption that the change in each risk variable is on a stand-alone basis.

1. Risk management objectives, policies and procedures, and changes for the period

The Group's risk management objectives are to achieve a proper balance between risks and yield, minimise the adverse impacts of risks on the Group's operation performance, and maximise the benefits of the shareholders and other equity investors. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyse the Group's exposure to various risks, establish an appropriate maximum tolerance to risk, implement risk management, and monitor regularly and effectively these exposures to ensure the risks are monitored at a certain level.

1.1. Market risk

1.1.1. Foreign exchange risk

Foreign exchange risk refers to the risk of loss due to exchange rate changes. The Group is subject to foreign exchange risk mainly related to USD, RMB, BRL, CDF, JPY, MXP and PEN. The principal business activities of the subsidiaries in the PRC are denominated and settled in RMB. The Group's Niobium, Phosphate and Gold businesses in Brazil are principally denominated and settled in USD and BRL and the Group's Copper-Cobalt business in Congo (DRC) is principally denominated and settled in USD and CDF. Foreign currency transactions are mainly domestic financing activities settled in USD, operating activities of subsidiaries in Brazil of which the functional currency is USD settled in BRL, and operating activities of subsidiaries in Congo (DRC) of which the functional currency is USD settled in CDF. The Group pays close attention to the influence of exchange rate changes on the foreign exchange risk, and manages foreign exchange risk by purchasing forward foreign exchange contracts and exchange rate option contracts. For details, refer to Note (VII) 3 & 25.

As at 30 June 2026, the Group's financial assets and financial liabilities denominated in foreign currencies are presented as follows. The foreign exchange risk arising from the assets and liabilities of such foreign currency balances may have an impact on the Group's operating results.

XII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.1. Foreign exchange risk (Continued)

RMB'000

	30 June 2026	31 December 2025
USD		
Cash and bank balances	**448,787**	751,873
Short-term borrowings	**(43,630)**	–
Sub-total	**405,157**	751,873
RMB		
Cash and bank balances	**42,070**	1,783
Non-current liabilities due within one year	**–**	(316,771)
Short-term borrowings	**(4,300,000)**	(1,566,276)
Sub-total	**(4,257,930)**	(1,881,264)
CDF		
Cash and bank balances	**10,973**	10,621
Sub-total	**10,973**	10,621
BRL		
Cash and bank balances	**885,196**	283,490
Sub-total	**885,196**	283,490
JPY		
Cash and bank balances	**6,720,295**	4,193,761
Sub-total	**6,720,295**	4,193,761

XII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.1. Foreign exchange risk (Continued)

RMB'000

	30 June 2026	31 December 2025
MXP		
Cash and bank balances	**277**	177
Short-term borrowings	**(74,754)**	(112,238)
Sub-total	**(74,477)**	(112,061)
PEN		
Cash and bank balances	**195**	1,506
Short-term borrowings	**(633,639)**	(668,262)
Sub-total	**(633,444)**	(666,756)

XII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.1. Foreign exchange risk (Continued)

The following table is a sensitivity analysis on exchange rate risk, which reflects that, where all other variables are held constant, the reasonably possible changes in the foreign exchange rate of foreign currencies (USD, RMB, BRL, JPY etc.) may have the following pre-tax effect on the profit or loss for the period and shareholders' equity. The Group does not consider the effect of current forward foreign exchange contracts and foreign exchange option contracts in the sensitivity analysis as below.

RMB'000

		2026 Jan-Jun		2025 Jan-Jun	
Item	Changes in exchange rate	Effect on profit	Effect on shareholders' equity	Effect on profit	Effect on shareholders' equity
Entities which are denominated in RMB					
Profit and equity	Depreciation by 10% of USD against RMB	**(40,516)**	**(40,516)**	(321,802)	(321,802)
Entities which are denominated in USD					
Profit and equity	Depreciation by 10% of RMB against USD	**425,793**	**425,793**	25,689	25,689
	Depreciation by 10% of BRL against USD	**(88,520)**	**(88,520)**	(34,455)	(34,455)
	Depreciation by 10% of JPY against USD	**(672,030)**	**(672,030)**	(94,435)	(94,435)
	Depreciation by 10% of CDF against USD	**(1,097)**	**(1,097)**	(350)	(350)
	Depreciation by 10% of PEN against USD	**63,344**	**63,344**	30,830	30,830
	Depreciation by 10% of MXP against USD	**7,448**	**7,448**	8,405	8,405

The management of the Group believes that the year-end foreign currency risk cannot reflect the foreign currency risk of the current year, and the sensitivity analysis cannot reflect the inherent foreign currency risk.

XII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.2. Interest rate risk

The Group's interest rate risk mainly arises from interest-bearing debts such as long-term bank borrowings and short-term bank borrowings. Financial liabilities with floating interest rate expose the Group to cash flow interest rate risk, while financial liabilities with fixed interest rate expose the Group to fair value interest rate risk. The Group determines the relative proportion of fixed interest rate and floating interest rate contracts according to the market environment at that time. See Note (VII) 23 and 34 for details of the Group's bank borrowings, among which the balance of the Group's borrowings with floating interest rate at the end of the year is RMB8,135,419,000.

Sensitivity analysis on interest rate risk assumes: Changes in market interest rates affect the interest income or expenses of floating-rate financial instruments.

On the basis of the above assumption, where all other variables are held constantly, the reasonably possible changes in the interest rate may have the following pre-tax effect on the profit or loss for the year and shareholders' equity:

RMB'000

		2026 Jan-Jun		2025 Jan-Jun	
Item	**Changes in interest rate**	**Effect on profit**	**Effect on shareholders' equity**	Effect on profit	Effect on shareholders' equity
Floating interest rate	Increase 50 base points of interest rate	**(40,677)**	**(40,677)**	(102,966)	(102,966)
Floating interest rate	Decrease 50 base points of interest rate	**40,677**	**40,677**	102,966	102,966

XII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.3. Commodity price risk

International copper prices have a significant impact on the operating results of the Group's subsidiaries in Congo (DRC). Copper prices fluctuated in the past and the factors causing the fluctuation were beyond the control of the Group. The Group does not hedge against the fluctuation risk of copper prices. In addition, IXM engages in business related to metal trading platform, of which the operating result is significantly affected by the international price fluctuation of metals such as aluminium, nickel, etc. IXM hedges the risk of the metal price fluctuation through commodity futures contracts and commodity option contracts. Details are set out in Note (VII) 3 and 25.

The table below shows the sensitivity analysis of the copper price at the balance sheet date, which reflects the pre-tax effect of unpriced accounts receivable of the Group at the end of the period on the total profit and shareholders' equity when the market price of copper is changed reasonably and possibly under the assumption that other variables remain unchanged.

RMB'000

		2026 Jan-Jun		2025 Jan-Jun	
Item	**Increase/(Decrease) percentage**	**Effect on profit**	**Effect on shareholders' equity**	Effect on profit	Effect on shareholders' equity
Market price of copper	5%	-	-	24,858	24,858
Market price of copper	(5%)	-	-	(24,858)	(24,858)

XII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.4. Other price risk

The equity instrument investments held by the Group, including other non-current financial assets and investments in other equity instruments measured at fair value, are measured at fair value at each balance sheet date. As at the end of the reporting year, the equity instrument investments held by the Group mainly comprise listed securities and asset management plans, therefore, the Group is directly or indirectly exposed to the risk of fluctuation of securities market prices. If the equity price of the equity instrument investments held by the Group increases or decreases by 5% while other variables remain unchanged, the shareholders' equity and profit or loss of the Group will increase or decrease by RMB84,986,000 at the end of the period (excluding the impact of income tax) (2025 H1: RMB76,509,000).

1.2. Credit risk

As at 30 June 2026, the Group's maximum exposure to credit risk which will cause a financial loss to the Group is due to the failure of counterparties to fulfil an obligation, including the carrying amount of the financial assets recognised in the balance sheet of the Group.

In order to minimise the credit risk, the Group has specific personnel of the credit management department responsible for the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of financial assets at each balance sheet date to ensure that adequate allowances for ECLs are made for irrecoverable amounts. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

The Group's policies on assessment of significant increase in credit risk since initial recognition, basis for determination of credit impairment on financial assets, classification of financial instruments on ECL on a portfolio basis, and direct write-down of financial instruments are set out in Note (V) 11.2.1, Note (V) 11.2.2, Note (V) 11.2.3, and Note (V) 11.2.4.

XII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.2. Credit risk (Continued)

The credit risk on cash and bank balances is low because they are deposited with banks with high credit ratings.

The Group holds bank acceptances, of which most bank acceptances are issued by banks with higher credit rating, therefore, the management of the Group believes relevant credit risk on bank acceptances is low. Details are set out in Note (VII) 5.

The Group only trades with recognised, creditworthy customers. Total amount of top five entities with the largest balances of accounts receivable as at 30 June 2026 accounts for 43.34% of the amount of total accounts receivable (31 December 2025: 57.84%). Accounts receivable balances are monitored on an ongoing basis with the result that the Group's exposure to credit risk is controlled. Products are sold only to companies whose credit information is in an acceptable range. Credit limits have been set for most of the customers and they are monitored systematically. For overseas sales, letters of credit are generally used. Details of analysis on related credit risk are set out in Note (VII) 4.

For credit risk arising from other receivables, other current assets and other non-current assets, the Group's exposure to credit risk arising from default of counterparties is limited as most of the counterparties are entities with good credit standing and the Group does not expect any significant loss for uncollected advances to these entities except for items for which impairment provisions have already been made. Details of analysis on related credit risk are set out in Notes (VII) 7, 10 and 21.

XII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.3. Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The following is the maturity analysis for financial liabilities held by the Group which is based on undiscounted remaining contractual obligations:

RMB'000

2026	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	36,892,562	–	–	–	36,892,562
Long-term borrowings	1,633,857	623,319	–	–	2,257,176
Derivative financial liabilities	6,194,704	–	–	–	6,194,704
Held-for-trading financial liabilities	9,161,412	–	–	–	9,161,412
Notes payable	660,756	–	–	–	660,756
Accounts payable	6,534,332	–	–	–	6,534,332
Other payables	5,297,077	–	–	–	5,297,077
Other current liabilities (Convertible financial instruments)	7,959,232	–	–	–	7,959,232
Lease liabilities	167,911	63,230	47,437	5,342	283,920
Other non-current liabilities	836,090	836,090	155,000	–	1,827,180
Total	75,337,933	1,522,639	202,437	5,342	77,068,351

XII. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.3. Liquidity risk (Continued)

RMB'000

2025	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	28,373,559	–	–	–	28,373,559
Long-term borrowings	2,705,261	1,245,073	–	–	3,950,334
Derivative financial liabilities	10,425,801	–	–	–	10,425,801
Held-for-trading financial liabilities	8,184,443	–	–	–	8,184,443
Notes payable	472,133	–	–	–	472,133
Accounts payable	5,141,796	–	–	–	5,141,796
Other payables	3,498,341	–	–	–	3,498,341
Lease liabilities	126,885	24,739	66,348	12,592	230,564
Other non-current liabilities	857,880	857,880	857,880	–	2,573,640
Total	59,786,099	2,127,692	924,228	12,592	62,850,611

2. Hedge

(1). Make qualified hedges and apply hedge accounting

Unit: RMB

Item	Accumulated fair value hedge adjustments included in the carrying amount of recognized hedged items	Hedge effectiveness and sources of hedge ineffectiveness
Types of hedged risks		
Commodity price risk hedging	60,929,293.14	The Company's spot and futures pricing mechanisms using hedge accounting are derived from the same contracts on the same exchanges and for the same months, and the futures and spot prices are fully hedged. The Company's commodity futures hedges are highly effective.

XIII. DISCLOSURE OF FAIR VALUE

1. Closing fair value of assets and liabilities measured at fair value

RMB'000

Item	Closing fair value			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
I. Continuous fair value measurement				
(1) Held-for-trading financial assets				
1. Financial assets at FVTPL				
– Accounts receivable	–	10,139,088	–	10,139,088
– Structural deposits	–	–	300,055	300,055
– Wealth management	–	–	1,003,984	1,003,984
– Others	–	4,475,450	169,089	4,644,539
(2) Investments in other equity instruments	–	–	107,370	107,370
(3) Inventories				
1. Trading inventories	–	12,034,205	–	12,034,205
2. Consumable biological assets	–	–	93,450	93,450
(4) Receivables financing				
– Receivables financing	–	–	20,763	20,763
(5) Other non-current financial assets				
– Asset management plan	–	–	983,578	983,578
– Share of partnership	–	–	1,207,507	1,207,507
– Share of funds	–	–	894,449	894,449
– Equity in unlisted companies	–	–	138,395	138,395
– Others	–	–	155,889	155,889
(6) Derivative financial assets				
– Commodity futures contracts	683,799	–	–	683,799
– Forward foreign exchange contracts	–	235,072	–	235,072
– Forward commodity contracts	–	2,021,440	–	2,021,440
(7) Non-current derivative financial assets:	–	46,004	–	46,004
Total assets measured continuously at fair value	683,799	28,951,259	5,074,529	34,709,587
(8) Held-for-trading financial liabilities				
Payables at FVTPL	–	8,891,408	–	8,891,408
Contingent consideration at fair value	–	–	270,004	270,004
(9) Derivative financial liabilities				
– Commodity futures contracts	2,055,158	–	–	2,055,158
– Forward foreign exchange contracts	–	80,396	–	80,396
– Forward commodity contracts	–	2,630,038	–	2,630,038
– Commodity option contracts	–	–	1,429,113	1,429,113
Total liabilities measured continuously at fair value	2,055,158	11,601,842	1,699,117	15,356,117

XIII. DISCLOSURE OF FAIR VALUE (CONTINUED)

2. Determination basis of market price for items that are continuously and non-continuously measured at level 2 fair value

Items that are continuously measured at level 2 fair value include accounts receivable, fund products of financial institutions, trading inventories, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities at FVTPL, and the related fair value is determined with reference to the quoted price of similar assets or liabilities in active market or other inputs other than the quoted price, the premium/discount prices in the place of origin or nearby regions in the industry research report, long-term offer and the yield rate of similar debt instruments in open market.

3. Valuation techniques and qualitative and quantitative information of key parameters used for items that are continuously and non-continuously measured at level 3 fair value

Items that are continuously measured at level 3 fair value include held-for-trading financial assets, receivables financing, consumable biological assets, investments in other equity instruments and other non-current financial assets. The fair value of held-for-trading financial assets and wealth management products included in other non-current financial assets is measured based on the expected yield rate provided by the third party financial institution and discounting of the future cash flow. The fair value of consumable biological assets is measured based on the prices of the same kind of wood, the growth period of tree and the discounting of the subsequent input and maintenance fee. The fair value of receivables financing is based on the note discount rate provided by the third-party financial institution and discounting of the future cash flow. The fair values of share of partnership, share of funds, directional asset management plan and equity in unlisted companies included in other equity instruments and other non-current financial assets are determined based on the comparable company analysis, the agreed price for transfer or the valuation report provided by third-party financial institutions, or the financial statements provided by the investee with appropriate adjustments.

XIII. DISCLOSURE OF FAIR VALUE (CONTINUED)

3. Valuation techniques and qualitative and quantitative information of key parameters used for items that are continuously and non-continuously measured at level 3 fair value (Continued)

RMB'000

Assets/liabilities measured at fair value	Fair value as at 30 June 2026	Valuation techniques	Inputs	Significant input data that cannot be observed	Relationship between the input data that cannot be observed and the fair value
Held-for-trading financial assets/Other non-current financial assets	1,304,039	Discounted cash flow method	Expected cash flows of the products, yield of similar financial products in private market	Yield of similar financial products in private market	Higher yield of similar financial products in private market, lower fair value
Investments in other equity instruments/Other non-current financial assets	3,331,304	Comparable company analysis/Agreed price for transfer/Market price discount method	Unobservable inputs	DLOM-discount of lack of marketability/Lock-up period discount	Higher discount rate, lower fair value
Consumable biological assets	93,450	Discounted cash flow method	Wood price, growth cycle, and follow-up estimated investment	Follow-up estimated investment	Higher follow-up estimated investment, lower fair value
Receivables financing	20,763	Discounted cash flow method	Expected cash flow of notes, note discount rate in private market	Note discount rate in private market	Higher note discount rate in private market, lower fair value
Contingent consideration measured at fair value	594,977	Monte Carlo Model	Commodity forward price, volatility, discount rate	Volatility	Higher volatility, lower fair value
Derivative financial liabilities	1,429,113	Monte Carlo Model	Commodity forward price, volatility, discount rate	Volatility	Higher volatility, lower fair value

4. Fair value of financial assets and financial liabilities not measured at fair value

The management of the Group has assessed cash and bank balances, accounts receivable, other receivables, other current assets, non-current assets due within one year, short-term borrowings, notes payable, accounts payable, other payables, non-current liabilities due within one year, other current liabilities, etc. As the remaining term is not long, fair values approximate the carrying amounts.

The Group's financial assets and financial liabilities which are subsequently not measured at fair value include other non-current assets, and long-term borrowings, bonds payable and other non-current liabilities respectively. The floating interest rate of the Group's long-term borrowings is linked to the market interest rate.

XIV. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. Parent of the Company

RMB'0000

Name of the parent	Place of registration	Nature of business	Registered capital	Proportion of the Company's ownership interest held by the parent (%)	Proportion of the Company's voting power held by the parent (%)
CFC	Shanghai	Investment management	18,181.82	24.93	24.93

Information about the parent of the Company

As at 31 December 2025, CFC actually holds 5,333,220,000 shares of the Company, accounting for 24.93% of the total share capital of the Company.

The Company's ultimate controlling party is CFC.

2. Subsidiaries of the Company

Details of subsidiaries of the Company are set out in notes.

For details of the subsidiaries of the Company, please refer to Note (X). 1.

3. Joint ventures and associates of the Company

Details of joint ventures and associates of the Company are set out in notes.

For details of joint ventures and associates of the Company, please refer to Note (X). 2.

Other joint ventures or associates which have transactions with the Company in the current period or in previous period are as follows:

Joint ventures or associates	Relationship with the Company
Fuchuan	Subsidiary of the joint venture
Luanchuan Fuxing Ore Processing Co., Ltd. ("Fu Xing")	Subsidiary of the joint venture
Luanchuan Qixing Mining Co., Ltd. ("Qi Xing")	Subsidiary of the joint venture
Yulu Mining	Associate
Luoyang Shenyu	Associate
Guochuang Intelligent	Associate
Huayue Nickel Cobalt	Associate
LUALABA	Associate
RESOURCE	Associate

XIV. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

4. Other related parties of the Company

Other related parties	Relationship with the Company
Luoyang Times	Shareholder of the Company
Contemporary Amperex Technology Co., Limited and its subsidiaries ("CATL")	Shareholder of the Company and its subsidiaries
Shanghai Shangju Industrial Co., Ltd. ("Shangju")	Subsidiary of the shareholder
Shanghai Yunsheng International Trade Co., Ltd. ("Yunsheng")	Subsidiary of the shareholder
Shanghai Yun'an Property Management Service Co., Ltd. ("Yun'an")	Subsidiary of the shareholder

5. Related party transactions

(1) Sales and purchase of goods, rendering and receipt of services

Purchase of goods/receipt of services

Unit: RMB

Related party	Details of transactions	Amount for the current period	Amount for the prior period
Yulu Mining	Purchase of products	**265,697,375.03**	96,296,245.10
Fuchuan	Purchase of products	**300,212,520.35**	241,621,753.26
Fuchuan	Receipt of services	**2,369,178.25**	3,494,640.79
Qi Xing	Receipt of services	**106,574.90**	–
Huayue Nickel Cobalt	Purchase of products	**1,851,789,010.11**	1,363,653,100.27
Fu Xing	Purchase of products	**3,602,171.65**	2,387,247.89
Fu Xing	Receipt of services	**21,992.91**	159,113.33
CATL	Purchase of products	**3,246,514,347.53**	453,330,790.98
CATL	Interest expenses	**253,692,391.06**	313,939,215.79
Guochuang Intelligent	Receipt of services	**219,469.03**	–
Yun'an	Receipt of services	**2,184,274.44**	2,184,274.42

XIV. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(1) *Sales and purchase of goods, rendering and receipt of services (Continued)*

Sales of goods/rendering of services

Unit: RMB

Related party	Details of transactions	Amount for the current period	Amount for the prior period
Luoyang Shenyu	Sales of goods	–	14,076,952.65
Yulu Mining	Rendering of services	7,433,628.30	7,433,628.32
Fuchuan	Sales of goods	6,638,871.75	5,924,330.66
Fuchuan	Rendering of services	667,723.69	15,066,738.13
Huayue Nickel Cobalt	Interest income	16,852,799.01	12,194,484.51
Fu Xing	Sales of goods	75,901.59	15,680.35
Fu Xing	Rendering of services	194,089.37	106,840.97
CATL	Sales of goods	4,086,311,491.48	2,433,549,923.34
RESOURCE	Interest income	1,116,737.30	546,037.21
LUALABA	Rendering of services	19,221,805.43	1,649,905.00
LUALABA	Interest income	4,143,318.25	714,161.74

(2) *Related party leases*

The Company as the lessee:

Unit: RMB

		Amount for the current period			Amount for the prior period		
Lessor	Type of leased assets	Rent paid	Interest expenses on lease liabilities	Increase in right-of-use assets	Rent paid	Interest expenses on lease liabilities	Increase in right-of-use assets
Shangju	Buildings	13,704,054.00	233,468.06	51,472,248.16	14,018,810.58	736,997.26	51,806,944.13
Shangju	Buildings, structures, or auxiliary facilities	243,000.00	–	–	237,599.99	–	–
Yunsheng	Buildings	5,128,929.00	228,330.63	–	5,128,928.94	126,271.50	–
Yunsheng	Buildings, structures, or auxiliary facilities	81,000	–	–	86,400.01	–	–

XIV. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(3) Compensation for key management personnel

RMB'000

Item	Amount for the current period	Amount for the prior period
Compensation for key management personnel	**12,995**	8,297

6. Unsettled items receivable from/payable to related parties

(1) Items receivable

Unit: RMB

		Closing balance		Opening balance	
Item	Related party	Gross carrying amount	Allowances for bad debts	Gross carrying amount	Allowances for bad debts
Accounts receivable	Yulu Mining	**–**	**–**	9,798.66	89.55
Dividends receivable	Yulu Mining	**–**	**–**	32,000,000.00	–
Accounts receivable	Fuchuan	**11,949,505.88**	**300,043.18**	9,249,446.50	46,691.50
Other receivables	Fuchuan	**–**	**–**	576,696.43	–
Other receivables	Shangju	**6,852,027.00**	**–**	7,009,405.29	–
Prepayments	Shangju	**121,500.00**	**–**	–	–
Other receivables	Yunsheng	**2,564,464.47**	**–**	2,564,464.47	–
Other receivables	Yun'an	**–**	**–**	385,888.48	–
Accounts receivable	Fu Xing	**13,973.09**	**6,990.86**	32,307.11	7,013.65
Other receivables	Fu Xing	**178,264.57**	**–**	12,932.21	–
Interest receivable	Huayue Nickel Cobalt	**8,382,545.69**	**–**	200,261,280.89	–
Other non-current assets	Huayue Nickel Cobalt	**389,134,633.93**	**–**	401,584,154.07	–
Prepayments	Huayue Nickel Cobalt	**–**	**–**	6,146,313.64	–
Accounts receivable	CATL	**8,861,701.70**	**–**	317,890.42	–
Prepayments	CATL	**10,890,530.41**	**–**	–	–
Other non-current assets	RESOURCE	**–**	**–**	21,219,947.20	–
Interest receivable	RESOURCE	**707,200.95**	**–**	895,834.48	–
Prepayments	LUALABA	**–**	**–**	28,115,200.00	–
Interest receivable	LUALABA	**–**	**–**	1,280,803.54	–
Other non-current assets	LUALABA	**121,977,543.41**	**–**	–	–
Accounts receivable	LUALABA	**–**	**–**	34,339,592.64	–

XIV. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Unsettled items receivable from/payable to related parties (Continued)

(2) Items payable

Unit: RMB

Item	Related party	Closing balance	Opening balance
Accounts payable	Yulu Mining	**1,051,912.30**	1,051,912.30
Other payables	Luoyang Shenyu	**14,966.65**	14,966.65
Accounts payable	Fuchuan	**–**	59,871,804.06
Other payables	Fuchuan	**2,918,609.25**	1,638,173.04
Non-current liabilities due within one year	Shangju	**13,004,500.59**	26,356,076.94
Non-current liabilities due within one year	Yunsheng	**11,963,414.57**	–
Lease liabilities	Yunsheng	**2,424,423.00**	–
Accounts payable	Fu Xing	**4,070,453.96**	–
Accounts payable	Huayue Nickel Cobalt	**223,763,937.29**	–
Other non-current liabilities	CATL	**10,540,270,406.12**	10,754,059,227.94
Contract liabilities	CATL	**1,047,043,971.43**	845,420,216.09
Other payables	CATL	**79,728.58**	54,191.37
Accounts payable	CATL	**215,556,357.04**	–
Other payables	Qi Xing	**14,682.16**	74,035.63
Accounts payable	Guochuang Intelligent	**58,159.29**	–
Other payables	Guochuang Intelligent	**134,000.00**	246,000.00
Other payables	LUALABA	**–**	140,576,000.00

XV. SHARE-BASED PAYMENTS

1. Equity instruments

As approved by the General Meeting of Shareholders of CMOC held on 21 May 2021, CMOC intends to grant the Employee Stock Ownership Plan to five incentive recipients ("Holders"). The grant date of the Employee Stock Ownership Plan is 21 May 2021, and the source of the shares is the A-share ordinary shares of CMOC repurchased by the Company's dedicated repurchase account. The total number of shares granted to the incentive recipients is 48,513,287 shares, and the grant price is RMB2 per share.

According to the Employee Stock Ownership Plan, the term of the plan shall not exceed 48 months and the lock-up period of the underlying shares acquired shall be 12 months, which is calculated from the date when the Employee Stock Ownership Plan is approved by the General Meeting of Shareholders of the Company and the Company announces the last transfer of the underlying shares into the dedicated repurchase account (17 June 2021). After the expiration of the lock-up period of the underlying shares, the interests of the Employee Stock Ownership Plan shall be allocated to the holders in three instalments based on the results of the performance assessment, with the allocation ratio of 30%, 30% and 40% respectively. If the performance assessment criteria are not met in any of the assessment periods, the interests corresponding to the allocation period shall not be allocated, and the relevant interests shall be mandatorily withdrawn by the Management Committee at the grant price and transferred to other eligible employees of the Employee Stock Ownership Plan at the price decided by the Management Committee.

XV. SHARE-BASED PAYMENTS (CONTINUED)

1. Equity instruments (Continued)

On 10 June 2022, the second holders' meeting of the 2021 Phase I Employee Stock Ownership Plan, the fifth extraordinary meeting of the sixth session of board of directors and the ninth meeting of the sixth session of board of supervisors reviewed and approved the Proposal on Adjusting the 2021 Phase I Employee Stock Ownership Plan of China Molybdenum Co., Ltd., the Proposal on Amending the 2021 Phase I Employee Stock Ownership Plan of China Molybdenum Co., Ltd. and the Proposal on Amending the Management Measures for the 2021 Phase I Employee Stock Ownership Plan of China Molybdenum Co., Ltd. Since an employee who participated in the Company's employee stock ownership plan resigned, the Company recovered the unvested shares of the employee stock ownership plan held by the resigned employee and awarded it to a new employee determined by the Company, who meets the requirement of the Company's employee stock ownership plan. The new employee received the relevant shares held by the resigned employee, totalling 7,500,000 shares.

The equity-settled share-based payments of the Group are subsequently measured.

1. Equity-settled share-based payments

Unit: RMB

	2021 First Phase of Employee Share Ownership Plan
The method of determining the fair value of equity instruments at the grant date	Based on the closing price of A shares of the Company at the grant date
Key parameters of the fair value of equity instruments at the grant date	Not applicable
The basis of determining the number of equity instruments expected to be vested	If the holders meet the requirements stipulated in the "Disposal of the holders' interests" of the stock ownership plan and satisfies the assessment criteria for the Company's performance and personal performance, the corresponding equity instruments are exercisable.
Reasons for the significant difference between the estimate in the current period and that in the prior period	Not applicable
Cumulative amount of equity-settled share-based payments included in capital reserve	71,123,527.87

XVI. COMMITMENT AND CONTINGENCIES

1. Significant commitments

Significant commitments and their natures and amounts at the balance sheet date

RMB'000

	30 Jun 2026	31 Dec 2025
Contracted but not recognised in the financial statements:		
– Commitment for acquisition and construction of long-term assets	**3,181,232**	3,034,090
– Commitment for investment *(Note)*	**228,973**	55,156
Total	**3,410,205**	3,089,246

Note: The above commitment for investment represents the Group's investment in an other non-current financial asset.

As at 30 June 2026, the Group has no other commitments that need to be disclosed.

2. Contingencies

(1) Significant contingencies at the balance sheet date

(1) Pending lawsuits

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

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

Business of the Group in Brazil

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

XVII. EVENTS AFTER THE BALANCE SHEET DATE

1. Other events after the balance sheet date

Pursuant to the proposal of the Board of Directors, based on the total issued shares of 21,394,310,176 shares (with a par value of RMB0.2 per share), it is proposed to distribute a cash dividend of RMB0.95 (tax inclusive) for every 10 shares held to all shareholders.

XVIII. OTHER SIGNIFICANT MATTERS

1. Segment information

(1) Determination basis and accounting policies of reporting segments

The management divided the Group's business into five operating segments, namely Molybdenum Tungsten related products, Niobium and Phosphate related products, Copper and Cobalt related products, Gold related products, metal trading and others on the basis of the Group's internal organisation structure, management requirements and internal reporting system. The Group's management evaluates the operating results of these segments regularly in order to determine the allocation of resources and assess their performance.

These reporting segments are determined on the basis of internal management and reporting system. Information on segment reporting is disclosed according to accounting policies and measurement standards adopted by segments when reporting to the management, which should be consistent with those adopted in the preparation of the financial statements.

XVIII. OTHER SIGNIFICANT MATTERS (CONTINUED)

1. Segment information (Continued)

(2) Financial information of reporting segments

Jan. – Jun. 2026

RMB'000

Item	Molybdenum, tungsten and related products	Niobium, phosphate and related products	Copper, cobalt and related products	Gold related products	Metal trading	Others	Unallocated item	Intersegment eliminations	Total
Operating income									
External income	7,127,442	3,746,274	35,676,078	3,017,007	119,862,827	335,790	-	-34,445,532	135,319,886
Total segment operating income	7,127,442	3,746,274	35,676,078	3,017,007	119,862,827	335,790	-	-34,445,532	135,319,886
Total operating income in the financial statements	7,127,442	3,746,274	35,676,078	3,017,007	119,862,827	335,790	-	-34,445,532	135,319,886
Operating costs	2,815,805	2,808,075	12,603,336	1,776,386	116,875,655	183,041	-	-32,878,266	104,184,032
Taxes and levies	-	-	-	-	-	-	2,456,518	-	2,456,518
Selling expenses	-	-	-	-	-	-	42,502	-	42,502
Administrative expenses	-	-	-	-	-	-	1,567,606	-	1,567,606
Research and development expenses	-	-	-	-	-	-	379,683	-	379,683
Financial expenses	-	-	-	-	-	-	1,699,391	-	1,699,391
Add: Impairment gains (losses) of assets	-	-	-	-	-	-	-8,484	-	-8,484
Credit impairment gains (losses)	-	-	-	-	-	-	-38,299	-	-38,299
Gains on changes in fair value	-	-	-	-	-	-	-37,688	-	-37,688
Investment income	-	-	-	-	-	-	785,816	-	785,816
Gains (Losses) on disposal of assets	-	-	-	-	-	-	13,791	-	13,791
Other income	-	-	-	-	-	-	25,897	-	25,897
Segment operating profit	-	-	-	-	-	-	25,731,186	-	25,731,186

XVIII. OTHER SIGNIFICANT MATTERS (CONTINUED)

1. Segment information (Continued)

(2) *Financial information of reporting segments (Continued)*

Item	Molybdenum, tungsten and related products	Niobium, phosphate and related products	Copper, cobalt and related products	Gold related products	Metal trading	Others	Unallocated item	Intersegment eliminations	Total
Operating profit in the financial statements	-	-	-	-	-	-	25,731,186	-	25,731,186
Add: Non-operating income	-	-	-	-	-	-	24,508	-	24,508
Less: Non-operating expenses	-	-	-	-	-	-	50,895	-	50,895
Total profit	-	-	-	-	-	-	25,704,799	-	25,704,799
Less: Income tax	-	-	-	-	-	-	7,254,593	-	7,254,593
Net profit	-	-	-	-	-	-	18,450,206	-	18,450,206

Jan. – Jun. 2025

RMB'000

Item	Molybdenum, tungsten and related products	Niobium, phosphate and related products	Copper, cobalt and related products	Metal trading	Others	Unallocated item	Intersegment eliminations	Total
Operating income								
External income	4,063,788	3,892,330	31,446,372	82,332,401	106,042	–	-27,068,429	94,772,504
Total segment operating income	4,063,788	3,892,330	31,446,372	82,332,401	106,042	–	-27,068,429	94,772,504
Total operating income in the financial statements	4,063,788	3,892,330	31,446,372	82,332,401	106,042	–	-27,068,429	94,772,504

XVIII. OTHER SIGNIFICANT MATTERS (CONTINUED)

1. Segment information (Continued)

(2) Financial information of reporting segments (Continued)

Item	Molybdenum, tungsten and related products	Niobium, phosphate and related products	Copper, cobalt and related products	Metal trading	Others	Unallocated item	Intersegment eliminations	Total
Operating costs	2,219,094	2,415,597	14,111,725	79,217,336	84,445	–	-23,320,865	74,727,332
Taxes and levies	–	–	–	–	–	1,851,519	–	1,851,519
Selling expenses	–	–	–	–	–	56,529	–	56,529
Administrative expenses	–	–	–	–	–	1,130,402	–	1,130,402
Research and development expenses	–	–	–	–	–	219,231	–	219,231
Financial expenses	–	–	–	–	–	979,350	–	979,350
Add: Impairment gains (losses) of assets	–	–	–	–	–	14,792	–	14,792
Credit impairment gains (losses)	–	–	–	–	–	-8,523	–	-8,523
Gains on changes in fair value	–	–	–	–	–	-1,152,561	–	-1,152,561
Investment income	–	–	–	–	–	273,312	–	273,312
Gains (Losses) on disposal of assets	–	–	–	–	–	-9,613	–	-9,613
Other income	–	–	–	–	–	33,913	–	33,913
Segment operating profit	–	–	–	–	–	14,959,461	–	14,959,461
Operating profit in the financial statements	–	–	–	–	–	14,959,461	–	14,959,461
Add: Non-operating income	–	–	–	–	–	7,461	–	7,461
Less: Non-operating expenses	–	–	–	–	–	64,392	–	64,392
Total profit	–	–	–	–	–	14,902,531	–	14,902,531
Less: Income tax	–	–	–	–	–	5,059,505	–	5,059,505
Net profit	–	–	–	–	–	9,843,026	–	9,843,026

XIX. NOTES TO MAJOR ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

1. Accounts receivable

(1) *Category*

Unit: RMB

Item	30 June 2026	31 December 2025
Accounts receivable	**1,836,730,844.98**	743,048,329.59
Total	**1,836,730,844.98**	743,048,329.59

Credit risk of accounts receivable:

The accounts receivable for which the loss allowance is recognised based on ECL are as follows:

Unit: RMB

	30 June 2026			31 December 2025		
	Gross carrying amount	**Loss allowance**	**Carrying amount**	Gross carrying amount	Loss allowance	Carrying amount
Accounts receivable for which the loss allowance is recognised based on ECL	**1,838,245,838.06**	**1,514,993.08**	**1,836,730,844.98**	744,315,369.47	1,267,039.88	743,048,329.59

2. Other receivables

Presentation of items

Unit: RMB

Item	Closing balance	Opening balance
Interest receivable	**102,739,775.76**	155,380,772.68
Dividends receivable	**1,802,341,533.41**	4,480,327,529.42
Other receivables	**2,145,121,101.94**	782,337,430.94
Total	**4,050,202,411.11**	5,418,045,733.04

XIX. NOTES TO MAJOR ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables (Continued)

Credit risk of other receivables:

The other receivables for which the loss allowance is recognised based on ECL are as follows:

Unit: RMB

	30 June 2026			31 December 2025		
	Gross carrying amount	**Loss allowance**	**Carrying amount**	Gross carrying amount	Loss allowance	Carrying amount
Other receivables for which the loss allowance is recognised based on ECL	**2,145,263,924.11**	**142,822.17**	**2,145,121,101.94**	782,480,253.11	142,822.17	782,337,430.94

Other explanations:

At 30 June 2026, the management of the Company believes that there's no significant ECL on other receivables as their credit risk has not been increased significantly since the initial recognition, except for which impairment has been provided.

3. Long-term equity investments

Unit: RMB

	Closing balance			Opening balance		
Item	**Gross carrying amount**	**Provision for impairment**	**Carrying amount**	Gross carrying amount	Provision for impairment	Carrying amount
Investments in subsidiaries	**45,210,353,209.34**	**53,451,524.66**	**45,156,901,684.68**	38,123,599,709.38	53,451,524.66	38,070,148,184.72
Investment in associates and joint ventures	**667,712,333.30**	**–**	**667,712,333.30**	460,488,998.25	–	460,488,998.25
Total	**45,878,065,542.64**	**53,451,524.66**	**45,824,614,017.98**	38,584,088,707.63	53,451,524.66	38,530,637,182.97

XIX. NOTES TO MAJOR ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(1) *Investments in subsidiaries*

Unit: RMB

Investee	Opening balance (Carrying amount)	Opening balance (Provision for impairment)	Changes for the period Additional investments	Others	Closing balance (Carrying amount)	Closing balance (Provision for impairment)
Da Dong Po	13,557,261.67	19,926,488.19	–	–	**13,557,261.67**	19,926,488.19
Jiu Yang	–	17,028,900.00	–	–	**–**	17,028,900.00
San Qiang	16,900,901.94	16,496,136.47	–	–	**16,900,901.94**	16,496,136.47
Luoyang International	290,000,000.00	–	–	–	**290,000,000.00**	–
Wu Ye	300,000,000.00	–	–	–	**300,000,000.00**	–
CMOC HK	1,869,455,300.96	–	–	–	**1,869,455,300.96**	–
Xin Kuang Luo Mu	980,000,000.00	–	–	–	**980,000,000.00**	–
Fu Kai	261,520,000.00	–	–	–	**261,520,000.00**	–
Sales Company	50,700,000.00	–	–	–	**50,700,000.00**	–
CMOC Limited	33,155,943,963.63	–	7,097,793,500.00	–	**40,253,737,463.63**	–
Schmocke	660,000,000.00	–	–	–	**660,000,000.00**	–
Beijing Yongbo	267,800,000.00	–	–	–	**267,800,000.00**	–
Shanghai Muchao *(Note 1)*	184,270,756.52	–	–	-11,040,000.04	**173,230,756.48**	–
Zhonghe Metallurgical	20,000,000.00	–	–	–	**20,000,000.00**	–
Total	38,070,148,184.72	53,451,524.66	7,097,793,500.00	-11,040,000.04	**45,156,901,684.68**	53,451,524.66

Note 1: Investment cost recognised by the Company for settlement of employee stock ownership plan of subsidiaries.

XIX. NOTES TO MAJOR ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(2) Investments in associates and joint ventures

Unit: RMB

Investee	Opening balance (Carrying amount)	Changes for the period: Investment profit or loss recognised under equity method	Changes for the period: Cash dividends or profit declared	Closing balance (Carrying amount)	Closing balance (Provision for impairment)
Huan Yu	289,458,981.90	–	–	**289,458,981.90**	–
Fuchuan	97,451,673.84	40,206,423.20	–	**137,658,097.04**	–
Sub-total	386,910,655.74	40,206,423.20	–	**427,117,078.94**	–
Yulu Mining	62,044,563.64	167,899,560.07	–	**229,944,123.71**	–
Luoyang Shenyu	7,345,018.26	702,266.88	-1,500,000.00	**6,547,285.14**	–
Guochuang Intelligent	4,188,760.61	-84,915.10	–	**4,103,845.51**	–
Sub-total	73,578,342.51	168,516,911.85	-1,500,000.00	**240,595,254.36**	–
Total	460,488,998.25	208,723,335.05	-1,500,000.00	**667,712,333.30**	–

4. Operating income and operating costs

(1) Details of operating income and operating costs

Unit: RMB

Item	Amount for the current period: Income	Amount for the current period: Cost	Amount for the prior period: Income	Amount for the prior period: Cost
Principal operating activities	**6,942,784,177.94**	**2,266,472,996.01**	3,297,977,280.27	1,492,189,975.56
Other operating activities	**118,563,275.76**	**85,061,489.36**	131,089,290.80	90,523,778.44
Total	**7,061,347,453.70**	**2,351,534,485.37**	3,429,066,571.07	1,582,713,754.00

XIX. NOTES TO MAJOR ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

5. Investment income

Unit: RMB

Item	Amount for the current period	Amount for the prior period
Income from long-term equity investments under equity method	208,723,335.05	79,712,160.17
Derecognised discounted bills	-33,910,195.58	-23,031,204.37
Total	174,813,139.47	56,680,955.80

XX. SUPPLEMENTARY INFORMATION

1. Breakdown of non-recurring profit or loss

RMB'000

Item	Amount
Profit or loss on disposal of non-current assets, including the write-off portion of the asset impairment provision already made	13,791
Government grants recognised in profit or loss (other than those closely related to the Company's business, in line with the national regulations, available under established standards and having a continuous impact on the Company's profit or loss)	18,759
Income from non-financial institutions for occupation of funds and recognised in profit or loss	16,853
Changes in the fair value arising from held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other non-current financial assets and investment gains on disposal of such financial assets/liabilities, other than those used in the effective hedging activities relating to the Company's normal businesses	600,872
Other non-operating income and expenses other than the above	-26,388
Other profit or loss that meets the definition of nonrecurring profit or loss	-680
Less: Income tax effects	80,308
Effect attributable to minority interests (after tax)	-3,455
Total	546,354

XX. SUPPLEMENTARY INFORMATION (CONTINUED)

2. Return on net assets and earnings per share ("EPS")

Profit for the reporting period	Weighted average return on net assets	EPS	
		Basic EPS	Diluted EPS
	(%)	*(RMB/per share)*	*(RMB/per share)*
Net profit attributable to ordinary shareholders of the Company	18.29	0.76	0.75
Net profit after deduction of non-recurring profits or losses attributable to ordinary shareholders of the Company	17.67	0.73	0.73

Chairman: Liu Jianfeng

Date of approval for issue of the financial statements by board: 19 August 2026

PAYMENT OF THE INTERIM DIVIDEND

The Board wishes to inform the H Shareholders of the details of the payment of the Interim Dividend as follows:

The Company will pay an interim dividend (the "**Interim Dividend**") of RMB0.95 per ten Shares (tax inclusive) for the six months ended 30 June 2026 to the H Shareholders whose names appeared on the register of members of H Shares of the Company (the "**H Share Register of Members**") on Tuesday, 8 September 2026 (the "**Record Date**"). The actual amount of the Interim Dividend payable in Hong Kong dollars is calculated on the basis of the average of the central parity rates of Renminbi against Hong Kong dollars as announced by the People's Bank of China during the five business days immediately preceding Wednesday, 19 August 2026, being the date of declaration of the Interim Dividend, which was RMB0.86518 to HK$1.00. Accordingly, the Interim Dividend payable per ten H Shares will be HK$1.09804 (tax inclusive). The ex-dividend date will be Tuesday, 1 September 2026. The Interim Dividend is expected to be paid to the H Shareholders on Thursday, 24 September 2026.

Tax

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

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

Pursuant to the "Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shanghai Stock Market and the Hong Kong Stock Market" (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and the "Notice on Tax Policies about Inter-communication Pilot of Shenzhen-Hong Kong Stock Exchange Mechanism" (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)):

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

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

H Shareholders are recommended to consult their tax advisors regarding the relevant tax laws and regulations in the PRC, Hong Kong and other countries on the dividend payment by the Company and on the taxation implications of holding and dealing in the H Shares.

Closure of Register of Members

In order to determine the list of H Shareholders who are entitled to receive the Interim Dividend, the H Share Register of Members will be closed from Thursday, 3 September 2026 to Tuesday, 8 September 2026 (both days inclusive), during which period no transfer of H Shares will be effected. H Shareholders whose names appear on the H Share Register of Members on the Record Date (i.e. Tuesday, 8 September 2026) will be entitled to receive the Interim Dividend. In order for the H Shareholders to qualify for receiving the Interim Dividend, H Shareholders whose H Shares are not registered in their names should complete and lodge their respective instruments of transfer together with the relevant H Share certificates with Computershare Hong Kong Investor Services Limited, the Company's H Share registrar in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Wednesday, 2 September 2026.

The Company will appoint a receiving agent in Hong Kong (the "**Receiving Agent**") and will pay to such Receiving Agent the Interim Dividend declared for payment to H Shareholders. The Interim Dividend will be paid by the Receiving Agent on Thursday, 24 September 2026. The cheques will be dispatched to H Shareholders by ordinary post at their own risk.

An announcement regarding the details of payment of the Interim Dividend to A Shareholders and relevant matters will be published on the website of the Shanghai Stock Exchange (www.sse.com.cn).

By Order of the Board
CMOC Group Limited*
Liu Jianfeng
Chairman

Luoyang City, Henan Province, the People's Republic of China
19 August 2026

As at the date of this announcement, the executive Directors are Mr. Liu Jianfeng, Mr. Peng Xuhui and Mr. Que Chaoyang (employee Director); the non-executive Directors are Mr. Lin Jiuxin, Mr. Jiang Li and Mr. Ma Fei; and the independent non-executive Directors are Mr. Wang Kaiguo, Ms. Gu Hongyu and Mr. Cheng Gordon.

* *For identification purposes only*