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

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

Stock Code: 01258

2026 INTERIM REPORT

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CORPORATE INFORMATION

REGISTERED OFFICE

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Tsimshatsui, Hong Kong

PRINCIPAL PLACE OF BUSINESS IN ZAMBIA

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PRINCIPAL PLACE OF BUSINESS IN THE DRC

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Katanga Province
Congo (DRC)

PRINCIPAL PLACE OF BUSINESS IN KAZAKHSTAN

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COMPANY'S WEBSITE

www.cnmcl.net

STOCK CODE

01258

DIRECTORS

Executive Director

Mr. Bo XIAO *(Chairman)*

Non-executive Directors

Ms. Yani GONG
Mr. Zhijiang CHEN

Independent Non-executive Directors

Mr. Huanfei GUAN
Mr. Guangfu GAO
Mr. Yufeng SUN

THE COMMITTEES OF THE BOARD

Audit Committee

Mr. Guangfu GAO *(Chairman)*
Mr. Zhijiang CHEN
Mr. Huanfei GUAN

Nomination Committee

Mr. Yufeng SUN *(Chairman)*
Ms. Yani GONG
Mr. Guangfu GAO

Remuneration Committee

Mr. Huanfei GUAN *(Chairman)*
Mr. Bo XIAO
Mr. Yufeng SUN

Compliance Committee

Mr. Bo XIAO *(Chairman)*
Mr. Huanfei GUAN
Mr. Yufeng SUN

JOINT COMPANY SECRETARIES

Ms. Xiaojing WANG (appointed on 31 August 2026)
Ms. Man Yi WONG
Mr. Chaoran ZHU (resigned on 31 August 2026)

LEGAL ADVISER

King & Wood
13/F Gloucester Tower, The Landmark
15 Queen's Road Central
Central
Hong Kong

AUDITOR

KPMG
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th Floor, Prince's Building
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HONG KONG SHARE REGISTRAR

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Shops 1712–1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

Panoramic view of Kambove

CHAIRMAN’S STATEMENT

Chairman of the Board
Bo XIAO

Dear Investors,

The year 2026 marks the beginning of the "15th Five Year Plan". Under the leadership of the board of directors and with the support of the shareholders, all employees of China Nonferrous Mining Corporation Limited have focused on high-quality development, emphasised value creation and value realisation, promoted technological innovation and the implementation of reforms, and seized the opportunity of high copper price, achieving outstanding operating results and making a strong start to the 15th Five Year Plan.

In the first half of this year, the Group achieved an operating revenue of US$2,261 million, representing an increase of 29% compared with the same period last year; total profit of US$892 million, representing an increase of 68% compared with the same period last year; net profit attributable to the parent company was US$434 million, representing an increase of 65% compared with the same period last year; the consolidated gross profit margin was 42%, representing an increase of nearly 10 percentage points compared with the same period last year, indicating a significant improvement in profitability. From January to June, the Group has largely attained the operational targets of "completing half of the annual tasks in half a year's time" for its key products. Cumulative production of copper cathodes (including processing services) for the first half of the year was 74,600 tonnes, representing 56% of the annual production target; production of blister copper and copper anodes (including processing services) was 183,400 tonnes, representing 52% of the annual production target; production of sulphuric acid was 469,100 tonnes, representing 52% of the annual production target; production of cobalt contained in cobalt hydroxide was 115 tonnes, representing 19% of the annual production target; production of liquid sulphur dioxide was 4,694 tonnes, representing 47% of the annual production target; production of bismuth contained in bismuth oxychloride was 119 tonnes; and total mine copper output amounted to 82,000 tonnes, representing 53% of the annual production target.

Since the beginning of the year, amidst a complex political and economic environment, all production enterprises took full advantage of product supply and price fluctuations, responded with proactive measures and achieved a host of operational achievements. The Chambishi Southeast Mine of NFCA resumed production at the beginning of the year; production of copper cathodes at Luanshya and Kambove Mining grew steadily, with profits rising significantly; Lualaba Copper Smelter overcame the impact of the annual shutdown for maintenance, with self-produced and sold blister copper output increased by 35% year-on-year; CNMC Huachin Mabende enhanced its self-generated power supply capacity, resulting in a 13% year-on-year increase in output of copper cathodes (including processing services); and SML resumed operations and production in the beginning of the year, turning a loss into a profit. Sales of cobalt hydroxide products in DRC resumed, while the Company's liquid sulphur dioxide and bismuth oxychloride products also contributed new profit growth drivers in the first half of the year. In terms of resource development and project construction, the handover and takeover of the SM Minerals project in Kazakhstan were successfully completed in the first half of the year, expanding the company's resource footprint into Central Asia; the Luanshya project successfully completed its pumping and drainage tasks as scheduled, transitioning fully to the phase of mine restoration and construction, while key works of the project for the superficial part are progressing according to plan, with trial production and ore extraction expected by the end of the year; the MSESA mine development project of Kambove and the Samba copper mine mining and processing project of SML are proceeding with preliminary feasibility studies and decision-making processes as planned, and future production capacity expected soon; NFCA's TBM excavation operations have officially commenced; the underground muck removal system is being continuously refined, with construction efficiency exceeding expectations. With regard to financial position, as at the end of June, the Company's total assets stood at US$5,754 million, with a debt-to-asset ratio of 32.7%; cash and bank deposits exceeded US$2,000 million, while net cash flow from operating activities reached US$1,043 million, representing a year-on-year increase of 98%. The financial structure remains robust, with ample cash flow. In the capital markets, the Company attaches great importance to investor relations, further strengthening communication and engagement with investors. A high dividend payout ratio is maintained and an interim dividend was declared for the first time during the year to reward the shareholders; constructive dialogues with regulatory authorities are kept to reinforce the Company's compliance with corporate governance; and securities research institutions and social media are extensively engaged to communicate the Company's investment value to the market.

At present, the global economy lacks momentum for recovery. Geopolitical situation remains complex and tense, while trade protectionism and tariff disputes persist, and global industrial and supply chains face pressure to restructure. In the first half of the year, the average LME copper price stood at US$13,088 per tonne, representing a year-on-year increase of 39%. The high copper prices were primarily driven by limited increase in global copper mine supply, sustained growth in demand from the new energy and power sectors, as well as the anticipated impact of US tariffs. The average selling price of sulphuric acid was US$370 per tonne, a year-on-year increase of 64%, mainly driven by tensions in the Middle East Gulf region, constraints on local sulphuric acid production capacity in the DRC, and rising demand from leaching enterprises. Meanwhile, challenges such as persistent power shortages in Central and Southern Africa, unstable business environments in certain regions, and fluctuations in the supply of copper concentrate raw materials, mean that the external environment facing the Company's production and operations remains complex and severe. We are acutely aware that, although we achieved impressive operating results in the first half of the year, the broader environment in which the Company operates will remain uncertain with unforeseeable factors in the second half of the year and beyond. We will continue to face numerous difficulties and challenges in our production and operations.

In the second half of the year, the Company will remain firmly focused on its annual targets and objectives, adhering to the principle of seeking progress while ensuring stability and overcoming difficulties. Firstly, we will consolidate our production and operational management, strictly implement the annual production targets, make every effort to ensure a steady supply of raw materials for the smelting operations, and drive all production enterprises to achieve stable and high output. Secondly, we will accelerate the construction of key projects, striving to bring Luanshya New Mine, the MSESA mine development project of Kambove and the Samba copper mine mining and processing project of SML into production and generate returns as soon as possible; we will expedite the supplementary exploration, resource estimate update and feasibility study for the SM Minerals project, aiming for an early commencement of construction; we will actively seek new resource projects and strive to achieve more and greater breakthroughs in external mergers and acquisitions. Thirdly, we will deepen the implementation of lean management and technological innovation, strengthen cost control, promote high-end, intelligent and green development, and foster and develop new and quality productivity. Fourthly, we will strive to strengthen compliance management, effectively mitigate operational risks, and strictly control financial risks in taxation and foreign exchange. Fifthly, we will continue to strengthen value management and investor relations, establishing a brand image in the secondary market to enhance market influence.

We can go a long way only by holding fast to our convictions. As we stand at the starting point of the new journey of the "15th Five-Year Plan", the Company, under the leadership of the Board, will, with firmer resolve and a more pragmatic approach, drive the Company's high-quality development to new heights. We will reward all our shareholders with outstanding results. We also look forward to embarking on a brighter future for the Company together with our investors.

Finally, on behalf of the Board and all staff, I would like to extend my sincere gratitude to all investors and friends from all sectors of society who have cared for, supported and assisted the Group.

Bo XIAO
Chairman of the Board
China Nonferrous Mining Corporation Limited

21 August 2026

RESULTS HIGHLIGHTS

OPERATING RESULTS

- In the first half of 2026, the Group recorded revenue of US$2,261.1 million, representing a period-over-period increase of 29.1%.
- In the first half of 2026, the Group recorded profit attributable to owners of the Company of US$433.6 million, representing a period-over-period increase of 64.7%.

CHANGES IN PRODUCT OUTPUT

- In the first half of 2026, the Group produced 93,669 tonnes of blister copper and copper anodes, representing a period-over-period decrease of 15.8%.
- In the first half of 2026, the Group produced 73,723 tonnes of copper cathodes, representing a period-over-period increase of 2.1%.
- In the first half of 2026, the Group produced 115 tonnes of cobalt contained in cobaltous hydroxide, representing a period-over-period decrease of 76.1%.
- In the first half of 2026, the Group produced 469,122 tonnes of sulphuric acid, representing a period-over-period decrease of 12.9%.
- In the first half of 2026, the Group produced 4,694 tonnes of liquid sulphur dioxide, representing a period-over-period increase of 220.2%.
- In the first half of 2026, the Group produced 119 tonnes of bismuth contained in bismuth oxychloride, compared to no production for the same period last year.
- In the first half of 2026, the Group processed and produced 90,623 tonnes of copper products as entrusted, representing a period-over-period decrease of 11.8%.

Southeast ore body production control center of NFCA

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

In the first half of 2026, the Group's operating results increased period-over-period, which was attributable to the increase in global copper price and the selling price of sulphuric acid.

During the period from 1 January 2026 to 30 June 2026 (the "Reporting Period"), the revenue of the Group amounted to US$2,261.1 million, representing an increase of 29.1% as compared with the same period last year. Profit attributable to owners of the Company amounted to US$433.6 million, representing an increase of 64.7% as compared with the same period last year, which was mainly attributable to the increase in global copper price and the selling price of sulphuric acid.

BUSINESS REVIEW

The Group is a leading, fast growing and vertically integrated copper producer, which focuses on operations based in Zambia, the DRC and Kazakhstan concerning mining, ore processing, leaching, smelting and sales of copper and cobalt. The Group also produces sulphuric acid, a by-product generated during the smelting process.

The businesses of the Group are carried out mainly through the following companies:

NFCA, Luanshya, CCS and SML located in Zambia, Huachin Leach, CNMC Huachin Mabende, Lualaba Copper Smelter, Kambove Mining located in the DRC, as well as SM Minerals located in Kazakhstan.

From January to June 2026, the Group accumulatively produced 93,669 tonnes of blister copper and copper anodes, representing a decrease of 15.8% from the same period last year; 73,723 tonnes of copper cathodes, representing an increase of 2.1% from the same period last year; 115 tonnes of cobalt contained in cobaltous hydroxide, representing a decrease of 76.1% from the same period last year; 469,122 tonnes of sulphuric acid, representing a decrease of 12.9% from the same period last year; 4,694 tonnes of liquid sulphur dioxide, representing an increase of 220.2% from the same period last year; 119 tonnes of bismuth contained in bismuth oxychloride, compared to no production for the same period last year; and the processed copper products by the Group for enterprises outside of the Group amounted to 90,623 tonnes in total, representing a decrease of 11.8% from the same period last year.

BUSINESS REVIEW (CONTINUED)

Production Overview

NFCA

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

In the first half of 2026, Chambishi Main Mine, Chambishi West Mine and Chambishi Southeast Mine produced 34,635 tonnes of copper anodes, representing a decrease of 10.6% from the same period last year, of which: Chambishi Main and West Mine produced 10,865 tonnes of copper anodes and Chambishi Southeast Mine produced 23,770 tonnes of copper anodes. The decrease in copper anodes output was primarily due to an unplanned 9-day production stoppage during the 2026 Lunar New Year period and a period-over-period decrease in outsourced processing volumes at the beginning of the year.

Luanshya

Luanshya operates five copper mines, namely Baluba East Mine, Baluba Center Mine, Roan Ext. East Mine, Roan Basin Mine 19-35 Ore Vein South Side, Luanshya New Mine (including Southern Superficial Part of the Muliashi Sulphide Mine and Shaft 28 Deep Part Sulphide Mine), respectively, as well as the Muliashi Leach the Plant and processing plant.

Luanshya produced 23,594 tonnes of copper cathodes in the first half of 2026, representing a decrease of 0.4% from the same period last year, and produced 408 tonnes of copper anodes, representing a decrease of 80.2% from the same period last year. The decrease in copper anodes output was primarily due to the suspension of production of the processing plant for safety assessment and maintenance.

CCS

CCS mainly operates the Chambishi Smelting Plant.

In the first half of 2026, CCS produced 125,208 tonnes of blister copper and copper anodes, including the processed copper products of 35,803 tonnes for enterprises within the Group and the processed copper products of 60,103 tonnes for enterprises outside of the Group, representing a period-over-period decrease of 10.9%; sulphuric acid of 335,624 tonnes, representing a period-over-period decrease of 8.3%; bismuth contained in bismuth oxychloride of 119 tonnes, compared to no production for the same period last year. The decrease in copper products and sulphuric acid output was mainly due to major copper concentrate suppliers being affected by the rainy season and maintenance work, resulting in copper concentrate supplies falling short of expectations and a corresponding reduction in production.

BUSINESS REVIEW (CONTINUED)

Production Overview (continued)

SML

SML mainly operates the Mwambashi Mine and the Chambishi Leach Plant.

In the first half of 2026, SML produced 2,026 tonnes of copper cathodes, representing an increase of 168.3% from the same period last year, mainly due to the resumption of operations at the leaching plant during the year; and produced 760 tonnes of blister copper and copper anodes, representing a decrease of 50.6% from the same period last year, mainly due to the period-over-period decrease in copper concentrate output.

CNMC Huachin Mabende and Huachin Leach

Copper cathodes produced by CNMC Huachin Mabende in the first half of 2026 increased by 13.4% to 17,694 tonnes (including the processed copper products of 854 tonnes for enterprises outside of the Group) as compared with the same period last year, mainly due to the stable operation of the diesel generators and photovoltaic (Phase II) project commissioned in 2025, resulting in a significantly improved power supply situation compared with the same period last year.

Copper cathodes produced by Huachin Leach in the first half of 2026 decreased by 17.9% to 10,655 tonnes, primarily due to tight supply of sulphuric acid, which constrained production load. Cobalt contained in cobaltous hydroxide produced decreased by 80.5% to 43 tonnes as compared with the same period last year, primarily due to adjustments to the cobalt export quota policy in the DRC, and the Company did not secure the corresponding export quota. In addition, on-site storage capacity for cobalt hydroxide was insufficient and sales could not be realised. In line with prudent operational principles, the Company suspended cobalt production starting from March this year.

Lualaba Copper Smelter

In the first half of 2026, Lualaba Copper Smelter produced 58,230 tonnes of blister copper, including the processed copper products of 29,666 tonnes for enterprises outside the Group, representing a decrease of 20.7% from the same period last year; produced 133,498 tonnes of sulphuric acid, representing a decrease of 22.6% from the same period last year. The decrease in blister copper and sulphuric acid output was mainly due to the suspension of production for annual maintenance from 5 May to 30 June this year, resulting in a period-over-period decrease of 57 production days. Production of liquid sulphur dioxide was 4,694 tonnes, representing an increase of 220.2% from the same period last year, primarily due to the period-over-period increase in demand for liquid sulphur dioxide from cobalt production enterprises in the DRC.

Kambove Mining

In the first half of 2026, Kambove Mining produced 20,608 tonnes of copper cathodes, representing an increase of 7.4% as compared with the same period last year, mainly attributable to the period-over-period increase in ore processing volume during the same period this year. The production of cobalt contained in cobaltous hydroxide was 72 tonnes, representing a decrease of 72.3% as compared with the same period last year, mainly attributable to the period-over-period decrease in cobalt grade of the ore.

BUSINESS REVIEW (CONTINUED)

Production Overview (continued)

The table below sets forth the production volume of the products of the Group and the change for the periods indicated.

	Production volume for the six months ended 30 June 2026[(1)] ***(Tonnes)***	Production volume for the six months ended 30 June 2025[(1)] *(Tonnes)*	Period-over period increase/ (decrease) *(%)*
Blister copper and copper anodes	**93,669**	111,283	(15.8)
Copper cathodes	**73,723**	72,192	2.1
Cobalt contained in cobaltous hydroxide	**115**	481	(76.1)
Sulphuric acid	**469,122**	538,433	(12.9)
Liquid sulphur dioxide	**4,694**	1,466	220.2
Bismuth contained in bismuth oxychloride	**119**	–	–
Copper product processing services[(2)]	**90,623**	102,708	(11.8)

Notes:

(1) The production volumes of all the products are on a contained-copper basis, except for cobalt contained in cobaltous hydroxide, bismuth contained in bismuth oxychloride, sulphuric acid and liquid sulphur dioxide.

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

(3) Among the above copper products, production volumes of copper by self-owned mines are as follows:

	Production volume for the six months ended 30 June 2026 ***(Tonnes)***	Production volume for the six months ended 30 June 2025 *(Tonnes)*
Blister copper and copper anodes produced by self-owned mines	**35,803**	42,053
Copper cathodes produced by self-owned mines	**46,228**	43,153
Total	**82,031**	85,206

BUSINESS REVIEW (CONTINUED)

Exploration, Development and Mining Cost of the Group

Cost of exploration, development and mining activities of the Group for the six months ended 30 June 2026 is set out below:

Unit: Million US dollars

	NFCA		Luanshya			SML		Kambove Mining			
	Chambishi Main and West Mine	Chambishi Southeast Mine	Southern Superficial Part of Muliashi Sulphide Mine	Roan Extended to the Southern Deep Part of Muliashi Sulphide Mine	Muliashi Strip Mine Oxidised Mine	Mwambashi Mine	Samba Mine	Main Mine	West Mine	MSESA Mine	Total
Exploration activities											
Drilling	0.30	3.05	0.58	0.97	–	–	–	–	–	–	4.90
Analysis	0.01	0.08	–	–	0.53	–	–	–	–	–	0.62
Others	–	–	2.05	0.74	0.56	–	0.06	–	–	–	3.41
Sub-total	**0.31**	**3.13**	**2.63**	**1.71**	**1.09**	**–**	**0.06**	**–**	**–**	**–**	**8.93**
Development activities (including mine construction)											
Purchases of assets and equipment	1.17	11.07	0.21	–	0.80	–	–	–	–	–	13.25
Civil work for construction of tunnels and roads	1.92	4.74	20.83	7.23	7.71	–	–	–	–	–	42.43
Others	1.14	6.26	–	–	6.59	4.39	–	–	–	–	18.38
Sub-total	**4.23**	**22.07**	**21.04**	**7.23**	**15.10**	**4.39**	**–**	**–**	**–**	**–**	**74.06**
Mining activities (excluding ore processing)											
Staff cost	1.95	6.79	–	–	–	–	–	–	–	–	8.74
Consumables	4.82	21.54	–	–	–	–	–	–	–	–	26.36
Fuel, electricity, water and other services	11.71	9.62	–	–	–	–	–	–	–	–	21.33
Depreciation	3.36	24.42	–	–	6.87	–	–	–	–	–	34.65
Sub-contracting charges	22.69	17.04	–	–	27.87	–	–	17.54	–	–	85.14
Transportation charges	–	–	–	–	–	–	–	–	–	–	–
Others	0.71	1.70	–	–	–	–	–	–	–	–	2.41
Sub-total	**45.24**	**81.11**	**–**	**–**	**34.74**	**–**	**–**	**17.54**	**–**	**–**	**178.63**

BUSINESS REVIEW (CONTINUED)

Mining Exploration, Mining Development and Ore Mining Activities

Mining Exploration

During the Reporting Period, NFCA, Luanshya, SML, Kambove Mining and SM Minerals, subsidiaries of the Company, conducted mining exploration for production and exploration purposes. In particular:

At NFCA, the completed drilling volume for exploration in the pit was 10,166 m, and the completed drilling volume for exploration in the pit at Chambishi Southeast Mine was 68 m, with a surface exploration drilling footage of 12,001 m.

At Luanshya, the drilling of 44 underground production exploration drilling holes with footage of 4,500 m was completed in the Southern Superficial Part of Muliashi Sulphide Mine; the drilling of 19 drilling holes with footage of 1,800 m was completed in the West Extended Section of Roan.

At SML, the drilling of 38 exploration drilling holes with a total footage of 7,583 m was completed in the initial mining area of the Samba copper mine; two hydrological observation holes with a total footage of 740 m were completed.

Kambove Mining completed the preparation of supplementary geological exploration plans at the main mine and the west mine in 2026, were successfully approved by GCM and CNMC.

SM Minerals completed 5,312 m of core drilling in Benkala north, accounting for 57.61% of the annual plan; completed 5,312 m of drilling geology and engineering geology logging, and completed 1,800 basic core analysis samples cutting and sample preparation, accounting for 40% of the annual plan. Completed 1,594 m of water exploration drilling, accounting for 53% of the annual plan.

Mining Development

Luanshya

The new mine in Luanshya (formerly known as 28# Well Project) is expected to have a total project investment of approximately US$738.0 million, including investment in pumping and drainage of approximately US$70.3 million and restoration construction of approximately US$667.7 million. Its product is copper concentrate, with an estimated designed mining and processing production scale of 3.0 million tonnes/year, which contains 55,700 tonnes of copper per year. It has an infrastructure construction period of 4 years and a production period of 18 years.

The budgeted amount of the new mine project for the whole year of 2026 is approximately US$143.5 million, with completed investment amounting to US$46.4 million. As of 31 December 2025, the cumulative drainage volume was 82.32 million m^3, and the water level had dropped by a cumulative total of 721 m. The water level was 766 m away from the wellhead and has dropped to the middle section of 760mL, marking the completion of the phased pumping and drainage. From January to June 2026, it has been transferred to the mine infrastructure drainage stage. As of the end of June 2026, the cumulative drainage volume was 10.54 million m^3, the water level had dropped by a cumulative total of 162 m, and the water level was 928 m away from the wellhead.

BUSINESS REVIEW (CONTINUED)

Mining Exploration, Mining Development and Ore Mining Activities (continued)

Mining Development (continued)

SML

The total planned investment of the Samba Copper Mine Project is US$276.0 million. In 2026, it invested US$1.2 million in exploration work in the initial mining area.

The total planned investment of the open pit project at the deep part of the Mwambashi-B Mine is US$112.0 million. In the first half of 2026, it invested US$12.6 million in the project design, water damage and slope-stabilisation stripping.

Kambove Mining

After various works in Phase I, the MSESA Ore Body Development Project has completed the preparation of the feasibility study report and will be submitted to shareholders for investment approval in May 2026.

The total planned investment of Phase I of the Kambove West Mine Development Project is US$85.8 million. In the first half of 2026, it invested US$0.7 million in the supplementary geological exploration of Kambove West Mine.

Ore Mining

For details of ore mining activities, please refer to "Production Overview" on pages 10 to 12.

Infrastructure Projects, Subcontracting Arrangements and Procurement of Equipment

The major contracts entered into during the Reporting Period are as follows:

(1) Surface drilling construction contract for exploration of the unexplored area between the southwest part of the Southeast Mine and the Main Mine and the Southeast Mine of NFCA (US$2.5 million);

(2) Design contract for the production expansion of the Southeast Mine of No. 2 auxiliary shaft project and Phase II project of NFCA (RMB22.9 million).

For the six months ended 30 June 2026, the aggregate value of contracts newly entered into by the Group amounted to US$135.3 million, of which the capital commitment was US$66.2 million. There was no subcontracting arrangement* during the six months ended 30 June 2026.

* Subcontracting arrangement refers to an arrangement made between one party to a contract and a third party, pursuant to which the third party shall fulfill all or part of the obligation of that party under the said contract. For example, it refers to the circumstance where the Group wins a project as a contractor and then transfers the entire project or subcontracts part of the project to a third party.

BUSINESS REVIEW (CONTINUED)

Projects in Progress

NFCA

Southeast Mine Expansion – Phase II Project: First, as at 4 June 2026, preliminary delineation of the No. 2 and No. 3 mine models and resource estimation had been completed. The spatial distribution and resource scale of the mines have been preliminarily identified, providing a basis for subsequent resource evaluation. The detailed exploration report is expected to be finalised around late August, after which the design scheme for the full-section hard rock tunnel boring machine ("TBM") ramp will be optimised and refined based on the report findings. Second, the feasibility study, construction drawings, main route, auxiliary works, electrical systems and supporting chamber designs of the TBM have all been completed. Procurement of the full set of major and auxiliary equipment and materials — including the TBM, belt conveyor, ventilation system, cooling system and transport vehicles — has been substantially completed. Assembly, stepping, launch chamber, substation, duty room and cooling-water chamber works have all been completed and are ready for commissioning. The substation is equipped with power supply, and installation of cooling water supply and drainage pipelines has been completed. Third, all TBM equipment and materials have been fully transported underground, and overall progress is in line with the construction schedule. Assembly of the TBM main unit and full-system commissioning, including the cooling system, have been completed. The cutterhead dry-run test showed good operating conditions, and the equipment is ready for trial excavation. Fourth, the TBM officially commenced trial excavation on 28 April, and as at 24 June, a cumulative advance of 177 meters had been achieved. Excavation was suspended from 25 June to carry out equipment maintenance, while construction of the muck storage chamber and installation of muck-handling equipment proceeded concurrently to prepare for continuous excavation the resumption in August. Meanwhile, technical issues on site are being actively coordinated and resolved to ensure safe and efficient subsequent construction. Fifth, the project investment filing has been completed, along with the execution of service contracts covering design, detailed exploration, supervision, cost estimation, industrial indicator demonstration, TBM trial excavation, and the TBM construction contract. Sixth, upon completion of the preliminary design (in lieu of a feasibility study) in the third quarter of 2026, an internal investment application will be submitted. In the fourth quarter, formal TBM excavation for the No. 2 and No. 3 mines and development works above the 680 mL north of Line 0 are scheduled to commence.

BUSINESS REVIEW (CONTINUED)

Projects in Progress (continued)

NFCA (continued)

Southeast Mine No. 2 Auxiliary Shaft Construction Project: First, the written application for the main road junction and the associated regulatory fees have been completed. Upon completion of the design drawings for the auxiliary shaft and road junction, the Company will continue to coordinate with the highway authority to complete the relevant procedures for road occupancy. Second, preliminary studies on the plans for power supply, distribution, as well as water supply and drainage have been completed. It has been confirmed that the No. 2 auxiliary shaft will adopt a dual-power supply under a Class I load configuration, and the existing spare switchgear at the 11 kV main substation can meet the power demand without requiring additional capacity expansion. Third, a review meeting was convened to select the locations for the two exploratory boreholes for the No. 2 auxiliary shaft, and the locations for the two boreholes were finalised. Construction on both boreholes began simultaneously on 26 March 2026, each with a designed depth of 1,200 meters. To date, a cumulative drilling advance of 351 meters has been completed, representing 15% of the overall plan. Both boreholes have entered the second aquifer, and procurement and delivery of deviation-correction equipment are progressing concurrently. It plans to complete surveying in the third quarter of 2026, after which the water control and shaft construction design will be finalised. Environmental impact assessment and preliminary design (in lieu of a feasibility study) are planned for completion in the fourth quarter. Water treatment works are scheduled to commence by the end of the year. Fourth, the design unit has submitted the preliminary draft of the general layout to initiate the environmental impact assessment. Subsequent revisions will incorporate environmental impact assessment requirements, functional needs of the general layout, and shaft locations, while simultaneously advancing studies on auxiliary shaft design parameters. Fifth, the entrusted party has completed the Environmental and Social Impact Assessment (ESIA) survey and submitted the preliminary report, which is currently undergoing internal review. Upon refinement, the report will be submitted to the Zambian environmental authority for approval in accordance with regulatory procedures. Sixth, contracts for design, geophysical survey, engineering survey, and technical consulting services have been executed. Subsequent procurement and contracting for water-control works and supervision services will be initiated in due course, aligned with progress on engineering survey and water-control plan.

BUSINESS REVIEW (CONTINUED)

Projects in Progress (continued)

NFCA (continued)

Main and West Mine Processing Plants Renovation Project: First, the project filing, the feasibility study and investment approval, environmental impact assessment and preliminary design, as well as site clearance for construction have all been completed. The project is scheduled to formally commence on 1 July 2026. Second, part of the construction drawings have been completed, with phased issuance and technical disclosure planned. All construction drawings are expected to be completed by the end of July 2026; major equipment is currently being manufactured, the procurement of auxiliary equipment has been completed, and procurement of electrical equipment will proceed in line with the progress of the construction drawings. Third, installation is planned to commence after all equipment arrives on site by the end of December 2026. Joint commissioning, production testing and completion acceptance are scheduled for mid-2027.

BUSINESS REVIEW (CONTINUED)

Projects in Progress (continued)

CCS

Firstly, the expansion and renovation project of the slag separation plant (continued construction). The project was completed and entered trial operation on 31 March 2026, and successfully passed formal completion acceptance on 30 June 2026. All participating construction units are currently expediting the final settlement procedures. Total project investment amounts to US$6.0 million, with actual completed investment of US$4.3 million. Secondly, the new Vacuum Pressure Swing Adsorption ("VPSA") oxygen generation system project (continued construction). Construction of the project commenced on 5 October 2025. To date, civil works have been substantially completed. All foundation work for the core equipment in the oxygen generation area has been completed, the main upper structures have been assembled, and all auxiliary facilities have been finished. In the oxygen compression area, foundations for the oxygen compressor, plant building wall bases, and oxygen vent silencer have been completed. Equipment installation is progressing, with oxygen production and oxygen compression equipment arriving on site in batches. Total estimated investment for the project is US$13.3 million. Thirdly, the environmental protection treatment project of smelting flue gas (new dust collection system) (continued construction). Construction of the project commenced on 10 November 2025 and is currently at the peak construction stage, with all sub-projects progressing in an orderly manner. Total estimated investment is US$13.3 million. Fourthly, the smelted concentrate warehouse area C expansion project (continued construction). Construction of the project commenced on 20 September 2025. To date, fabrication of steel structures has been completed, including foundations and upper steel structures for Axes A and B (Axes 1–14), installation of steel structures for the filter-press plant, construction of the car washing system pool, pump pit and drainage channels, and installation and commissioning of equipment such as filter presses and car washing machines. Construction progress has been affected by cross-interference from concentrate-yard vehicle traffic, reduced effective working hours due to the prolonged rainy season, and periodic shortages in sand and gravel supply. However, the project team is making every effort to catch up on the schedule, with completion targeted by 31 July 2026. Total estimated investment for the project is US$3.4 million. Fifthly, the copper acid system optimisation and waste heat comprehensive utilisation project (new construction). The construction and installation contract was signed on 5 May 2026, and the project commenced on 13 May 2026. Feasibility study, preliminary design, safety assessment and environmental impact assessment have all been completed. Construction drawing design for all sub-projects is progressing concurrently, with the waste-heat boiler modification design already completed. Civil works were temporarily suspended following adjustments to the overall layout positioning; however, positioning lines and construction fencing for the low-temperature waste-heat recovery system have been completed. In terms of equipment procurement, major equipment and spare parts for the waste-heat power plant and its circulating water system, pre-conversion and heat-recovery systems, low-temperature heat recovery system, and sulphuric acid distribution room have been secured in stages. Equipment for the Isasmelt furnace waste-heat boiler modification was procured and dispatched in late March, with full delivery expected by August 2026. Total estimated investment of the project is US$23.8 million. Sixthly, the information system upgrade project (new construction). The project was approved on 19 December 2025. To date, the feasibility study and preliminary design have been completed. Procurement of system hardware and software is largely completed, and renovation of the dispatch room will commence once conditions permit. Total estimated investment is US$3.2 million.

BUSINESS REVIEW (CONTINUED)

Projects in Progress (continued)

Luanshya

A new mine project: The project is a key project for Luanshya to achieve sustainable and high-quality development in the future. Cumulative investment in the new mine project is approximately US$89.5 million. In the first half of 2026, total investment completed for the new mine project was approximately US$46.4 million. Since construction began on the resource extraction projects in the Southern Superficial Part of Muliashi and Mashiba sections, work has been organised in a strict and orderly manner in accordance with the network schedule, with steady progress across shaft development and system engineering. To date, underground roadway restoration has exceeded 15km, infrastructure excavation volume has surpassed 70,000m³, design work has reached 65% completion, and procurement of materials and equipment has reached 56%. Key sub-projects have made phased progress: First, the shaft extension works of the Muliashi composite shaft were completed at the end of March 2026, and installation of shaft equipment above the 440m level was completed at the end of May. Current works include foundation construction for the headframe and the installation of the hoisting system; second, the construction of the ore pass fragmenting system is on schedule; third, the 580m level pump station achieved full commissioning conditions for formal drainage at the end of March 2026, providing strong safety assurance for underground construction; fourth, the laying and installation of power cables and fiber-optic cables from Shaft No. 20 to the 580m level has been completed, forming a fully operational underground power and communications ring network. Currently, the project is progressing smoothly according to schedule. Joint commissioning of the waste-rock handling system at the Muliashi composite shaft is planned for August 2026, with production commencement targeted for June 2027. For the sulphide ore resource development project for Shaft No. 28, the feasibility study was completed in March 2025, and investment approval was obtained in June. Preparatory work for preliminary design is underway. Significant progress has been made in optimising the current feasibility study. By adopting a systematic approach to address the uncertainties associated with the reuse of existing infrastructure, the plans for the new main shaft, the east wing ventilation shaft, and the reuse of Shaft No. 18 have been finalised. Feasibility analysis for these revised plans is currently underway, with the preliminary design scheduled for completion in November 2026.

BUSINESS REVIEW (CONTINUED)

Projects in Progress (continued)

SML

Firstly, the Samba copper mine mining and processing project. As at the first half of 2026, supplementary drilling for the initial mining section, rock-mechanics studies, mining-method analysis and development-approach studies have been completed. Preliminary design, environmental impact assessment, external power-supply arrangements and financing work are progressing. Main construction is planned to commence in 2027. Secondly, Mwambashi-B copper mine deep ore body open pit mining project. As at the first half of 2026, the feasibility study and internal review have been completed, along with tendering for the mine design firm, land acquisition assessment for the waste-dump area, construction of water management monitoring holes and trial dewatering wells. Cumulative slope-stabilisation stripping has reached approximately 3.2 million m^3. Thirdly, new tailings dam construction project. As at the first half of 2026, engineering investigation, design and tendering for construction contractors have been completed, and preliminary design has passed review. Construction equipment has arrived on site, and site clearing and embankment construction have commenced. Completion is targeted by the end of 2026. Fourthly, the tailings dam online safety monitoring system project. The project plans to install dam displacement and phreatic line online monitoring devices, together with an early-warning platform, at tailings dam No. 15 EF. As at the first half of 2026, the technical plan has been finalised and equipment procurement completed. Installation is planned for the second half of the year. Fifthly, video surveillance system upgrade project. As at the first half of 2026, technical refinement, network architecture coordination and tender-preparation work are underway. No investment has been made yet. Sixthly, Mwambashi open pit mine network communication system project. The project aims to establish a communication system for the mining area to support production control, slope monitoring and intelligent-system operation. As at the first half of 2026, work on the technical proposal and procurement preparations is underway. No investment has been made yet. Seventhly, electrowinning workshop fire protection system upgrade and renovation project. As at the first half of 2026, the construction plan and detailed design have been completed. Tendering for construction contractors is underway. Eighthly, the feasibility study, design and equipment procurement for the renovation of the 11 kV transmission and distribution substation between Zambia-China Economic and Trade Cooperation Zone and SML have been completed. Construction of power poles and civil engineering works for the substation have also been completed. Equipment is expected to arrive in September for installation and commissioning. Ninthly, the comparison of the completed renovation plan for the old headquarters and the contractors' quotation has been completed. Construction will formally commence upon contract signing, with full completion targeted within the year.

BUSINESS REVIEW (CONTINUED)

Projects in Progress (continued)

Kambove Mining

MSESA Mine Resource Development Project: The feasibility study report for the project has been completed and the shareholders' review process is currently underway. The project is currently undergoing filing procedures with the CAMI of the DRC in accordance with relevant requirements, and development work is progressing in an orderly manner.

The preliminary work for the resource development projects of the MSESA Mine and Kambove West Mine: Geological supplementary drilling for the West Mine is progressing, with a drilling advance of 4,500 meters completed. The feasibility study report for the MSESA Mine Development Project has been completed. The project has a planned total investment of US$186.4 million, with construction scheduled to commence in 2027 and commissioning targeted by the end of 2028. In the first half of 2026, investment of US$2.9 million was completed, mainly for preparation of the feasibility study report, overlaid resource evaluation and land acquisition work.

The optimisation project of the leaching plant's process system completed individual unit commissioning at the end of 2025, and completed integrated system commissioning in January 2026, subsequently entering trial production. During the trial operation period, the system operated smoothly, with tailings processing capacity and technical production indicators meeting design standards.

It plans to invest in the construction of a new tailings dam No. 4 in 2026, with a preliminary designed storage capacity of 2.6 million m^3. The dam will be jointly used by the Kambove Main Mine Leach Copper Smelting Project and the MSESA Mine Development Project. All site clearing works have been completed, dam construction is underway, and investment of US$0.1 million has been completed. The project is scheduled for completion on 15 November 2026.

FINANCIAL REVIEW

Results of Operations

The following table sets forth sales volume, average selling price, revenue and percentage contribution to total revenue of the Group's products and services for the periods indicated.

	Six months ended 30 June							
	2026				2025			
	Sales Volume [(1)] **(Tonnes)**	**Average Selling Price (US$ per tonne)**	**Revenue (US$'000)**	**% of Total Revenue (%)**	Sales Volume [(1)] (Tonnes)	Average Selling Price (US$ per tonne)	Revenue (US$'000)	% of Total Revenue (%)
Blister copper and copper anodes	**97,864**	**11,932**	**1,167,682**	**51.6**	109,308	8,776	959,277	54.8
Copper cathodes	**70,969**	**11,993**	**851,106**	**37.6**	70,525	8,673	611,635	34.9
Sulphuric acid	**349,533**	**370**	**129,341**	**5.7**	387,982	225	87,259	5.0
Liquid sulphur dioxide	**4,712**	**1,030**	**4,853**	**0.2**	990	686	680	0.1
Cobalt contained in cobaltous hydroxide	**304**	**51,602**	**15,688**	**0.7**	–	–	–	–
Bismuth contained in bismuth oxychloride	**119**	**14,996**	**1,786**	**0.1**	–	–	–	–
Copper product processing services[(2)]	**88,398**	**1,025**	**90,630**	**4.1**	102,479	904	92,682	5.2
Total	**611,899**		**2,261,086**	**100.0**	671,284		1,751,533	100.0

Notes:

(1) The sales volumes of the products of blister copper and copper anodes and copper cathodes are on a contained-copper basis.

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

FINANCIAL REVIEW (CONTINUED)

Revenue

The revenue of the Group increased by 29.1% from US$1,751.5 million in the first half of 2025 to US$2,261.1 million in the first half of 2026, primarily attributable to the increase in international copper and sulphuric acid prices.

The revenue from sales of blister copper and copper anodes increased by 21.7% from US$959.3 million in the first half of 2025 to US$1,167.7 million in the first half of 2026, primarily attributable to the period-over-period increase in selling price of blister copper and copper anodes due to the increase in global copper price.

The revenue from sales of copper cathodes increased by 39.2% from US$611.6 million in the first half of 2025 to US$851.1 million in the first half of 2026, primarily attributable to the period-over-period increase in selling price of copper cathodes due to the increase in global copper price.

The revenue from sales of sulphuric acid increased by 48.1% from US$87.3 million in the first half of 2025 to US$129.3 million in the first half of 2026, primarily attributable to the period-over-period increase in selling price of sulphuric acid due to supply and demand dynamics.

The following table sets forth the cost of sales, unit cost of sales, gross profit and gross profit margin of the products and services of the Group for the periods indicated.

	Six months ended 30 June							
	2026				2025			
	Cost of Sales *(US$'000)*	**Unit Cost of Sales** *(US$ per tonne)*	**Gross Profit** *(US$'000)*	**Gross Profit Margin** *(%)*	Cost of Sales *(US$'000)*	Unit Cost of Sales *(US$ per tonne)*	Gross Profit *(US$'000)*	Gross Profit Margin *(%)*
Blister copper and copper anodes	**869,826**	**8,888**	**297,856**	**25.5**	778,475	7,122	180,802	18.9
Copper cathodes	**352,257**	**4,964**	**498,849**	**58.6**	331,375	4,699	280,260	45.8
Sulphuric acid	**23,853**	**68**	**105,488**	**81.6**	32,461	84	54,798	62.8
Liquid sulphur dioxide	**2,422**	**514**	**2,431**	**50.1**	792	800	(112)	(16.6)
Cobalt contained in cobaltous hydroxide[2]	**6,893**	**22,674**	**8,795**	**56.1**	1,968	–	(1,968)	–
Bismuth contained in bismuth oxychloride	**1,615**	**13,563**	**171**	**9.6**	–	–	–	–
Copper product processing services[1]	**45,497**	**515**	**45,133**	**49.8**	36,195	353	56,487	61.0
Total	**1,302,363**		**958,723**	**42.4**	1,181,266		570,267	32.6

FINANCIAL REVIEW (CONTINUED)

Revenue (continued)

Notes:

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

(2) The cost of sales of cobalt contained in cobaltous hydroxide in the first half of 2025 represents impairment provision of inventories.

Cost of sales

The cost of sales of the Group increased by 10.3% from US$1,181.3 million in the first half of 2025 to US$1,302.4 million in the first half of 2026, primarily attributable to the period-over-period increase in the purchase cost of externally procured copper concentrates due to the increase in global copper price, resulting in a period-over-period increase in the cost of sales.

The cost of sales of blister copper and copper anodes increased by 11.7% from US$778.5 million in the first half of 2025 to US$869.8 million in the first half of 2026, primarily attributable to the period-over-period increase in the purchase cost of externally procured copper concentrates due to the increase in global copper price, resulting in a period-over-period increase in the cost of sales.

The cost of sales of copper cathodes increased by 6.3% from US$331.4 million in the first half of 2025 to US$352.3 million in the first half of 2026, primarily attributable to the period-over-period increase in the purchase cost of externally procured ores due to the increase in global copper price, resulting in a period-over-period increase in the cost of sales.

The cost of sales of sulphuric acid decreased by 26.5% from US$32.5 million in the first half of 2025 to US$23.9 million in the first half of 2026, primarily due to the period-over-period decrease in sales volume and freight charges of sulphuric acid.

Gross profit and gross profit margin

Due to the above factors, the Group recorded a gross profit of US$958.7 million in the first half of 2026, representing an increase of 68.1% from US$570.3 million in the same period of 2025. The gross profit margin increased from 32.6% in the first half of 2025 to 42.4% in the first half of 2026, which was mainly attributable to the increase in the unit selling price of copper products and sulphuric acid being greater than the increase in the unit cost of sales.

Distribution and selling expenses

The distribution and selling expenses of the Group increased by US$1.7 million from US$4.5 million in the first half of 2025 to US$6.2 million in the first half of 2026.

Administrative expenses

The administrative expenses of the Group increased by US$54.7 million from US$96.1 million in the first half of 2025 to US$150.8 million in the first half of 2026, primarily due to the period-over-period increase in research and development investment as well as depreciation.

FINANCIAL REVIEW (CONTINUED)

Finance costs

The finance costs of the Group increased by US$3.8 million from US$1.2 million in the first half of 2025 to US$5.0 million in the first half of 2026, primarily due to the period-over-period increase in the interest expenses on lease liabilities.

Other gains and losses

In terms of other gains and losses, the Group recorded a net gain of US$72.0 million in the first half of 2026, increased by US$23.3 million from the gain of US$48.7 million in the first half of 2025, which was primarily due to the period-over-period increase in net gains arising from changes in the fair value of receivables and payables.

Income tax expense

The income tax expense of the Group increased by US$107.9 million from US$161.2 million in the first half of 2025 to US$269.1 million in the first half of 2026, primarily due to the increase in profit before tax.

Profit attributable to owners of the Company

Due to the aforementioned factors, profit attributable to owners of the Company increased by US$170.3 million from US$263.3 million in the first half of 2025 to US$433.6 million in the first half of 2026.

Liquidity and capital resources

Cash Flows

Net cash generated from operating activities

Net cash flow generated from the operating activities of the Group was a net inflow of US$1,042.8 million in the first half of 2026, which increased by US$516.9 million from the net inflow of US$525.9 million in the first half of 2025, mainly attributable to the period-over-period increase in revenue.

Net cash used in investing activities

The net cash flow used in investing activities of the Group was a net outflow of US$450.6 million in the first half of 2026, which increased in outflow by US$299.4 million from the net outflow of US$151.2 million used in investing activities in the first half of 2025, mainly attributable to the period-over-period increase in deposit of funds with CNMC Treasury Management (Hong Kong) Company Limited, and the acquisition of SM Minerals shares during the Reporting Period.

Net cash used in financing activities

The net cash flow used in financing activities of the Group was a net outflow of US$57.1 million in the first half of 2026, which increased in outflow by US$15.0 million from the net outflow of US$42.1 million used in financing activities in the first half of 2025, mainly attributable to the period-over-period increase in dividend payments to non-controlling shareholders of subsidiaries.

FINANCIAL REVIEW (CONTINUED)

Liquidity and capital resources (continued)

Cash Flows (continued)

Bank balances and cash

The Group's bank balances and cash (including cash and demand deposits) increased by US$540.4 million from US$1,476.2 million as at 31 December 2025 to US$2,016.6 million as at 30 June 2026.

Trade receivables at amortised cost/trade receivables at FVTPL

As at 30 June 2026, the Group recorded trade receivables at amortised cost of US$65.4 million and trade receivables at FVTPL of US$343.0 million. The trade receivables at FVTPL were the trade receivables arising from the sale of copper products under provisional pricing arrangements. The aggregate trade receivables amounted to US$408.4 million, which increased by US$73.5 million from US$334.9 million as at 31 December 2025, mainly attributable to the increase in the receivables in relation to sales of copper products.

Inventories

Inventories held by the Group decreased by US$75.5 million from US$737.1 million as at 31 December 2025 to US$661.6 million as at 30 June 2026, primarily due to the decrease in externally procured copper concentrates and ores.

Trade payables at amortised cost/trade payables designated at FVTPL

As at 30 June 2026, the Group recorded trade payables at amortised cost of US$238.7 million and trade payables designated at FVTPL of US$299.8 million. The trade payables designated at FVTPL were the trade payables arising from the purchase of copper concentrates under provisional pricing arrangements. The aggregate trade payables amounted to US$538.5 million, which increased by US$53.1 million from US$485.4 million as at 31 December 2025, primarily due to the increase in payables corresponding to the procurement of copper concentrates.

Bank and other borrowings

As of 30 June 2026, the Group's balance of bank and other borrowings amounted to US$10.6 million which was due within one year.

As of 30 June 2026, the Group's bank and other borrowings were denominated in US dollar and had no seasonal features, which carry a fixed interest rate of 1.75% per annum.

FINANCIAL REVIEW (CONTINUED)

Capital expenditure

	Six months ended 30 June	
	2026	2025
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Mining and ore processing facilities at Chambishi Southeast Mine of NFCA	**11,373**	23,687
Other mining and ore processing facilities at NFCA	**14,531**	11,183
Pumping and drainage project for Shaft No. 28 at Luanshya	**6,360**	23,201
Sulphide ore resource development project for Shaft No. 28 at Luanshya	**635**	1,225
Mining and leaching facilities at Luanshya (Muliashi Project)	**1,362**	2,744
Baluba Mine Open Pit Mine at Luanshya	**4,518**	13,042
Mining and ore processing facilities at Luanshya (Roan Mine)	**6,829**	686
Resource development projects in the Southern Superficial Part of Muliashi and Mashiba sections at Luanshya	**27,429**	–
Other facilities at Luanshya	**9,014**	5,349
Smelting facilities at CCS	**4,485**	2,946
Leaching facilities at SML	**6,906**	5,127
Leaching facilities at Huachin Leach	**14,857**	352
Leaching facilities at CNMC Huachin Mabende	**82**	788
Smelting facilities at Lualaba Copper Smelter	**3,198**	6,793
Mining and ore processing facilities at Kambove Mining	**9,736**	11,229
Other equipment	**1,462**	–
Total	**122,777**	108,352

The total capital expenditure of the Group was US$122.8 million in the first half of 2026, increased by US$14.4 million as compared with the first half of 2025, primarily due to the period-over-period increase in the capital expenditure on the resource development projects in the Southern Superficial Part of Muliashi and Mashiba sections at Luanshya, and the leaching facilities at Huachin Leach.

Treasury Policies

As of 30 June 2026, the Group formulated the Financial Budget Management System, the Funds Management System, the Inventories Management System, the Fixed Assets Management System, the Financial Information Disclosure Management System, Management Measures on Approval Procedures and Permissions of Financial Income and Expenses of the Central Office and other financial policies, which aim to regulate and enhance internal control of relevant activities of the Group to ensure the safety of the Group's assets, protect investors' interests and improve operation and management level for compliance with relevant laws and regulations of Hong Kong as well as the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

FINANCIAL REVIEW (CONTINUED)

Market Risk Disclosure

In the ordinary course of business, the Group's market risks mainly comprise commodity price risk, foreign exchange risk and interest rate risk.

Commodity price risk

The Group's commodity price risk mainly represents the exposure to fluctuations in the market price of copper which affect the prices of the major commodities purchased, produced and sold by the Group. To mitigate this risk, the Group has entered into copper futures contracts and provisional price arrangement to manage and forecast its sales of copper products, and to forecast purchase of copper concentrates, inventories and the risk relating to the Group's commitment to sell its copper products.

Foreign exchange risk

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

Interest rate risk

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

EMPLOYEE AND REMUNERATION POLICIES

Remuneration of employees (including the Directors) was determined based on their work nature, experience and contributions to the Group. Employees were also entitled to bonus as an incentive subject to their performance. Other employee benefits include insurance, medical cover and subsidised educational and training programmes. The Company does not operate any share scheme.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR ACQUISITION OF CAPITAL ASSETS

Save as disclosed in note 21 to this interim financial report, there were no significant investments held, material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2026. As at 30 June 2026, there was no plan approved by the Board for other material investments or acquisition of capital assets.

CHARGES ON ASSETS

As at 30 June 2026, the net carrying amount of the Group's property, plant and equipment secured for the self-guaranteed environmental protection funds amounted to US$8,474,000 (as at 31 December 2025: US$8,703,000). As at 30 June 2026, the restricted bank balances of the Group amounted to US$3,401,000 (as at 31 December 2025: US$3,244,000) mainly applied to the guarantee of environmental protection funds and the issuance of letters of credit.

GEARING RATIO#

As at 30 June 2026, the Group had a net cash position* of approximately US$2,007.9 million (as at 31 December 2025: US$1,453.4 million). Therefore the Group was not considered to have any negative gearing position as at 30 June 2026 and 31 December 2025.

Net gearing ratio is defined as bank and other borrowings minus bank balances and cash, time deposits, and short-term restricted bank balances, divided by the total equity attributable to owners of the Company.

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

CONTINGENT LIABILITIES

As at 30 June 2026, details of material contingent liabilities are set out in note 23 to the interim financial report (as at 31 December 2025: details are set out in note 38 to the annual financial report).

NO MATERIAL CHANGES

Saved as disclosed in this interim report, for the period from 1 January 2026 to 30 June 2026, there were no material changes affecting the Company's performance that need to be disclosed under paragraphs 32 and 40(2) of Appendix D2 to the Listing Rules.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

On 2 September 2026, the Company completed the issuance of zero coupon convertible bonds due 2031 in an aggregate principal amount of US$300,000,000. The Company plans to use the net proceeds from this offering to fund the construction of the sulphide ore resource development project for Shaft No. 28 at Luanshya, Zambia.

Saved as disclosed above, there were no important events affecting the Group which have occurred after the Reporting Period.

USE OF PROCEEDS FROM THE PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 9 April 2024, the Company, China Nonferrous Mining Development Limited (the "Placing Shareholder") and China International Capital Corporation Hong Kong Securities Limited (the "Placing Agent") entered into a placing and subscription agreement (the "Placing and Subscription Agreement"), pursuant to which: (a) the Seller has agreed to appoint the Placing Agent, and the Placing Agent has agreed to act as agent of the Seller and to procure purchasers to purchase on a best effort basis, an aggregate of up to 163,000,000 existing Shares at the price of HK$6.0 per Sale Share (the "Placing Price") (representing a discount of approximately 13.54% to the closing price of HK$6.94 per Share as quoted on the Hong Kong Stock Exchange on 8 April 2024, being the trading day immediately prior to the date of the Placing and Subscription Agreement); and (b) the Seller has agreed to subscribe for, and the Company has agreed to issue to the Seller, an aggregate of up to 163,000,000 new Shares at the subscription price (being the same as the Placing Price), in each case upon the terms and subject to the conditions set out in the Placing and Subscription Agreement. Completion of the Placing and the Subscription took place on 10 April 2024 and 15 April 2024, respectively. A total of 163,000,000 Sale Shares have been successfully placed at the Placing Price to not less than six Placees, all of whom/which are professional, institutional and/or individual investors. The net price for each Subscription Share is US$0.76. Details of the Placing and the Subscription were set out in the announcements of the Company dated 9 April 2024 and 15 April 2024 (the "Announcements").

The Directors are of the view that the Placing and the Subscription will benefit the Group's long-term development and broaden the shareholder base and capital base of the Group to facilitate future growth and development of its business, as well as to increase the liquidity of the Shares. The Directors (including the independent non-executive Directors) are also of the view that the Placing and the Subscription is in the interests of the Company and the Shareholders as a whole and the terms of the Placing and Subscription Agreement, which were arrived at after arm's length negotiations between the Company, the Seller and the Placing Agent, are fair and reasonable so far as the Shareholders are concerned.

As disclosed in the Announcements, the Company received total net proceeds (the "Proceeds") from the Subscription and intends to use the same for (i) project construction works to increase the production capacity of copper concentrate of mines which is located in Luanshya, Kambove and Chambishi, etc., (ii) acquisition of potential mineral resources; and (iii) replenish and supplement the general working capital of the Group. As at 30 June 2026, details of the use of the Proceeds are as follows:

Unit: US$'000

<table>
<tr><th>Net proceeds from the Placing</th><th>Planned usage</th><th>Amount utilised</th><th>Actual usage</th><th>Unutilised amount</th><th>Timeline for the planned use</th></tr>
<tr><td rowspan="3">124,080</td><td>Project construction works to increase the production capacity of copper concentrate of mines which is located in Luanshya, Kambove and Chambishi, etc.</td><td>9,786</td><td>Used for the Kambove project construction works</td><td rowspan="3">49,847</td><td rowspan="3">Before 31 December 2027</td></tr>
<tr><td>Acquisition of potential mineral resources[2]</td><td>64,447</td><td>Used for the acquisition of shares of SM Minerals</td></tr>
<tr><td>Replenish and supplement the general working capital of the Group</td><td>–</td><td>–</td></tr>
</table>

Notes:

(1) The net proceeds have been applied in the manner consistent with the use of proceeds as disclosed in the announcement of the Company dated 9 April 2024. The expected timeline for utilising all unutilised net proceeds is subject to change based on the current and future development of market conditions and market opportunities made available to the Group.

(2) Details are set out in the announcement of the Company dated 16 June 2025.

NUMBER OF SHARES AND PARTICULARS OF SHAREHOLDERS

NUMBER OF SHARES

As at 30 June 2026, the Company had issued 3,902,036,000 ordinary shares.

As at 30 June 2026 and up to the date hereof, the Company does not hold any treasury shares.

PARTICULARS OF SHAREHOLDERS

Substantial shareholders' and other persons' interests and short positions in shares and underlying shares

As at 30 June 2026, so far as it is known to the Directors and the chief executive of the Company, interests or short positions which shall be disclosed to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO are as follows:

Long positions in Shares:

Substantial Shareholder	Capacity/Nature of interest	Number of shares	Approximate percentage of shareholdings
CNMD	Registered owner	2,600,000,000	66.63%
CNMC	Interest in a controlled corporation	2,600,000,000	66.63%

Note: CNMD is a wholly-owned subsidiary of CNMC and therefore, according to the SFO, CNMC is deemed or taken to be interested in all the Shares which are owned by CNMD.

Save as disclosed above, as at 30 June 2026, no other person had any interests or short positions in the Shares or underlying Shares of the Company which was required to be recorded in the register pursuant to section 336 of the SFO.

PARTICULARS OF SHAREHOLDERS (CONTINUED)

Substantial shareholders' and other persons' interests and short positions in shares and underlying shares (continued)

As at 30 June 2026, each of the following entities was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group:

Member of the Group	Entity with 10% or more interest (other than member of the Group)	Percentage of that entity's interest
NFCA	ZCCM-IH	15%
Luanshya	ZCCM-IH	20%
CCS	Yunnan Copper Group	40%
SML	Hong Kong Zhongfei	30%
Huachin Leach	Huachin SARL	32.5%
CNMC Huachin Mabende	Huachin SARL	33.25%
CNMHK	Hong Kong Zhongfei	30%
Kambove Mining	La Generale des Carrieres et des Mines SA	40%
Lualaba Copper Smelter	YH Metal	38%
Kingsail	YH Metal	40%
SM Minerals	Ainur Mukhatayeva	25.5%

Save as disclosed above, as at 30 June 2026, no other persons were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote under all circumstances at general meetings of any other member of the Group.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Group are committed to achieving and maintaining high standards of corporate governance, which they consider to be critical in safeguarding the integrity of the Company's operations and maintaining investors' trust in the Company.

During the Reporting Period, in order to further optimise and strengthen better corporate governance practices and procedures, the Group further optimised the internal control system and made full use of monthly compliance report to effectively monitor on significant issues including legal cases, connected transactions, internal control risk and inside information, etc.

During the Reporting Period, the Board and the committees of the Board of the Company complied with laws in performing their duties and operated in accordance with standards. The Group fulfilled relevant procedures and made disclosure in respect of the use of raised proceeds, material investment and connected transactions and so forth.

To provide further understanding of operation mode, business activities and development conditions for independent Directors, the management provided the Directors with a monthly summary of the major information about the operational development and compliance of the Company.

For the six months ended 30 June 2026, the Company had complied with the CG Code.

HUMAN RESOURCES

EMPLOYEE INFORMATION

As at 30 June 2026, the Group had 9,005 employees, which comprised 939 Chinese employees and 8,066 local employees in Zambia, the DRC and Kazakhstan. The total cost of employees incurred by the Group for the six months ended 30 June 2026 was approximately US$79.4 million (for the six months ended 30 June 2025: US$57.6 million).

Tailings pond of CCS

CORPORATE SOCIAL RESPONSIBILITY

The Group always adheres to its operating mission of "delivering returns to Shareholders, employees and the society through corporate development", and seriously performs environmental and social responsibility in accordance with the industry that the enterprise belongs to as well as operational features.

WORKING ENVIRONMENT

The Group highly embraces the corporate governance concept of being "people oriented", upholds a fair and normative labour policy, pays great respect to the cultural background of employees, protects employees' interests and strictly implements labour policies in relation to social security, working hours and holidays where the enterprises are located. By regularly organising collective negotiations to determine welfare including remuneration, transportation, housing and medical allowance, and striving to offer a market-competitive remuneration system, the Group provides employees with a healthy and harmonious working and living environment; for the employment and promotion of employees, the Group handles the business in strict compliance with employment management system. Discrimination based on race, religion, skin colour and gender are prohibited; and procedures for complaints are set up. The Group attaches great importance to enhancing quality and ability of staff. Every subsidiary has its special training institution and staff, which carries out comprehensive and multi-level subject trainings for our employees such as vocational skills training and health and safety training, and provides quality environment for their growth, thus achieving common growth of employees and enterprise.

HEALTH AND SAFETY

The Group strictly complies with relevant laws and regulations concerning safety production and labour protection where the enterprises are located, and always adheres to the safety production principle of "safety first, prevention foremost". The safety production concept of "respect for life, prevention first" was upheld from the Group to all the subsidiaries. The standards for safety production management have been effectively improved through the implementation of an accountability mechanism of the entities responsible for safety production, specification of the scope of safety production responsibility, enhancement of safe production education and risk prevention and control, development of overall safety inspection and latent defect investigation and governance, constant improvement and optimisation of the contingency plan and reinforcement of emergency rescue team building. The Group has attached great importance to the investment and construction of safety environmental facilities as well as the equipment and the management regarding the use of labour protection equipment for staff. In every mine and factory, fully-equipped first aid team was developed, and first aid stations were also established. In the first half of 2026, the Group maintained a stable safety production situation.

ENVIRONMENTAL PROTECTION

The Group aims at establishing an environmentally friendly enterprise, actively carries out energy conservation and emission reduction and strengthens the testing and monitoring of pollutant emissions to ensure clean production. The Group attaches great importance to the recycling and sustainable use of resources. The Group pays attention to using environmental-friendly equipment and advanced technology for production, endeavors to promote the establishment of an environmental management system, so as to improve the resources recycling and reuse as well as environmental protection level.

In February 2025, SML experienced a tailings pond incident that led to a temporary suspension of operations (the "Incident"). After the Incident, pursuant to Zambian laws and government regulatory requirements, SML promptly initiated emergency response and risk control measures, carried out environmental monitoring, rehabilitation and treatment, and compensated affected individual farmers timely in compliance with the compensation assessment report issued by the Zambian government authorities. With approval from the relevant government departments, SML resumed operations in January 2026.

COMMUNITY PARTICIPATION AND OPERATING PRACTICE

Based on copper and cobalt resources development, with the self-development and growth of the Group, the Group follows the "mutual benefit and win-win" cooperation concept, attaches great importance to the concern of the Shareholders, employees, suppliers and communities, actively cultivates the local market, supports local enterprises, shares benefits with suppliers, contributes to the local economy and social development and progress where the enterprises are located through the creation of taxation income, provision of jobs and development of related industries, and provides employees with vocational development and protection to create value for Shareholders.

In the first half of 2026, the Group continued to actively participate in local social welfare undertakings where the enterprises were located in cash and in kind. It supported social welfare undertakings including urban construction, active development of vocational education, the community environment improvement, servicing the local residents, which were highly appreciated by the local government and local residents and further established a good corporate-citizenship image as a listed company.

FUTURE PROSPECTS

In the first half of 2026, the global macro environment and commodity markets continued to undergo profound adjustments, with multiple uncertainties intertwined, including geopolitical conflicts, trade barriers and energy price volatility, resulting in sustained upward pressure on industry operations. Faced with a complex and challenging business environment, the subsidiaries of the Company remained focused with their annual development objectives, actively responding to various challenges such as external market disruptions and shortages of raw materials and power supply. Adhering to the operating principles of stabilising production, optimising structure, controlling costs and expanding growth, they advanced various tasks including mining operations, smelting production and new project construction in a steady and orderly manner. Benefiting from elevated international copper prices, the Company's core operating indicators for the first half of the year reached historical highs, effectively safeguarding the foundation for high-quality development.

On the capital market front, the Company continued to strengthen its investor relations management and adhered to a policy of high dividend payout ratios, thereby delivering tangible returns to all shareholders and solidifying its market reputation and investor confidence. Leveraging the Company's solid operating fundamentals and an increasingly refined value management framework, the Company's recognition in the capital market has continued to improve, with market liquidity and valuation levels remaining stable. Together with the orderly progress of overseas copper mine acquisition projects, a solid foundation has been laid for the Company's future capital operations, capacity expansion and global positioning.

Panoramic view of Kambove Mining

Looking ahead to the second half of 2026, the global economy remains in a phase of adjustment marked by weak recovery, high volatility and significant divergence. The international political and economic landscape continues to evolve in a complex manner, and the commodity markets have entered a new phase characterised by heightened structural volatility, generally exhibiting the pattern of "elevated energy prices, structural divergence among industrial metals, and price fluctuations driven by geopolitical risks". On the political front, the ongoing escalation of geopolitical conflicts in the Middle East, policy adjustments in resource-rich African nations, and heightened country-specific risks, coupled with rising global trade frictions and tariff barriers, have further undermined the stability of global supply chains and industrial chains, with disruptions on the supply side of resources becoming increasingly evident. On the economic front, major economies in Europe and the United States continued to implement differentiated monetary policy adjustments. With inflation remaining resilient and economic recovery lacking momentum, balance sheet shrinking together with interest rate fluctuations continue to affect global capital flows. The pace of recovery varied across emerging markets, and when combined with factors such as extreme weather, controls on mineral resources and stockpiling of critical minerals, the overall price of global commodities has risen significantly compared to previous years. Commodity prices are expected to maintain a structurally upward trend throughout the year, with energy commodities leading the market in terms of price increases, while the prices of industrial metals, supported by rigid supply-demand fundamentals, are expected to remain high with fluctuations.

With respect to international copper prices, the industry's supply-demand dynamics and price trends in the second half of the year are expected to exhibit characteristics of rigid supply contraction, resilient demand support and high-level price fluctuation. On the supply side, ore grades in major global producing regions continue to decline, and certain copper-producing countries are experiencing power shortages and social unrest. Coupled with the phasing out of some aging mines and the tightening of export controls by resource-rich countries, effective global copper mine supply remains constrained. Smelters have shown a strong inclination to reduce production and capacity, further tightening the physical supply landscape. On the demand side, demand from traditional global manufacturing and real estate sectors remains weak. However, copper demand from photovoltaic, energy storage, wind power, new energy vehicles and power grid infrastructure upgrades continues to grow strongly. Incremental demand from emerging industries effectively offsets the shortfall in traditional sectors, providing solid fundamental support for copper prices. At the same time, financial and macro factors, including the impact of U.S. tariff policies on non-U.S. inventories, adjustments to the Federal Reserve's monetary policy, escalating geopolitical conflicts and overall commodity inflation, may amplify short-term volatility in copper prices. Overall, a deep correction in international copper prices is unlikely in the second half of the year. Prices are expected to remain at high levels with wide-range fluctuations, exhibiting significant structural opportunities.

Overall, in the second half of 2026, the Company's production and operations will continue to face multiple challenges arising from external market volatility, country-specific risks overseas and ongoing supply-demand structural adjustments. At the same time, the expansion of AI computing power and the new energy industry, together with the global revaluation of critical mineral resources, will also bring numerous opportunities for industry development. Going forward, under the leadership of the Board, the Company's management will continue to adopt a prudent operational approach and resolutely implement the core tasks of stabilising production, safeguarding profitability and preventing risks. The Company will maintain stringent and routine management of safety, environmental protection, compliance operations and sustainable development, while further deepening internal reforms, optimising production and operation systems and reducing production costs. Meanwhile, the Company will steadily advance the implementation of overseas copper mine acquisition and production expansion projects, promote diversified development across external acquisitions and regional resource development, and continue to strengthen resource reserves and production scale. By capturing market opportunities arising from high copper prices, the Company aims to open new avenues for capital operations and industrial expansion, ensure steady growth in the Company's operating results for 2026, and continuously drive high-quality and sustainable corporate development.

OTHER INFORMATION

GENERAL INFORMATION

The Company was incorporated in Hong Kong on 18 July 2011 and its shares are listed on the Stock Exchange. The Company's parent and ultimate holding company are CNMD, incorporated in the British Virgin Islands, and CNMC, which is wholly owned by the State-owned Assets Supervision and Administration Commission of the State Council and is incorporated in the People's Republic of China, respectively.

The registered office of the Company is located at Unit 1303, 13/F., Austin Tower, 22–26 Austin Avenue, Tsimshatsui, Hong Kong, and its principal places of business are located at 32 Enos Chomba Road, Kitwe, Zambia; Lubumbashi, Katanga Province, Congo (DRC); and Astana City, Yesil District, Mangilik El Avenue, Building 55/16, Kazakhstan.

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in exploration of copper and cobalt metal, mining, ore processing, leaching, smelting, sale of copper cathodes, blister copper and copper anodes, cobaltous hydroxide, sulphuric acid and liquid sulphur dioxide, and rendering copper product processing services. The consolidated financial statements are presented in United States dollars, which is also the functional currency of the Company and the Group.

INTERIM DIVIDEND

The Board declared the payment of US¢1.1113 per share as interim dividend for the six months ended 30 June 2026 (the "Interim Dividend") (six months ended 30 June 2025: nil). The Interim Dividend is payable in Hong Kong dollars, which will be calculated at the market exchange rate on 21 August 2026 to shareholders whose names appear on the register of members of the Company on Monday, 7 September 2026. The proposed Interim Dividend will be paid on Thursday, 17 September 2026.

The HK$ equivalent of the Interim Dividend US¢1.1113 is HK$0.087154 per share which is based on the average exchange rate of US$ against HK$ at US$1 to HK$7.8425 as announced by Hang Seng Bank Limited on 21 August 2026.

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

As at 30 June 2026, none of the Directors or the chief executives had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or interests and short positions required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO; or interests and short positions which fall to be disclosed to the Company and the Stock Exchange pursuant to the "Model Code for Securities Transactions by Directors of Listed Issuers" as stipulated in Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

The Company or any of its subsidiaries did not make any arrangements at any time during the Reporting Period to enable any Directors or their respective spouse or minor children to obtain benefits by means of the acquisition of shares of the Company or other body corporates.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors had engaged in any business which competes or may compete directly or indirectly with the business of the Group for the six months ended 30 June 2026.

CHANGES IN THE INFORMATION OF THE DIRECTORS

Since 24 April 2026 (the date of publication of the 2025 Annual Report), there is no update on the information of the Directors as required to be disclosed pursuant to Rule 13.51B of the Listing Rules.

AUDIT COMMITTEE

The Audit Committee was established with written terms of reference in compliance with the Rule 3.22 of the Listing Rules and paragraph D.3 of Part 2 of the CG Code. The primary duties of the Audit Committee are to supervise the financial reporting process and internal control and risk management systems of the Group. Members of the Audit Committee are Mr. Zhijiang CHEN, a non-executive Director, and Mr. Guangfu GAO and Mr. Huanfei GUAN, independent non-executive Directors. The Audit Committee has reviewed the Group's interim financial results for the six months ended 30 June 2026 and was of the opinion that such interim financial results complied with the applicable accounting standards, the Listing Rules and legal requirements, and that disclosures had been made.

The interim financial report for the six months ended 30 June 2026 has been reviewed by the Group's auditor, KPMG, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company had adopted a code of conduct on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 of the Listing Rules (the "Model Code"). The Company had also made specific enquiries to all Directors and confirmed that all of them complied with the Model Code throughout the six months ended 30 June 2026.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including treasury shares (as defined in the Listing Rules), if any) throughout the six months ended 30 June 2026.

As at 30 June 2026 and up to the date hereof, the Company does not hold any treasury shares.

INDEPENDENT REVIEW REPORT

REVIEW REPORT TO THE BOARD OF DIRECTORS OF
CHINA NONFERROUS MINING CORPORATION LIMITED
(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 43 to 78 which comprises the consolidated statement of financial position of China Nonferrous Mining Corporation Limited (the "Company") as of 30 June 2026, the related consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the condensed consolidated cash flow statement for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2026 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

KPMG
Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

21 August 2026

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2026 – unaudited
(Expressed in US dollars ("US$"))

		Six months ended 30 June	
		2026	2025
		US$'000	*US$'000*
	Notes	**(Unaudited)**	(Unaudited)
Revenue	3	**2,261,086**	1,751,533
Cost of sales		**(1,302,363)**	(1,181,266)
Gross profit		**958,723**	570,267
Other income		**28,319**	21,427
Other gains and losses	4	**71,969**	48,687
Distribution and selling expenses		**(6,187)**	(4,512)
Administrative expenses		**(150,795)**	(96,064)
Other expenses		**(5,085)**	(6,075)
Profit from operations		**896,944**	533,730
Finance costs	5	**(5,036)**	(1,225)
Profit before taxation	6	**891,908**	532,505
Income tax	7	**(269,108)**	(161,179)
Profit for the period		**622,800**	371,326
Attributable to:			
Owners of the Company		**433,641**	263,328
Non-controlling interests		**189,159**	107,998
Earnings per share	8		
– Basic and diluted *(US¢ per share)*		**11.11**	6.75
– Basic and diluted *(equivalent to approximately HK$ per share)*		**0.87**	0.53

The notes on pages 49 to 78 form part of this interim financial report. Details of dividends payable to owners of the Company are set out in Note 17(a).

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

for the six months ended 30 June 2026 – unaudited
(Expressed in US$)

		Six months ended 30 June	
	Notes	**2026** ***US$'000*** **(Unaudited)**	2025 *US$'000* (Unaudited)
Profit for the period		**622,800**	371,326
Other comprehensive income for the period (after tax and reclassification adjustments):			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of overseas subsidiaries		**(326)**	–
Total comprehensive income for the period		**622,474**	371,326
Attributable to:			
Owners of the Company		**433,413**	263,328
Non-controlling interests		**189,061**	107,998
		622,474	371,326

The notes on pages 49 to 78 form part of this interim financial report.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2026 – unaudited
(Expressed in US$)

	Notes	At 30 June 2026 US$'000 (Unaudited)	At 31 December 2025 US$'000 (Audited)
Non-current assets			
Property, plant and equipment	9	**1,569,754**	1,585,509
Right-of-use assets		**75,582**	65,750
Mining rights		**220,241**	81,178
Other equity investments		**–**	16,764
Restricted bank balances	13	**1,505**	1,505
Deferred tax assets		**30,985**	28,733
Prepayments and other receivables	12	**186,755**	158,566
		2,084,822	1,938,005
Current assets			
Inventories	10	**661,563**	737,092
Trade receivables at amortised cost	11	**65,356**	64,894
Trade receivables at fair value through profit or loss ("FVTPL")	11	**342,970**	270,027
Prepayments and other receivables	12	**580,818**	315,292
Financial assets		**73**	–
Restricted bank balances	13	**1,896**	1,739
Cash and cash equivalents	13	**2,016,562**	1,476,212
		3,669,238	2,865,256
Total assets		**5,754,060**	4,803,261
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	17(b)	**864,199**	864,199
Reserves		**1,893,499**	1,621,810
Total equity attributable to owners of the Company		**2,757,698**	2,486,009
Non-controlling interests		**1,115,649**	926,561
Total equity		**3,873,347**	3,412,570

The notes on pages 49 to 78 form part of this interim financial report.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

at 30 June 2026 – unaudited
(Expressed in US$)

	Notes	**At 30 June 2026** ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
Non-current liabilities			
Deferred tax liabilities		**193,717**	183,349
Lease liabilities		**63,811**	56,902
Deferred income		**9,509**	10,054
Provision for restoration, rehabilitation and environmental costs		**113,245**	111,243
		380,282	361,548
Current liabilities			
Trade payables at amortised cost	14	**238,745**	242,784
Trade payables at FVTPL	14	**299,807**	242,595
Other payables and accrued expenses	15	**521,849**	266,498
Income tax payable		**362,358**	196,254
Bank and other borrowings	16	**10,565**	24,516
Lease liabilities		**12,002**	8,931
Contract liabilities		**40,155**	10,213
Financial liabilities		**14,950**	37,352
		1,500,431	1,029,143
Total liabilities		**1,880,713**	1,390,691
Total equity and liabilities		**5,754,060**	4,803,261

The notes on pages 49 to 78 form part of this interim financial report.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2026 – unaudited
(Expressed in US$)

	Attributable to owners of the Company						
	Share capital *US$'000* (Note 17(b))	**Other reserve** *US$'000* (Note 17(c))	**Exchange reserve** *US$'000* (Note 17(d))	**Retained profits** *US$'000*	**Total** *US$'000*	**Non-controlling interests** *US$'000*	**Total equity** *US$'000*
Six months ended 30 June 2026							
Balance at 1 January 2026	**864,199**	**(1,118)**	**–**	**1,622,928**	**2,486,009**	**926,561**	**3,412,570**
Changes in equity for the six months ended 30 June 2026:							
Profit and total comprehensive income for the period	**–**	**–**	**(228)**	**433,641**	**433,413**	**189,061**	**622,474**
Dividends declared by subsidiaries	**–**	**–**	**–**	**–**	**–**	**(45,300)**	**(45,300)**
Dividends declared by the Company *(Note 17(a))*	**–**	**–**	**–**	**(161,724)**	**(161,724)**	**–**	**(161,724)**
Acquisition of subsidiaries *(Note 21)*	**–**	**–**	**–**	**–**	**–**	**45,327**	**45,327**
Balance at 30 June 2026 (unaudited)	**864,199**	**(1,118)**	**(228)**	**1,894,845**	**2,757,698**	**1,115,649**	**3,873,347**

	Attributable to owners of the Company					
	Share capital *US$'000* (Note 17(b))	Other reserve *US$'000* (Note 17(c))	Retained profits *US$'000*	Total *US$'000*	Non-controlling interests *US$'000*	Total equity *US$'000*
Six months ended 30 June 2025						
Balance at 1 January 2025	864,199	(1,118)	1,385,987	2,249,068	780,024	3,029,092
Changes in equity for the six months ended 30 June 2025:						
Profit and total comprehensive income for the period	–	–	263,328	263,328	107,998	371,326
Dividends declared by the Company *(Note 17(a))*	–	–	(167,370)	(167,370)	–	(167,370)
Balance at 30 June 2025 (unaudited)	864,199	(1,118)	1,481,945	2,345,026	888,022	3,233,048

The notes on pages 49 to 78 form part of this interim financial report.

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 30 June 2026 – unaudited
(Expressed in US$)

		Six months ended 30 June	
		2026	2025
		US$'000	*US$'000*
	Note	**(Unaudited)**	(Unaudited)
Net cash generated from operating activities		**1,042,842**	525,901
Investing activities			
Acquisition of subsidiaries	21	**(86,011)**	–
Interest received		**23,536**	15,847
Proceeds from disposal of property, plant and equipment		**1,217**	1,038
Purchases of property, plant and equipment		**(106,234)**	(105,749)
Purchase of other equity instruments		**–**	(5,000)
Proceeds from deposits in a fellow subsidiary		**72,000**	–
Payments for deposits in a fellow subsidiary		**(354,300)**	(62,700)
Proceeds from repayment of long-term receivables		**189**	606
Net placement of restricted bank balances		**(1,032)**	590
Decrease in time deposits		**–**	4,173
Net cash used in investing activities		**(450,635)**	(151,195)
Financing activities			
Dividends paid to non-controlling shareholders		**(35,444)**	(20,000)
Interest paid		**(351)**	(363)
Repayments of bank and other borrowings		**(21,857)**	(20,000)
Repayments of lease liabilities		**(7,095)**	(1,736)
New bank and other borrowings		**7,630**	–
Net cash used in financing activities		**(57,117)**	(42,099)
Net increase in cash and cash equivalents		**535,090**	332,607
Cash and cash equivalents at 1 January		**1,476,212**	1,018,662
Effect of foreign exchange rate changes		**5,260**	2,164
Cash and cash equivalents at 30 June	13	**2,016,562**	1,353,433

The notes on pages 49 to 78 form part of this interim financial report.

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 21 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements of China Nonferrous Mining Corporation Limited (the "Company") and its subsidiaries (the "Group") and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and the accompanying notes do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board of Directors is included in this interim financial report.

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or 407(3) of the Companies Ordinance.

2 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period. Of these, only the amendments to HKFRS 9, *Financial instruments* and HKFRS 7, *Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments*, are relevant to the Group's financial statements. The impacts of adopting these amendments are discussed below.

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

Amendments to HKFRS 9, *Financial instruments* and HKFRS 7, *Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments*

The amendments cover three main aspects:

- The amendments clarify when a financial asset or a financial liability is recognised and derecognised. They also introduce an optional exception that permits an entity to derecognise a financial liability before the settlement date when the financial liability is settled in cash using an electronic payment system, provided that specific criteria are met.

- For the assessment of whether a financial asset has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, the amendments clarify the assessment of interest and introduce an additional test for the financial assets with contingent features, for example environmental, social or governance ("ESG")-linked features. The amendments also clarify the difference between financial assets with non-recourse features and contractually linked instruments which may then change the applicable assessments.

- The amendments introduce new disclosures for disposals of investments in equity instruments designated at fair value through other comprehensive income ("FVTOCI"), and for financial instruments not measured at FVTPL which contain contractual terms that could change the amount of contractual cash flows based on the occurrence or non-occurrence of a contingent event that does not relate directly to changes in basic lending risks and costs.

Upon adoption of the amendments, the Group has elected to apply the exception for the derecognition of certain trade payables settled in cash using qualifying electronic payment systems. Under the exception, these trade payables are derecognised when the Group has initiated a payment instruction through a qualifying electronic payment system and, as a result, no longer has the practical ability to withdraw, stop or cancel the payment instruction and to access such cash to be used for settlement and the settlement risk associated with the payment system is insignificant. The Group has applied this election consistently to all settlements made through the same qualifying electronic payment system.

2 CHANGES IN ACCOUNTING POLICIES (CONTINUED)

The Group has applied the amendments retrospectively. As permitted by transition requirements, the Group has not restated prior periods. The application of the exception does not have a material impact on the Group's consolidated financial statements for the periods presented.

The amendments would also affect the disclosures to be included in the Group's annual financial statements for the year ending 31 December 2026 in respect of investments in equity instruments designated at FVTOCI and financial instruments not measured at FVTPL with specified contingent features. No additional disclosure has been included in this interim financial report.

3 REVENUE AND SEGMENT REPORTING

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

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

- Leaching – Production and sale of copper cathodes and cobalt hydroxide (including exploration and mining of oxide copper mines) which are produced using the solvent extraction electrowinning technology; and production and sale of sulphur-burning sulphuric acid.

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

No operating segments have been aggregated to form the following reportable segments.

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(a) Disaggregation of revenue

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

	Six months ended 30 June 2026	
	Leaching *US$'000* **(Unaudited)**	**Smelting** *US$'000* **(Unaudited)**
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or service lines		
Sales of goods to external customers		
– Copper cathodes	**851,106**	**–**
– Blister copper and copper anodes	**–**	**1,167,682**
– Sulphuric acid	**–**	**129,341**
– Cobalt contained in cobalt hydroxide	**15,688**	**–**
– Liquid sulphur dioxide	**–**	**4,853**
– Bismuth contained in bismuth oxychloride	**–**	**1,786**
Copper products processing services	**–**	**90,630**
Total	**866,794**	**1,394,292**
Disaggregated by timing of revenue recognition		
Point in time	**866,794**	**1,394,292**

	Six months ended 30 June 2025	
	Leaching *US$'000* (Unaudited)	Smelting *US$'000* (Unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or service lines		
Sales of goods to external customers		
– Copper cathodes	611,635	–
– Blister copper and copper anodes	–	959,277
– Sulphuric acid	–	87,259
– Liquid sulphur dioxide	–	680
Copper products processing services	–	92,682
Total	611,635	1,139,898
Disaggregated by timing of revenue recognition		
Point in time	611,635	1,139,898

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(a) Disaggregation of revenue (continued)

Disaggregation of revenue from contracts with customers by geographic markets which is based on the destination of shipment is as follows:

	Six months ended 30 June	
	2026	2025
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Disaggregated by geographical location of customers		
Chinese Mainland	**64,540**	5,733
Singapore	**1,534,807**	1,156,495
Africa	**264,873**	183,963
Hong Kong SAR	**249,438**	186,318
Switzerland	**113,535**	157,593
Belgium	**33,893**	61,431
	2,196,546	1,745,800
	2,261,086	1,751,533

(b) Segment results, assets and liabilities

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

	Six months ended 30 June 2026		
	Leaching	**Smelting**	**Total**
	US$'000	***US$'000***	***US$'000***
	(Unaudited)	**(Unaudited)**	**(Unaudited)**
Revenue from external sales	**866,794**	**1,394,292**	**2,261,086**
Inter-segment sales	**–**	**42,576**	**42,576**
	866,794	**1,436,868**	**2,303,662**
Elimination			**(42,576)**
Revenue from external customers			**2,261,086**
Reportable segment profit before taxation	**394,346**	**491,911**	**886,257**
Income tax	**(125,956)**	**(126,514)**	**(252,470)**
Unallocated income *(Note (i))*			**10,026**
Unallocated expenses *(Note (ii))*			**(21,013)**
Profit for the period			**622,800**

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment results, assets and liabilities (continued)

	Six months ended 30 June 2025		
	Leaching *US$'000* (Unaudited)	Smelting *US$'000* (Unaudited)	Total *US$'000* (Unaudited)
Revenue from external sales	611,635	1,139,898	1,751,533
Inter-segment sales	–	26,442	26,442
	611,635	1,166,340	1,777,975
Elimination			(26,442)
Revenue from external customers			1,751,533
Reportable segment profit before taxation	246,879	279,262	526,141
Income tax	(66,505)	(86,231)	(152,736)
Unallocated income *(Note (i))*			9,066
Unallocated expenses *(Note (ii))*			(11,145)
Profit for the period			371,326

Notes:

(i) The unallocated income mainly represents the interest income arising from the bank deposits and bank balances of (1) the Company, (2) China Nonferrous Mining Holdings Limited ("CNMH"), a directly wholly-owned subsidiary of the Company which directly holds the Group's shareholdings in the subsidiaries in Zambia, (3) China Nonferrous Mining Hong Kong Holdings Limited ("CNMHK"), a directly non-wholly-owned subsidiary of the Company which directly holds the Group's shareholdings in three subsidiaries in the Democratic Republic of Congo ("DRC"), and (4) China Nonferrous Mining Hong Kong Investment Limited ("CNMHKI"), a directly wholly-owned subsidiary of the Company which directly holds the Group's shareholdings in the other three subsidiaries in DRC (collectively referred to as the "Holding Companies").

(ii) The unallocated expenses mainly represent the administrative expenses, interest expenses and income tax expenses of the Holding Companies.

Inter-segment sales are charged at prevailing market rates.

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment results, assets and liabilities (continued)

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

	At 30 June 2026 *US$'000* (Unaudited)	At 31 December 2025 *US$'000* (Audited)
Segment assets		
Leaching	**1,793,162**	1,517,138
Smelting	**3,121,970**	2,634,349
Total segment assets	**4,915,132**	4,151,487
Unallocated assets *(Note (i))*	**850,127**	656,781
Elimination	**(11,199)**	(5,007)
Consolidated total assets	**5,754,060**	4,803,261

	At 30 June 2026 *US$'000* (Unaudited)	At 31 December 2025 *US$'000* (Audited)
Segment liabilities		
Leaching	**815,366**	674,594
Smelting	**837,492**	646,235
Total segment liabilities	**1,652,858**	1,320,829
Unallocated liabilities *(Note (i))*	**239,054**	74,869
Elimination	**(11,199)**	(5,007)
Consolidated total liabilities	**1,880,713**	1,390,691

Note:

(i) The unallocated assets and liabilities mainly represent those of the Holding Companies.

4 OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2026	2025
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Losses on disposal of property, plant and equipment, net	**(211)**	(35)
Impairment losses (recognised)/reversed in respect of		
– input VAT receivables *(Note 12)*	**(13,354)**	(7,668)
– financial assets under ECL	**1,392**	(4,056)
Foreign exchange gains, net	**29,065**	41,991
(Losses)/gains from changes in fair value of financial liabilities/ assets at FVTPL		
– financial liabilities at FVTPL	**(8,105)**	(8,230)
– trade receivables at FVTPL	**137,423**	54,156
– trade payables at FVTPL	**(74,241)**	(27,471)
	71,969	48,687

5 FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Interest on bank and other borrowings	**308**	111
Interest on lease liabilities	**2,371**	654
Unwinding of the discount	**2,446**	546
Less: interest expense capitalised into properties under development *(Note)*	**(89)**	(86)
	5,036	1,225

Note:

Interest on bank and other borrowings has been capitalised at a rate of 1.75% per annum during the six months ended 30 June 2026 (six months ended 30 June 2025: 1.75%).

6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	**112,426**	91,163
Depreciation of right-of-use assets	**4,872**	1,045
Amortisation cost of mining rights	**4,386**	3,170
Total amortisation and depreciation	**121,684**	95,378
Less: capitalised in inventories	**(105,008)**	(84,177)
Less: capitalised in property, plant and equipment	**(3,897)**	(3,398)
	12,779	7,803
Cost of inventories at carrying amount recognised as an expense	**1,258,172**	1,144,457
(Reversal of write-down)/write-down of inventories to net realisable value	**(1,306)**	615
Cost of service recognised as an expense	**45,497**	36,194
	1,302,363	1,181,266

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(a) Income tax in the consolidated statement of profit or loss represents:

	Six months ended 30 June	
	2026	2025
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Current tax:		
– Income tax in Hong Kong	**188**	263
– Income tax in The Republic of Ireland ("Ireland")	**(124)**	48
– Income tax in DRC	**85,440**	34,730
– Income tax in Zambia	**175,490**	110,151
	260,994	145,192
Deferred tax:		
– Current period	**8,114**	15,987
Total income tax expense	**269,108**	161,179
Effective tax rate-current period*	**30.2%**	30.3%

* Effective tax rate = Total income tax expense / Profit before taxation

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

(a) Income tax in the consolidated statement of profit or loss represents: (continued)

The Group enjoyed the following income tax incentive:

Lualaba Copper Smelter SAS ("Lualaba Copper Smelter"), a non-wholly-owned subsidiary of the Group located in DRC, is eligible for a 68.29% income tax relief for the five years starting from July 2021. The calculation of income tax relief rate is based on the current production volume proportion of sulphuric acid, which also depends on the remaining investments in blister copper and sulphuric acid.

(b) Pillar Two income taxes

The Company is part of a multinational enterprise group which is subject to the Global Anti-Base Erosion Model Rules ("Pillar Two model rules") published by the Organisation for Economic Co-operation and Development.

From 1 January 2024, the Group has become liable to Pillar Two income tax for the first time. The Pillar Two income taxes are levied on subsidiaries operated in Zambia under the new tax laws in Ireland which introduced the Income Inclusion Rule effective from 1 January 2024.

From 1 January 2025, the Group is also liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR and certain other jurisdictions where a domestic minimum top-up tax has not been implemented, including the Chinese Mainland.

The Group has applied the temporary mandatory exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes and would account for the tax as current tax when incurred.

8 EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share for the six months ended 30 June 2026 is calculated based on the profit attributable to equity shareholders of the Company of US$433,641,000 (six months ended 30 June 2025: US$263,328,000) and the weighted average of 3,902,036,000 ordinary shares in issue during the period (six months ended 30 June 2025: 3,902,036,000 ordinary shares).

(b) Diluted earnings per share

There were no dilutive potential shares outstanding six months ended 30 June 2026 and 2025. Hence, the diluted earnings per share is the same as basic earnings per share.

9 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired property, plant and equipment and incurred construction costs in an aggregate amount of US$89,642,000 (six months ended 30 June 2025: US$103,275,000). Items of property, plant and equipment with a net book value of US$1,428,000 were disposed of during the six months ended 30 June 2026 (six months ended 30 June 2025: US$1,073,000), resulting in losses on disposal of US$211,000 (six months ended 30 June 2025: US$35,000).

10 INVENTORIES

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
Raw materials	**388,434**	489,295
Spare parts and consumables	**113,197**	113,396
Work in progress	**93,216**	86,422
Finished goods	**66,716**	47,979
	661,563	737,092

11 TRADE RECEIVABLES AT AMORTISED COST/TRADE RECEIVABLES AT FVTPL

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
Trade receivables at amortised cost-contracts with customers	**66,790**	66,328
Less: allowance for credit losses	**(1,434)**	(1,434)
	65,356	64,894
Trade receivables at FVTPL – contracts with customers	**342,970**	270,027

11 TRADE RECEIVABLES AT AMORTISED COST/TRADE RECEIVABLES AT FVTPL (CONTINUED)

Ageing analysis

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

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
0 to 30 days	**40,845**	40,880
31 to 90 days	**16,991**	16,676
91 to 180 days	**6,840**	6,509
181 to 365 days	**680**	829
	65,356	64,894

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

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
0 to 30 days	**325,525**	177,985
31 to 90 days	**16,337**	91,206
91 to 180 days	**70**	–
181 to 365 days	**646**	–
1 to 2 years	**–**	836
2 to 3 years	**392**	–
	342,970	270,027

Included in the Group's trade receivables at amortised cost/trade receivables at FVTPL are balances with the following related parties:

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
Trade receivables at amortised cost:		
Fellow subsidiaries	**1,630**	331
A non-controlling shareholder of a subsidiary	**4,178**	4,509
	5,808	4,840

11 TRADE RECEIVABLES AT AMORTISED COST/TRADE RECEIVABLES AT FVTPL (CONTINUED)

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
Trade receivables at FVTPL:		
Fellow subsidiaries	**238,719**	140,191
Non-controlling shareholders of subsidiaries	**72,655**	93,519
	311,374	233,710

The above balances with related parties are unsecured, interest-free and are receivable according to the relevant sales contracts.

12 PREPAYMENTS AND OTHER RECEIVABLES

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
Non-current:		
Prepayments for property, plant and equipment	**15,567**	1,908
Deposits in connection with the restoration and rehabilitation obligations	**8,140**	7,265
Long-term receivables *(Note (i))*	**29,502**	29,691
Input VAT receivables, net *(Note (ii))*	**128,222**	113,712
Others *(Note (iii))*	**5,324**	5,990
	186,755	158,566
Current:		
Prepayments for inventories and others	**9,872**	44,910
Input VAT receivables, net *(Note (ii))*	**141,625**	108,830
Deposits in futures margin accounts	**57,832**	82,211
Other receivables	**51,669**	44,551
Deposits in a fellow subsidiary *(Note (iv))*	**346,208**	62,700
Less: allowance for credit losses	**(26,388)**	(27,910)
	580,818	315,292
	767,573	473,858

12 PREPAYMENTS AND OTHER RECEIVABLES (CONTINUED)

Notes:

(i) Pursuant to a financing agreement (the "LCS Project Agreement") entered into between LCS and Societe Nationale d'Electricite ("SND"), a state-owned power supplier in DRC, in July 2018, LCS should provide finance to construct certain power supply network assets (the "LCS Network Assets"). SND should repay the amount of financing agreed to construction cost by instalments at an interest rate of 6% per annum.

The construction of LCS Network Assets was completed on 2 February 2021. The amount of financing agreed to construction cost was US$29,300,000. The finance amount together with the interest will be receivable from SND starting from 1 March 2021.

(ii) The gross carrying amount of input VAT receivables is US$433,867,000 (31 December 2025: US$369,772,000). Impairment provision is estimated based on the present value of the estimated future cash flows, discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the input VAT receivables for which the estimates of future cash flows have not been adjusted. As at 30 June 2026, an impairment provision amounting to US$164,020,000 (31 December 2025: US$147,230,000) in aggregate has been made on input VAT receivables.

(iii) Pursuant to a connection agreement entered into between NFCA and Copperbelt Energy (the "NFCA Connection Agreement"), NFCA constructs certain power supply network assets (the "NFCA Network Assets") to enable Copperbelt Energy to supply electricity to the Chambishi Southeast Mine Project of NFCA at Chambishi, Copperbelt Province of Zambia. According to the NFCA Connection Agreement, NFCA shall transfer the NFCA Network Assets to Copperbelt Energy on the date which Copperbelt Energy issues a Taking-Over Certificate.

(iv) On 2 November 2023, the Company entered into the provision of treasury management services agreement with CNMC Treasury Management (Hong Kong) Company Limited ("CNMC Treasury"), pursuant to which CNMC Treasury provides collective fund management services and miscellaneous financial services to the Group for a term from 1 January 2024 to 31 December 2026.

The movements in the allowance for input VAT receivables during the period are as follows:

	Six months ended 30 June	
	2026	2025
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
1 January	**147,230**	126,159
Effect of changes in exchange rates	**3,436**	–
Impairment losses recognised	**13,354**	7,668
	164,020	133,827

Included in the Group's prepayments and other receivables are balances with the following related parties:

	At 30 June 2026	At 31 December 2025
	US$'000	*US$'000*
	(Unaudited)	(Audited)
A non-controlling shareholder of subsidiaries	**–**	598
Fellow subsidiaries	**355,494**	18,413
China Nonferrous Metal Mining (Group) Co., Ltd. ("CNMC")	**3**	3
A non-controlling shareholder of a subsidiary	**602**	321
	356,099	19,335

12 PREPAYMENTS AND OTHER RECEIVABLES (CONTINUED)

The above balances with related parties are unsecured, interest-free and are repayable on demand.

As at 30 June 2026, in view of impairment indicators, the Group performed an impairment assessment on input VAT receivables, the carrying amount of which, after deducting the provision of US$164,020,000 (31 December 2025: US$147,230,000), was US$269,847,000 (31 December 2025: US$222,542,000). For the six months ended 30 June 2026, an impairment loss of US$13,354,000 was recognised (six months ended 30 June 2025: US$7,668,000) in respect of input VAT receivables.

13 RESTRICTED BANK BALANCES, CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
Cash at bank, other financial institutions and on hand	**2,019,963**	1,479,456
Less: non-current restricted bank balances for the banks' letters of guarantee to secure future restoration costs as required by the government of Zambia	**(1,505)**	(1,505)
Less: current restricted bank balances for:		
Issuing letters of credit	**(1,896)**	(1,739)
Cash and cash equivalents in the consolidated statement of financial position and consolidated cash flow statement	**2,016,562**	1,476,212

For the six months ended 30 June 2026, bank balances carry interest at market rates ranging from 0% to 3.72% (2025: 0% to 4.58%) per annum.

14 TRADE PAYABLES AT AMORTISED COST/TRADE PAYABLES AT FVTPL

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
Trade payables at amortised cost	**238,745**	242,784
Trade payables at FVTPL	**299,807**	242,595

14 TRADE PAYABLES AT AMORTISED COST/TRADE PAYABLES AT FVTPL (CONTINUED)

Ageing analysis

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

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
0 to 30 days	**80,873**	75,079
31 to 90 days	**68,035**	72,365
91 to 180 days	**36,970**	26,798
181 to 365 days	**26,949**	52,165
1 to 2 years	**19,304**	11,463
2 to 3 years	**1,727**	4,914
After 3 years	**4,887**	–
	238,745	242,784

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

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
0 to 30 days	**218,984**	160,596
31 to 90 days	**4,891**	70,140
91 to 180 days	**46,488**	11,859
181 to 365 days	**29,444**	–
	299,807	242,595

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

14 TRADE PAYABLES AT AMORTISED COST/TRADE PAYABLES AT FVTPL (CONTINUED)

Included in the Group's trade payables at amortised cost/trade payables at FVTPL are balances with the following related parties:

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
Trade payables at amortised cost:		
Fellow subsidiaries	**94,545**	98,301
CNMC	**154**	–
A non-controlling shareholder of subsidiaries	**1,038**	1,038
	95,737	99,339
Trade payables at FVTPL:		
Fellow subsidiary	**45,361**	17,715
A non-controlling shareholder of a subsidiary	**30,432**	77,310
A non-controlling shareholder of subsidiaries	**16,261**	3,740
	92,054	98,765

The above balances with related parties are unsecured, interest-free and are repayable within three months.

15 OTHER PAYABLES AND ACCRUED EXPENSES

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
Payables for property, plant and equipment	**65,451**	68,384
Dividend payable to non-controlling shareholders of subsidiaries	**51,486**	41,630
Dividend payable to owners of the Company	**161,724**	41
Other tax payables	**82,114**	39,329
Payroll payables	**33,117**	37,922
Accrued expenses	**127,957**	79,192
	521,849	266,498

15 OTHER PAYABLES AND ACCRUED EXPENSES (CONTINUED)

Included in the Group's other payables and accrued expenses are balances with the following related parties:

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
CNMC	**9,865**	8,608
Fellow subsidiaries	**32,526**	34,881
Owners of the Company	**161,724**	41
Non-controlling shareholders of subsidiaries	**51,486**	41,630
	255,601	85,160

The above balances with related parties are unsecured, interest-free and are repayable on demand.

16 BANK AND OTHER BORROWINGS

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
Loan from a fellow subsidiary, unsecured	**10,278**	24,186
Interest payable	**287**	330
	10,565	24,516

During the six months ended 30 June 2026, the Group obtained new bank and other borrowings amounting to US$7,630,000 carries a fixed interest rate of 2.30% per annum. It repaid bank and other borrowings amounting to US$21,857,000. As at 30 June 2026, the Group's bank and other borrowings bear a fixed interest rate of 1.75% (31 December 2025: 1.75% to 2.30%) per annum.

17 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

Dividends payable to owners of the Company attributable to the previous financial year, approved during the interim period:

	Six months ended 30 June	
	2026	2025
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Final dividend in respect of the previous financial year, declared during the following interim period, of US¢4.1446 per share (six months ended 30 June 2025: US¢4.2893 per share)	**161,724**	167,370

During the six months ended 30 June 2026, a final dividend of US¢4.1446 per share in respect of the year ended 31 December 2025 (six months ended 30 June 2025: US¢4.2893 per share in respect of the year ended 31 December 2024) was declared to the owners of the Company. The aggregate amount of the final dividend declared in the six months ended 30 June 2026 amounted to US$161,724,000 (six months ended 30 June 2025: US$167,370,000).

The directors of the Company ("Directors") declared an interim dividend of US¢1.1113 (six months ended 30 June 2025: nil) per share, in an aggregate amount of US$43,363,000 (six months ended 30 June 2025: nil).

(b) Share capital

Authorised and issued share capital:

	Number of shares		
	'000	*HK$'000*	*US$'000*
Issued and fully paid:			
At 31 December 2025 (audited) and 30 June 2026 (unaudited)	3,902,036	6,732,289	864,199

17 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(c) Other reserve

Other reserve comprises the difference between the carrying value of non-controlling interests and the consideration received from a non-controlling shareholder in a subsidiary.

(d) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

18 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

– Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

– Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.

– Level 3 valuations: Fair value measured using significant unobservable inputs.

18 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the level to which the fair value is observable:

	Level 1 *US$'000*	Level 2 *US$'000*	Level 3 *US$'000*	Total *US$'000*
30 June 2026 (unaudited)				
Financial assets at FVTPL				
– Copper future contracts *(Note (i))*	**73**	**–**	**–**	**73**
Financial liabilities at FVTPL				
– Copper future contracts *(Note (i))*	**(14,950)**	**–**	**–**	**(14,950)**
Trade receivables at FVTPL *(Note (ii))*	**–**	**342,970**	**–**	**342,970**
Trade payables at FVTPL *(Note (ii))*	**–**	**(299,807)**	**–**	**(299,807)**
31 December 2025 (audited)				
Financial liabilities at FVTPL				
– Copper future contracts *(Note (i))*	(37,352)	–	–	(37,352)
Trade receivables at FVTPL *(Note (ii))*	–	270,027	–	270,027
Trade payables at FVTPL *(Note (ii))*	–	(242,595)	–	(242,595)

Notes:

(i) Calculated based on the initial transaction prices and quoted prices in an active market.

(ii) Calculated based on the quoted prices in an active market and the estimated grades of copper, gold and silver in Group's copper products.

There were no transfers between Level 1 and 2 in the period.

Except as detailed above, the Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost recognised in the consolidated financial statements approximate their fair values.

19 COMMITMENTS

Commitments outstanding at 30 June 2026 not provided for in the financial statements were as follows:

	At 30 June 2026 ***US$'000*** **(Unaudited)**	At 31 December 2025 *US$'000* (Audited)
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	**126,417**	102,813
Capital expenditure in respect of the acquisition of property, plant and equipment authorised but not contracted for	**539,919**	568,785
	666,336	671,598

20 MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Directors and certain of the highest paid employees, is as follows:

	Six months ended 30 June	
	2026 ***US$'000*** **(Unaudited)**	2025 *US$'000* (Unaudited)
Short-term benefits	**1,051**	1,207
Post-employment benefits	**129**	116
	1,180	1,323

The remuneration of Directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

20 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties:

(i) Transactions with CNMC and its subsidiaries

The Company is controlled by CNMC through China Nonferrous Mining Development Limited, which is a subsidiary of CNMC. The Directors consider the ultimate holding company is CNMC, a stated-owned company established in the PRC.

Other than as disclosed elsewhere in these consolidated financial statements, the Group has following transactions with related parties:

Relationships	*Notes*	**Nature of transactions**	**Six months ended 30 June**	
			2026	2025
			US$'000	*US$'000*
			(Unaudited)	(Unaudited)
Fellow subsidiaries	(i) (ii)	Sales of blister copper and copper anodes	**1,014,036**	722,399
	(i) (iii)	Sales of copper cathodes	**732,757**	439,706
	(i)	Sales of sulphuric acid	**7,997**	6,155
	(i)	Sales of other materials	**15,688**	–
	(i)	Services income	**143**	83
	(i)	Purchases of plant and equipment	**(2,815)**	(1,558)
	(i) (iv)	Purchases of copper concentrate	**(97,852)**	(24,674)
	(i)	Purchases of materials	**(37,919)**	(41,144)
	(i)	Purchases of electricity	**(26,147)**	(21,933)
	(i)	Purchases of services	**(114,796)**	(109,091)
	(i)	Interest expenses on borrowings	**(89)**	(86)
	(i)	Interest income from borrowings	**11,825**	6,277
	(i)	Purchase of freight and transportation	**(2,105)**	(12,119)
	(i)	Expense relating to leases	**(102)**	(143)
	(i)	Average daily deposit balance	**644,347**	275,541

20 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties: (continued)

(i) Transactions with CNMC and its subsidiaries (continued)

Notes:

(i) These transactions were conducted in accordance with terms of the relevant agreements.

(ii) Included in the sales amount of blister copper and copper anodes are gains of US$111,884,000 (six months ended 30 June 2025: gains of US$29,032,000) arising from a provisional pricing arrangement.

(iii) Included in the sales amount of copper cathodes are gains of US$20,636,000 (six months ended 30 June 2025: gains of US$10,007,000) arising from a provisional pricing arrangement.

(iv) Included in the purchase amount of copper concentrate are losses of US$163,000 (six months ended 30 June 2025: losses of US$1,203,000) arising from a provisional pricing arrangement.

(ii) Transactions with subsidiaries of non-controlling shareholders of subsidiaries

Note	**Nature of transactions**	**Six months ended 30 June**	
		2026	2025
		US$'000	*US$'000*
		(Unaudited)	(Unaudited)
(i) (ii)	Sales of blister copper and copper anodes	**142,308**	145,770
(i) (ii)	Sales of copper cathodes	**34,926**	62,403
(i) (ii)	Purchases of materials	**(1,532)**	(37,031)

Notes:

(i) These transactions were conducted in accordance with terms of the relevant agreements.

(ii) Included in the sales amount of blister copper and copper anodes are gains of US$7,353,000 (six months ended 30 June 2025: US$4,027,000) arising from a provisional pricing arrangement.

Included in the sales amount of copper cathodes are gains of US$1,033,000 (six months ended 30 June 2025: US$1,013,000) arising from a provisional pricing arrangement.

20 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties: (continued)

(iii) Transactions with non-controlling shareholders of subsidiaries

Note	**Nature of transactions**	**Six months ended 30 June**	
		2026	2025
		US$'000	*US$'000*
		(Unaudited)	(Unaudited)
(i) (ii)	Purchase of copper cathodes	**(31,013)**	(40,153)
(i) (iii)	Services income	**10,835**	13,576
(i)	Purchases of services	**(1,500)**	(1,500)
(i)	Royalty fee	**(7,451)**	(4,227)

Notes:

(i) These transactions were conducted in accordance with terms of the relevant agreements.

(ii) Included in the purchase amount of copper cathodes are losses of US$489,000 (six months ended 30 June 2025: US$772,000) arising from a provisional pricing arrangement.

(iii) On 29 April 2022, Huachin Leach entered into the Huachin Leach Ore Processing Agreement with GCM. The proposed annual cap for the transactions contemplated under the Huachin Leach Ore Processing Agreement for the period from 29 April 2022 to 28 April 2023 was US$75,600,000 and for the period from 2 October 2023 to 1 October 2024 was US$25,200,000.

On 11 November 2024, Huachin Leach entered into the Huachin Leach Ore Processing Agreement with GCM. The proposed annual cap for the transactions contemplated under the Huachin Leach Ore Processing Agreement for the period from 2 October 2024 to 1 October 2025 was US$64,230,000.

21 ACQUISITION OF SUBSIDIARIES

On 20 November 2024, 24 January 2025, 25 April 2025, 16 June 2025 and 19 December 2025, the Company, SM Minerals Ltd ("SM Minerals") and SM Minerals' shareholders entered into the initial agreement, subscription agreement and share purchase agreement in relation to acquisition of 70% equity interests of SM Minerals and its subsidiaries at a total consideration of US$105,764,000. Upon the completion of the acquisition on 28 April 2026 (the "Acquisition Date"), and accordingly SM Minerals became a subsidiary of the Group.

SM Minerals and its subsidiaries are the companies incorporated in Kazakhstan, principally engaged in mining and production of copper.

SM Minerals and its subsidiaries hold main assets including the Benkala North mining rights and the Benkala South exploration rights. As substantially all of the fair value of the gross assets acquired is concentrated in a group of similar identifiable assets, the acquisition of SM Minerals and its subsidiaries was treated as an asset acquisition.

The assets and liabilities arising from the acquisition of SM Minerals are as follows:

	Acquisition Date *US$'000*
Cash and cash equivalents	**2,989**
Prepayments and other receivables	**6,154**
Inventories	**3,045**
Property, plant and equipment	**4,560**
Mining rights	**143,449**
Trade payables at amortised cost	**(3,117)**
Other payables and accrued expenses	**(5,989)**
Net identifiable assets acquired	**151,091**
Non-controlling interests	**(45,327)**
Total consideration for the identifiable net assets acquired	**105,764**
Less: cash and cash equivalents of the subsidiaries acquired	**(2,989)**
prepayment for the acquisition	**(16,764)**
Net cash outflow arising from the acquisition of SM Minerals	**86,011**

22 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

On 21 August 2026, the Directors declared an interim dividend. Further details are disclosed in Note 17(a).

23 CONTINGENT LIABILITIES

In February 2025, Sino-Metals Leach Zambia Limited (“SML”) experienced a tailings dam incident that led to a temporary suspension of operations (the “Incident”). After the Incident, pursuant to Zambian laws and government regulatory requirements, SML promptly initiated emergency response and risk control measures, carried out environmental monitoring, rehabilitation and treatment, and compensated individual farmers timely in compliance with the compensation assessment report issued by the Zambian government authorities. With approval from the relevant government departments, SML resumed operations in January 2026.

On 6 January 2026, the Zambia Environmental Management Agency (ZEMA) convened a public disclosure meeting for the environmental assessment report issued on the SML-related incident on 18 February 2025. SML has taken the remedial recommendations outlined in the report seriously. Under the guidance of the relevant regulatory authorities and building on the achievements of previous environmental remediation efforts, it has scientifically and systematically developed an environmental remediation implementation plan and is methodically advancing all remediation work. Currently, core remediation projects, including soil remediation, surface water treatment, and vegetation restoration, have been largely completed, and phased results have been achieved in the comprehensive environmental remediation efforts.

As of the date this interim financial report was approved, SML is involved in several legal proceedings and claims related to the Incident. Upon assessment, SML believes that there are discrepancies between the actual facts and some of the pending legal proceedings and claims, which lack both legal and factual basis. SML intends to vigorously defend against these allegations through all available legal channels, and safeguard its legitimate rights and interests.

Since the outcomes of these legal proceedings remain uncertain, they continue to be disclosed as contingent liabilities as of 30 June 2026.

24 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026

A number of amendments and new standards are not yet mandatory for annual periods beginning 1 January 2026. Earlier application is permitted; however, the Group has not early adopted any new or amended standards in preparing this interim financial report.

The following updates the information provided in the last annual financial statements about the possible impacts of HKFRS 18 which may have a significant impact on the Group's consolidated financial statements when adopted.

HKFRS 18, *Presentation and disclosure in financial statements*

HKFRS 18 will replace HKAS 1, *Presentation of financial statements*, and is first effective for annual reporting periods beginning on or after 1 January 2027.

HKFRS 18 introduces new requirements for presentation and disclosure in financial statements, including new categories and defined subtotals in the statement of profit or loss, enhanced requirements for aggregation and disaggregation of information, and specific disclosures about management-defined performance measures. The Group is assessing the expected impact that the initial application of HKFRS 18 will have on its consolidated financial statements.

The Group expects that the adoption of HKFRS 18 will not change the Group's net assets or net profit. However, it is expected to affect the presentation of the Group's consolidated statement of profit or loss and related note disclosures. Based on the work performed to date, the Group's assessment on the expected impact of the initial application of HKFRS 18 is summarised below. The assessment remains subject to change as the Group continues its implementation work.

24 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026 (CONTINUED)

HKFRS 18, *Presentation and disclosure in financial statements* (continued)

(a) Structure of the statement of profit or loss

HKFRS 18 requires entities to classify income and expenses into specified categories in the statement of profit or loss, including operating, investing, and financing categories. It also requires entities to present two newly defined subtotals, which are "operating profit" and "profit or loss before financing and income taxes". The operating profit subtotal is expected to differ from the current profit from operations subtotal presented by the Group. Based on the work performed to date, the Group also expects the following changes to the consolidated statement of profit or loss:

- Classification of income and expenses depends on the Group's main business activities;
- Interest income which is currently presented in the Group's other income, is expected to be classified in the investing category. The income and expenses classified in the investing category, together with the subtotal "operating profit", will form the new subtotal "profit or loss before financing and income taxes";
- The Group is assessing the classification of income and expenses as currently included in the finance cost line item and expects that this line item will be disaggregated into "income and expenses on liabilities arising solely from raising of finance" and "interest expenses on other liabilities" in the financing category;
- The Group is required to assess the classification of foreign exchange differences in the same category as the income and expenses from the items that gave rise to the differences, unless doing so would involve undue cost or effort; and
- The Group currently presents operating expenses by function. The Group is assessing whether its current presentation, or a mixed presentation by nature and function, will provide the most useful structured summary of its operating expenses under HKFRS 18. If the Group continues to present one or more operating expense line item by function, information about five specific expenses by nature will be provided in a single note to the financial statements.

24 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS, AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE SIX MONTHS ENDED 30 JUNE 2026 (CONTINUED)

HKFRS 18, *Presentation and disclosure in financial statements* (continued)

(b) Management-defined performance measures ("MPM")

MPMs are subtotals of income and expenses used in public communications outside the financial statements that communicate management's view of an aspect of the financial performance of the entity as a whole to users. Based on the Group's current assessment, the Group has not identified any MPMs used in its management commentary, press releases, and investor presentations. The Group is also developing a process to identify its public communications and assess whether other measures reported in those communications meet the definition of an MPM.

The Group will be required to disclose specific information about MPMs in a single note in the financial statements. The MPMs disclosed by the Group following adoption of HKFRS 18 will be determined based on public communications issued by the Group relating to the same reporting period.

(c) Principles of aggregation and disaggregation

HKFRS 18 provides enhanced principles on how to group information in the financial statements, including the primary financial statements and the notes. It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

The Group has been consistently applied the principles of aggregating and disaggregating the items on the basis of similar and dissimilar characteristics. The Group is also assessing line items currently labelled as "other" across the primary financial statements and the notes and expects to use more informative labels where material information would otherwise be obscured.

HKFRS 18 also introduces consequential amendments to HKAS 7, *Statement of cash flows*. The Group is assessing the impact of those amendments, including the requirement to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method and the classification of interest and dividend cash flows.

The actual impact of applying HKFRS 18 may change as the Group continues to assess the new requirements and finalises any changes to its reporting processes, controls and accounting policies before the date of initial application.

DEFINITIONS

In this interim report, unless the context otherwise requires, the following words and expressions shall have the following meanings.

"AGM"	the annual general meeting of the Company
"Articles of Association" or "Articles"	the articles of association of the Company that were adopted on 25 June 2026
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Audit Committee"	the audit committee of the Board
"Board of Directors" or "Board"	the board of directors of the Company
"BVI"	the British Virgin Islands
"CCS"	Chambishi Copper Smelter Limited（謙比希銅冶煉有限公司*）, a company incorporated in Zambia on 19 July 2006 and a subsidiary of the Company
"CG Code" or "Corporate Governance Code"	code provisions set out in the Corporate Governance Code contained in Part 2 of Appendix C1 of the Listing Rules
"Chambishi Leach Plant"	the copper leaching plant located in the Copperbelt province in Zambia held by SML and where SML undertakes its leaching operations
"China" or "PRC"	the People's Republic of China, for the purpose of this report and for geographical reference only and except where the context requires, references to "China" and the "PRC" do not include Taiwan Region of China, the Macau Special Administrative Region of the PRC and Hong Kong Special Administrative Region of the PRC
"CNMC"	China Nonferrous Metal Mining (Group) Co., Ltd*（中國有色礦業集團有限公司）, a state-owned enterprise incorporated under the laws of the PRC in 1997 with operating history dating back to 1983, directly administered by SASAC, and the ultimate controlling shareholder of the Company
"CNMC Finance"	Nonferrous Metal Mining Group Finance Co., Ltd.* (有色礦業集團財務有限公司), a financial institution established under the laws of the PRC and the approval of the China Banking and Insurance Regulatory Commission, and is a subsidiary of CNMC
"CNMC Guarantee Fees Framework Agreement"	the framework agreement dated 18 November 2014 entered into between the Company and CNMC in relation to the reimbursement of guarantee fees paid by CNMC to third party financial institutions
"CNMC Huachin Mabende"	CNMC Huachin Mabende Mining SA（中色華鑫馬本德礦業股份有限公司*）(formerly known as "CNMC Mabende SPRL"（中色馬本德礦業有限公司*）, a joint venture established in the DRC on 9 November 2012 by SML and Huachin SPRL, an associate of the Group

"CNMD"	China Nonferrous Mining Development Limited (中色礦業發展有限公司), an investment holding company incorporated under the laws of the BVI on 12 July 2011, a wholly-owned subsidiary of CNMC and the controlling shareholder of the Company
"CNMH"	China Nonferrous Mining Holdings Limited (中色礦業控股有限公司*), an investment holding company incorporated under the laws of the Republic of Ireland on 23 September 2011 and a wholly-owned subsidiary of the Company
"CNMHK"	China Nonferrous Mining Hong Kong Holdings Limited (中色礦業香港控股有限公司), an investment holding company incorporated in Hong Kong on 6 October 2015 with limited liability under the Companies Ordinance, a directly controlling subsidiary of the Company
"CNMHKI"	China Nonferrous Mining Hong Kong Investment Limited (中色礦業香港投資有限公司), an investment holding company incorporated in Hong Kong on 2 December 2016 with limited liability under the Companies Ordinance, a directly controlling subsidiary of the Company
"Companies Ordinance"	the Companies Ordinance of Hong Kong (Chapter 622 of the laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company", "we", "us" or "our"	China Nonferrous Mining Corporation Limited (中國有色礦業有限公司), a company incorporated in Hong Kong on 18 July 2011 with limited liability under the Companies Ordinance and, except where the context otherwise requires, all of its subsidiaries or where the context refers to any time prior to its incorporation, the business which its predecessors or the predecessors of its present subsidiaries were engaged in and which were subsequently assumed by it
"Compliance Committee"	the compliance committee of the Board
"connected person(s)"	has the meaning ascribed thereto in the Listing Rules
"connected transaction(s)"	has the meaning ascribed thereto in the Listing Rules
"controlling shareholder"	has the meaning ascribed thereto under the Listing Rules
"Deed of Non-Competition Undertaking"	a deed of non-competition undertaking dated 14 May 2012 entered into between CNMC and the Company under which CNMC has given us certain undertakings in respect of the conduct of certain of its activities outside the PRC
"Director(s)"	director(s) of the Company
"DRC"	the Democratic Republic of the Congo
"EGM"	the extraordinary general meeting of the Company

"Fifteen MCC Africa"	Fifteen MCC Africa Construction & Trade Ltd（中國十五冶非洲建築貿易公司*）, a company incorporated under the laws of Zambia on 24 May 2007 and a fellow subsidiary of CNMC
"GCM"	La Generale des Carrieres et des Mines SA, a one-person joint-stock company incorporated in the DRC in accordance with the DRC laws, which is a state-owned enterprise of the DRC
"Global Offering"	the offering of the Shares of the Company for subscription by the public in Hong Kong and purchase by institutional and professional investors as described in the Prospectus
"Group", "we" or "us"	the Company and its subsidiaries or any of them, or where the context so requires, in respect of the period before the Company became the holding company of its present subsidiaries, the present subsidiaries of the Company
"HK$" or "Hong Kong dollar(s)"	Hong Kong dollars, the lawful currency for the time being of Hong Kong
"HKFRS(s)"	Hong Kong Financial Reporting Standard, as issued by the Hong Kong Institute of Certified Public Accountants
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the People's Republic of China
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Hong Kong Zhongfei"	Hong Kong Zhongfei Mining Investment Limited（香港中非礦業投資有限公司）, a company incorporated under the Companies Ordinance in Hong Kong in January 2014 holding 30% of SML and 30% of CNMHK
"Huachin"	Huachin International Trading Limited（國際華鑫貿易有限公司）, a company incorporated in Hong Kong with limited liability
"Huachin Leach"	Huachin Metal Leach SA（中色華鑫濕法冶煉股份有限公司*）, a company incorporated under the laws of the DRC on 17 December 2010 and a subsidiary of SML
"Independent Shareholders"	Shareholders other than CNMD and its associates
"JORC"	the Australasian Joint Ore Reserves Committee
"JORC Code"	the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves
"Kambove Mining"	Kambove Mining SAS（剛波夫礦業簡易股份有限公司*）, a company established in DRC and a subsidiary of the Company

DEFINITIONS (CONTINUED)

"Kingsail"	Kingsail Limited（香港鑫晟貿易有限公司）, a company incorporated in Hong Kong on 9 October 2018 with limited liability under the Companies Ordinance, a subsidiary of the Company
"Latest Practicable Date"	15 September 2026, being the latest practicable date prior to the printing of this interim report for ascertaining certain information herein
"LIBOR"	London Interbank Offer Rate
"Listing"	the listing of the Shares on the Main Board of the Hong Kong Stock Exchange on 29 June 2012
"Listing Rules"	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
"Lualaba Copper Smelter"	Lualaba Copper Smelter SAS（盧阿拉巴銅冶煉股份有限公司*）, a company established in DRC and a subsidiary of the Company
"Luanshya"	CNMC Luanshya Copper Mines PLC（中色盧安夏銅業有限公司*）, formerly Luanshya Copper Mines PLC, a company incorporated in Zambia on 10 July 2003 and a subsidiary of the Company
"Mabende Mining"	Mabende Mining SARL（馬本德礦業有限責任公司*）(formerly known as Mabende Mining SPRL（馬本德礦業有限公司*）), a company incorporated under the laws of the DRC
"Mabende Project"	the project undertaken by CNMHK through CNMC Huachin Mabende to construct and operate a leaching plant in the DRC
"Main Board"	the Main Board of the Hong Kong Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules
"Mt"	million tonnes
"Muliashi Project"	an integrated project involving the mining and leaching of copper oxide ores undertaken by Luanshya, including the Muliashi North Mine, the Muliashi Leach Plant and the planned Baluba East Mine
"NFCA"	NFC Africa Mining PLC（中色非洲礦業有限公司*）, a company incorporated in Zambia on 5 March 1998, and a subsidiary of the Company
"Nomination Committee"	the nomination committee of the Board
"Non-Competition Undertaking"	the non-competition undertaking set out in the Deed of Non-Competition Undertaking

"PRC government" or "State"	the government of the PRC, including all governmental subdivisions (including provincial, municipal and other regional or local government entities)
"Properties Leasing Framework Agreement"	the properties leasing framework agreement dated 18 November 2014 entered into between the Company and CNMC
"Prospectus"	the prospectus dated 20 June 2012 issued by the Company in connection with the Global Offering and the Listing
"Remuneration Committee"	the remuneration committee of the Board
"Renminbi" or "RMB"	Renminbi yuan, the lawful currency for the time being of the PRC
"Reporting Period"	the period from 1 January 2026 to 30 June 2026
"Retained Group"	CNMC and its subsidiaries (excluding the Group)
"SFO"	the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares of the Company
"SM Minerals"	SM Minerals Ltd., a company incorporated in Kazakhstan on 8 February 2024, a subsidiary of the Company
"SML"	Sino-Metals Leach Zambia Limited（贊比亞謙比希濕法冶煉有限公司*）, a company incorporated under the laws of Zambia on 3 December 2004 and a subsidiary of the Company
"subsidiary" or "subsidiaries"	has the meaning ascribed thereto in section 2 of the Companies Ordinance
"substantial shareholder"	has the meaning ascribed thereto in the Listing Rules
"United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US¢" or "US cent(s)"	United States cents, the lawful currency for the time being of the United States
"US$", "USD" or "US dollar(s)"	United States dollars, the lawful currency for the time being of the United States
"VAT"	value-added tax; all amounts are exclusive of VAT in this report except indicated otherwise

DEFINITIONS (CONTINUED)

"YH Metal"	Yunnan & Hongkong Metal Company Limited (雲港金屬有限公司), a company established in Hong Kong with limited liability and a wholly-owned subsidiary of Yunnan Copper Group
"Yunnan Copper"	Yunnan Copper Industry Co., Ltd*(雲南銅業股份有限公司), a company Incorporated under the laws of the PRC on 15 May 1998 and a subsidiary of Yunnan Copper Group
"Yunnan Copper Group"	Yunnan Copper Industry (Group) Co., Ltd.*(雲南銅業(集團)有限公司), a company incorporated under the laws of the PRC in April 1996 holding 40% of the issued share capital of CCS
"Zambia"	the Republic of Zambia
"ZCCM"	Zambia Consolidated Copper Mines Limited, a company incorporated in Zambia in 1982 and succeeded by ZCCM-IH
"ZCCM-IH"	Zambia Consolidated Copper Mines Investments Holdings Plc, the successor company to ZCCM, majority owned by the Government of Zambia
"ZMK"	Zambian Kwacha, the lawful currency for the time being of Zambia

* *Translation of English or Chinese terms for reference purposes only.*

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