



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)

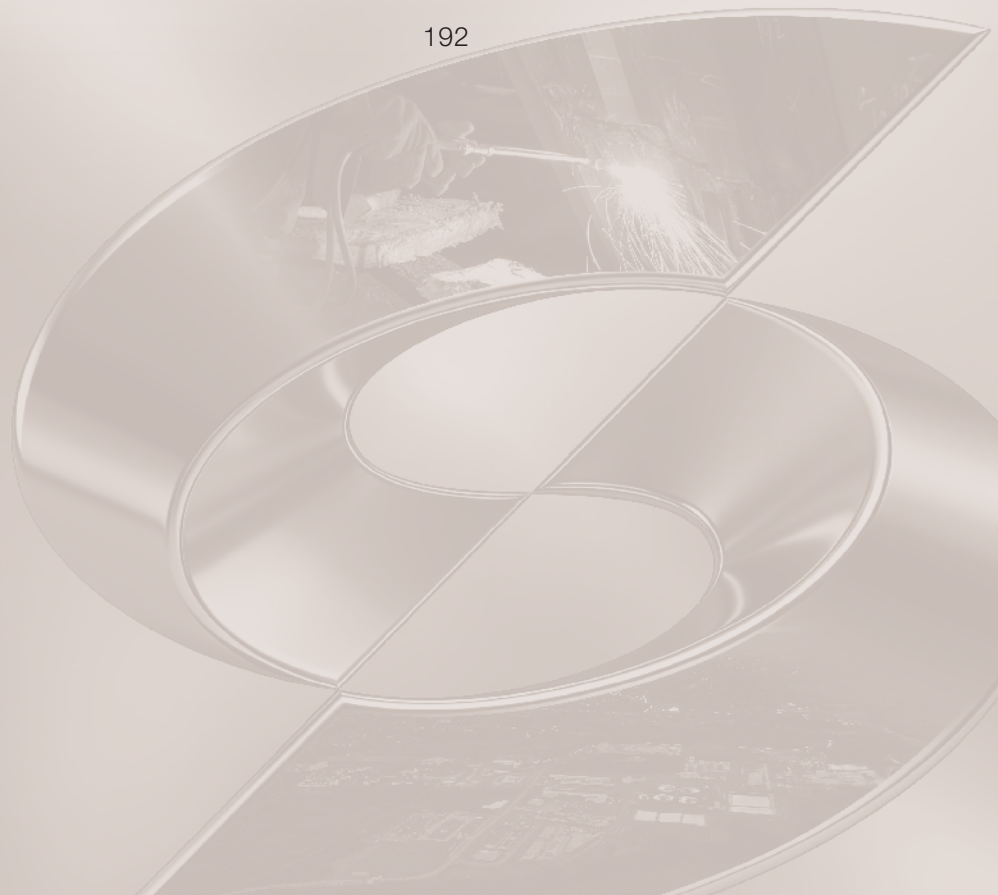
Stock Code: 01258



ANNUAL
REPORT
2025

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CORPORATE INFORMATION

REGISTERED OFFICE

Unit 1303, 13/F, Austin Tower
22-26 Austin Avenue
Tsim Sha Tsui
Kowloon, Hong Kong

PRINCIPAL PLACE OF BUSINESS IN ZAMBIA

32 Enos Chomba Road
Kitwe, Zambia

PRINCIPAL PLACE OF BUSINESS IN THE DRC

Lubumbashi
Katanga Province
Congo (DRC)

COMPANY'S WEBSITE

www.cnmcl.net

STOCK CODE

01258

DIRECTORS

Executive Directors

Mr. Bo XIAO (*Chairman*)
(appointed with effect from 27 March 2025)
Mr. He YANG (*Chairman*)
(resigned with effect from 27 March 2025)

Non-Executive Directors

Ms. Yani GONG
Mr. Zhijiang CHEN
(appointed on 28 October 2025)
Mr. Yaoyu TAN
(resigned on 28 October 2025)

Independent Non-Executive Directors

Mr. Huanfei GUAN
Mr. Guangfu GAO
Mr. Yufeng SUN (appointed on 21 March 2025)
Mr. Dingfan QIU (resigned on 21 March 2025)



Luanshya Muliashi Leaching Plant



THE COMMITTEES OF THE BOARD

Audit Committee

Mr. Guangfu GAO (*Chairman*)
Mr. Zhijiang CHEN (appointed on 28 October 2025)
Mr. Huanfei GUAN
Mr. Yaoyu TAN (resigned on 28 October 2025)

Nomination Committee

Mr. Yufeng SUN (*Chairman*)
(appointed on 21 March 2025)
Mr. Guangfu GAO
Ms. Yani GONG
(appointed with effect from 30 June 2025)
Mr. Dingfan QIU (*Chairman*)
(resigned on 21 March 2025)
Mr. He YANG (resigned with effect from 27 March 2025)
Mr. Bo XIAO (appointed with effect from 27 March 2025)
(resigned with effect from 30 June 2025)

Remuneration Committee

Mr. Huanfei GUAN (*Chairman*)
Mr. Bo XIAO (appointed with effect from 27 March 2025)
Mr. Yufeng SUN (appointed on 21 March 2025)
Mr. He YANG (resigned with effect from 27 March 2025)
Mr. Dingfan QIU (resigned on 21 March 2025)

Compliance Committee

Mr. Bo XIAO (*Chairman*)
(appointed with effect from 27 March 2025)
Mr. Huanfei GUAN
Mr. Yufeng SUN (appointed on 21 March 2025)
Mr. He YANG (*Chairman*)
(resigned with effect from 27 March 2025)
Mr. Dingfan QIU (resigned on 21 March 2025)

JOINT COMPANY SECRETARIES

Mr. Chaoran ZHU
Ms. Man Yi WONG

LEGAL ADVISER

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

HONG KONG SHARE REGISTRAR

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



CHAIRMAN'S STATEMENT

Chairman of the Board
Bo XIAO



CHAIRMAN'S STATEMENT (CONTINUED)



Dear shareholders, investors and friends from all sectors of society,

As the year goes by, we remain steadfast in pursuit of long-term goals. The year 2025 marks the conclusion of the “14th Five-Year Plan” as well as the year of the planning phase for the “15th Five-Year Plan”. It is also a year in which CNMC continues to uphold its original aspiration in an unswerving manner amid a complex and evolving environment. On behalf of the board of directors and all staff of the Company, I would like to extend my most sincere gratitude and highest respect to our shareholders, investors, and friends from all sectors of society who have long cared for, supported, and accompanied the Company's growth.

Since entering Zambia to develop the Chambishi copper mine in 1998, the Company has been among the earliest Chinese mining enterprises to implement the “Going Global” initiative. Over more than two decades of dedicated operations in South and Central Africa, the Company has adhered to the cooperation principle of “mutual benefit and common development”, progressively establishing a comprehensive copper and cobalt resource development and industrial chain layout. In 2025, in the face of multiple challenges such as heightened volatility in the global mining market, complex and evolving geopolitical environment, local power supply shortages in Africa, and the suspension and renovation of major mines, the Company has remained committed to its mission and responsibilities as a state-owned enterprise, resolutely implementing the strategic directives of controlling shareholders. Guided by the principles of “stabilising production, controlling costs, enhancing efficiency, and optimising structure”, the Company has tackled challenges with precision and successfully achieving various annual targets. Core operating indicators have continued to improve steadily, further highlighting the Company's commitment to high-quality development.

In 2025, the Company's operating performance improved steadily and its profitability continued to strengthen. For the year, the Company achieved an operating revenue of US\$3,420 million, net profit of US\$583 million, and net profit attributable to the parent company of US\$404 million; and earnings per share were 10.36 US cents, delivering stable returns to shareholders. The financial structure continued to become optimised with the gearing ratio remaining at a low level. Net cash flow from operating activities reached US\$939 million, and cash and cash equivalents increased to approximately US\$1,500 million. The sound and stable cash flow further enhanced the Company's risk resilience, laying a solid financial foundation for its long-term development.

In terms of production and operations, the Company adopted coordinated planning and lean management, achieving a favourable condition with stable output and strong gross margins. In 2025, the Company's total copper output reached approximately 549,600 tonnes, including approximately 192,300 tonnes of blister copper and copper anodes, 130,200 tonnes of copper cathodes, and 227,100 tonnes of processed copper products. Copper output from owned mines was approximately 143,100 tonnes, with core production units maintaining strong momentum. At the same time, the Company also produced approximately 1,068,300 tonnes of sulfuric acid, approximately 829 tonnes of cobalt contained in cobalt hydroxide, and approximately 5,337 tonnes of liquid sulfur dioxide. All major products have essentially met their annual output targets. Benefiting from the synergistic advantages of the full industrial chain and refined management, the Company's annual gross profit margin rose to 31.1%, with mining copper contributing profit margin of 59.1%. This fully demonstrates the Company's operational resilience and core competitiveness.



CHAIRMAN'S STATEMENT (CONTINUED)

Over the past year, the company has achieved notable successes in expanding reserves and production, external mergers and acquisitions, and lean management. Significant progress has been made in our resource layout and portfolio. The Company successfully signed an agreement to acquire the Benkala copper project in Kazakhstan to secure a cumulative 70% equity interest. This expansion of resource footprint into Central Asia lays a solid foundation for long-term stable and increased production. Exploration in the deep and peripheral areas of our core mining areas proceeded in an orderly manner, resulting in a steady increase in copper metal resources and a continuous improvement in our resource security capabilities. The construction of key projects has accelerated with improved efficiency. Steady progress was made in key projects including the new mine project of Luanshya, Chambishi Southeast Mine Phase II, and the Kambove Minsesa Mine, with expansion of production capacity to be expected. With the continued deepening of lean management, Luanshya achieved a 100% proportion of Grade A copper cathodes, contributing a premium of US\$2.15 million as a result of the brand enhancement. Kambove Mining successfully listed its brand and successfully obtained LME delivery brand approval, and completed an overall optimisation of its leaching processing system. A number of technical upgrades and management initiatives effectively reduced its operating costs and improved production efficiency.

In the capital market, the Company has always adhered to its original aspiration of rewarding shareholders and continuously optimized its investor relations management. In 2025, the Board proposed a dividend distribution equivalent to 40% of the net profit attributable to owners of the parent company, with a final dividend of 4.1446 US cents per share, representing a total dividend of approximately US\$162 million. The Company has maintained a high dividend payout ratio for several consecutive years since 2020, with a dividend yield consistently ranking among the highest in the industry, rewarding shareholders' trust and support with tangible returns. In November last year, the Company was included in the MSCI China Index for the first time. Its stock liquidity and market recognition continued to improve, and its market capitalization management reached a new level, fully reflecting the capital market's recognition of the Company's growth potential.

As an international mining enterprise, the Company places great emphasis on the development of its ESG system and integrates the concept of sustainable development into the entire process of production and operations. In terms of ecological and environmental protection, the Company actively promotes the application of clean energy and resource recycling. Three of its enterprises have adopted a green power supply model combining solar photovoltaic system with energy storage, and four subsidiaries have obtained ISO 14001 environmental management system certification, with continuous improvement in the standardised management of greenhouse gas emissions. In respect of workplace safety and employee rights protection, six subsidiaries have been certified with the ISO 45001 occupational health and safety management system, and four subsidiaries have passed ISO 9001 quality management system certification, effectively safeguarding employees' safety as well as legitimate rights and interests. For localised development, the Company has continuously increased investment in public welfare, focusing on education, health care and infrastructure construction by launching a number of public welfare projects to support local economic and social development, demonstrating the image of a responsible enterprise.

CHAIRMAN'S STATEMENT (CONTINUED)



Currently, the world is undergoing rapid changes on a scale not seen in a century, with ongoing conflicts in various hotspots. Unilateralism and protectionism continue to disrupt global industrial and supply chains, while volatility in commodity prices and exchange rates has intensified. Disturbing factors such as political instability and power shortages in certain parts of Africa remain, and the future development of the Company will continue to face numerous challenges. Nevertheless, we also recognise clearly that the fundamental trend of China's economy sustaining sound growth in the long run remains unchanged. The 15th Five-Year Plan period will attach greater emphasis on quality improvement, efficiency enhancement and green transformation, providing solid support for the demand for industrial metals such as copper. Meanwhile, the rapid development of emerging industries such as new energy, energy storage and AI data centres has further unlocked the demand potential of copper. In the medium to long term, copper prices are expected to remain a pattern of high-level fluctuation with an upward-moving average, presenting broad opportunities and growth potential for the industry.

Looking ahead, as we stand at the new starting point of the 15th Five-Year Plan, the Company will thoroughly implement the new development philosophy, stay committed to the strategic goal of "building a world-class mining enterprise", and focus on four core tasks, namely "increasing reserves and production, reducing costs and improving efficiency, empowering development through technology, and strengthening operations via capital". We will accelerate the release of production capacity in key projects, continue to pursue acquisitions of high-quality resources, and expand copper and cobalt reserves. Guided by new-quality productive forces, we will push forward the construction of intelligent mines and green smelters, strengthen technological innovation, and enhance production efficiency and resource recovery rates. We will continue to optimise capital management, adhere to the high-dividend policy, and improve market capitalisation management, so as to achieve a win-win outcome of preserving and increasing the value of state-owned assets while delivering sound returns to shareholders. We will strengthen compliance, risk control and overseas operation management, actively fulfill social responsibilities, and promote integrated development of the enterprise and local communities.

The journey may be long, but we will reach the destination if we keep walking; the task may be difficult, but we will succeed if we persevere. In 2026, the board of directors and all staff of the Company will continue to forge ahead with determination and unwavering dedication, seizing opportunities in the industry and addressing various challenges, to continuously enhance the Company's core competitiveness and value creation capabilities. We firmly believe that, under the strong leadership of our controlling shareholder and with the full support of shareholders and friends from all sectors of society, the Company will surely open a new chapter of high-quality development during the 15th Five-Year Plan period, creating greater value for all shareholders and society!

Once again, I would like to express our sincere gratitude for the trust and companionship of all shareholders. I look forward to joining hands with friends from all walks of life to build a better future together!

Bo XIAO

Chairman of the Board

China Nonferrous Mining Corporation Limited



RESULTS HIGHLIGHTS

OPERATING RESULTS

In 2025, the Group recorded revenue of US\$3,420.1 million, representing a decrease of US\$396.4 million from US\$3,816.5 million in 2024. In 2025, the Group recorded profit attributable to owners of the Company of US\$404.3 million, increased by US\$5.8 million from US\$398.5 million in 2024.

CHANGES IN PRODUCT OUTPUT

In 2025, the Group accumulatively produced 130,232 tonnes of copper cathodes, representing an increase of 3.2% year-on-year; 192,266 tonnes of blister copper and copper anodes, representing a decrease of 32.8% year-on-year; 829 tonnes of cobalt contained in cobalt hydroxides, representing a decrease of 17.9% year-on-year; 1,068,286 tonnes of sulphuric acid, representing an increase of 1.2% year-on-year; 5,337 tonnes of liquid sulphur dioxide, representing a decrease of 66.6% year-on-year; and the processed copper products by the Group amounted to 227,060 tonnes, representing an increase of 102.9% year-on-year.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Results of Operations

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

	For the year ended 31 December							
	2025				2024			
	Sales Volume ⁽¹⁾	Average Selling Price (US\$ per tonne)	Revenue (US\$'000)	% of Total Revenue (%)	Sales Volume ⁽¹⁾	Average Selling Price (US\$ per tonne)	Revenue (US\$'000)	% of Total Revenue (%)
	(Tonnes)	tonne)	(US\$'000)	(%)	(Tonnes)	tonne)	(US\$'000)	(%)
Blister copper and copper anodes	191,668	9,395	1,800,695	52.7	286,753	8,551	2,452,132	64.3
Copper cathodes	133,815	9,020	1,207,037	35.3	130,621	8,235	1,075,635	28.2
Cobalt contained in cobalt hydroxide	-	-	-	-	633	7,256	4,596	0.1
Sulphuric acid	761,967	282	215,102	6.3	817,866	204	166,961	4.4
Liquid sulphur dioxide	5,326	1,007	5,365	0.1	16,221	807	13,092	0.3
Copper products processing services ⁽²⁾	226,358	848	191,860	5.6	111,042	937	104,056	2.7
Total			3,420,059	100.0			3,816,472	100.0

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

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

Revenue

The revenue of the Group decreased by 10.4% from US\$3,816.5 million in 2024 to US\$3,420.1 million in 2025, primarily attributable to the year-on-year increase in the production of blister copper and copper anodes processed for enterprises outside of the Group and the year-on-year decrease in the sales volume of self-produced and sold copper products, resulting in a year-on-year decrease in revenue. In 2025, the Group's revenue generated from blister copper and copper anodes, copper cathodes and sulphuric acid accounted for 52.7%, 35.3% and 6.3% of the total revenue respectively.

The revenue from blister copper and copper anodes decreased by 26.6% from US\$2,452.1 million in 2024 to US\$1,800.7 million in 2025, mainly due to the year-on-year increase in the production of blister copper and copper anodes processed for enterprises outside of the Group and the year-on-year decrease in the sales volume of self-produced and sold copper products during the Reporting Period in order to avoid capital appropriation and exchange risks caused by the further increase in the balance of input VAT receivables, resulting in a year-on-year decrease in revenue.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

The revenue from copper cathodes increased by 12.2% from US\$1,075.6 million in 2024 to US\$1,207.0 million in 2025, primarily attributable to the year-on-year increase in the sales volume of copper cathodes and the increase in global copper price.

The revenue from sulphuric acid increased by 28.8% from US\$167.0 million in 2024 to US\$215.1 million in 2025, mainly attributable to the year-on-year increase in the unit selling price of sulphuric acid.

Cost of Sales

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

	For the year ended 31 December							
	2025				2024			
	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	1,580,973	8,248	219,722	12.2	2,043,490	7,126	408,642	16.7
Copper cathodes	630,384	4,711	576,653	47.8	575,326	4,405	500,309	46.5
Cobalt contained in cobalt hydroxides	1,903	-	(1,903)	-	12,894	20,357	(8,298)	(180.6)
Sulphuric acid	57,085	75	158,017	73.5	66,280	81	100,681	60.3
Liquid sulphur dioxide	2,599	488	2,766	51.6	6,598	407	6,494	49.6
Copper products processing services ^{Note}	84,577	374	107,283	55.9	62,737	565	41,319	39.7
Total	2,357,521		1,062,538	31.1	2,767,325		1,049,147	27.5

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

The annual cost of sales of the Group decreased by 14.8% from US\$2,767.3 million in 2024 to US\$2,357.5 million in 2025, primarily due to the year-on-year increase in the production of blister copper and copper anodes processed for enterprises outside of the Group and the year-on-year decrease in the sales volume of self-produced and sold copper products, resulting in a year-on-year decrease in the cost of sales.

The cost of sales in respect of blister copper and copper anodes decreased by 22.6% from US\$2,043.5 million in 2024 to US\$1,581.0 million in 2025, primarily due to the year-on-year increase in the production of blister copper and copper anodes processed for enterprises outside of the Group and the year-on-year decrease in the sales volume of self-produced and sold copper products, resulting in a year-on-year decrease in the cost of sales.

The cost of sales in respect of copper cathodes increased by 9.6% from US\$575.3 million in 2024 to US\$630.4 million in 2025, primarily due to the year-on-year increase in the sales volume and unit cost of sales of copper cathodes.

The cost of sales in respect of sulphuric acid decreased by 13.9% from US\$66.3 million in 2024 to US\$57.1 million in 2025, primarily due to the year-on-year decrease in the sales volume of sulphuric acid.



Gross profit and gross profit margin

The Group recorded a gross profit of US\$1,062.5 million in 2025, representing an increase of 1.3% from US\$1,049.1 million in 2024. The gross profit margin increased from 27.5% in 2024 to 31.1% in 2025, primarily due to the decrease in the proportion of low-margin blister copper and copper anode production and the increase in the proportion of high-margin processing services during 2025. In particular:

The gross profit margin of blister copper and copper anodes decreased from 16.7% in 2024 to 12.2% in 2025, primarily attributable to the increase in the unit cost of sales of blister copper and copper anodes being greater than the increase in the unit selling price due to the year-on-year decrease in global copper smelting processing fees.

The gross profit margin of copper cathodes increased from 46.5% in 2024 to 47.8% in 2025, mainly due to the increase in the unit selling price of copper cathodes being greater than the increase in the unit cost of sales due to the increase in global copper price.

The gross profit margin of sulphuric acid increased from 60.3% in 2024 to 73.5% in 2025, primarily due to the year-on-year increase in sulphuric acid unit selling price.

Distribution and selling expenses

The distribution and selling expenses of the Group amounted to US\$11.6 million in 2025, representing an increase of 33.3% from US\$8.7 million in 2024, primarily due to the year-on-year increase in customs clearance fees.

Administrative expenses

The administrative expenses of the Group increased by 37.0% from US\$192.5 million in 2024 to US\$263.8 million in 2025, primarily due to the temporary suspension of production at SML to focus on the appropriate rehabilitation measures.

Finance costs

The finance costs of the Group were US\$5.1 million in 2025, decreased by 54.9% from US\$11.3 million in 2024, mainly due to the repayments of bank borrowings, resulting in a decline in financing.

Other gains and losses

In terms of other gains and losses, the Group recorded a net gain of US\$22.6 million in 2025, representing a decrease in loss of US\$104.0 million from the net loss of US\$81.4 million in 2024, mainly due to the year-on-year increase in exchange gain.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Income tax

The income tax expense of the Group increased by US\$11.8 million from US\$217.9 million in 2024 to US\$229.7 million in 2025, mainly due to the year-on-year increase in total profit.

Profit and net profit margin attributable to owners of the Company

As a result of the foregoing, the profit attributable to the owners of the Company increased by 1.5% from US\$398.5 million in 2024 to US\$404.3 million in 2025. The profit margins attributable to the owners of the Company (being the profit attributable to the owners of the Company as a percentage of revenue) were 10.4% in 2024 and 11.8% in 2025, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Cash flows

The following table sets forth certain information regarding the consolidated statements of cash flows of the Group for the periods indicated:

	For the year ended 31 December	
	2025	2024
	(US\$'000)	(US\$'000)
Net cash from operating activities	938,657	775,216
Net cash used in investing activities	(274,947)	(79,455)
Net cash used in financing activities	(209,605)	(173,021)
Net increase in cash and cash equivalents	454,105	522,740
Cash and cash equivalents at beginning of year	1,018,662	492,364
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	3,445	3,558
Cash and cash equivalents at end of year, represented by:		
Bank balances and cash	1,476,212	1,018,662

Net cash flows generated from operating activities

Cash inflows generated from operating activities are primarily attributable to the sales revenue of copper and sulphuric acid products and cash outflows are primarily attributable to the purchase of raw materials and various operating expenses. Net cash flows generated from the operating activities of the Group increased by US\$163.5 million from a net inflow of US\$775.2 million in 2024 to a net inflow of US\$938.7 million in 2025, primarily attributable to the year-on-year increase in the balances of trade and other payables, and the year-on-year decrease in inventories.



Net cash flows used in investing activities

Cash outflows used in investing activities are mainly for the purchase and construction of property, plant and equipment for copper production. The net cash flows used in investing activities of the Group increased by US\$195.4 million from a net outflow of US\$79.5 million in 2024 to a net outflow of US\$274.9 million in 2025, mainly due to the year-on-year decrease in the amount of time deposits converted into demand deposits, and deposit of funds with CNMC Treasury Management (Hong Kong) Company Limited during the Reporting Period.

Net cash flows used in financing activities

The cash inflows generated from financing activities primarily consist of equity financing and new borrowings. The cash outflows from financing activities primarily consist of repayments for bank borrowings, payments of dividends and interest payments. The net cash outflows in financing activities of the Group increased by US\$36.6 million from a net outflow of US\$173.0 million in 2024 to a net outflow of US\$209.6 million in 2025, primarily due to the proceeds from the issue of new shares during the same period last year and the year-on-year increase in dividend payments in 2025.

Time deposits, bank balances and cash

The Group's time deposits, bank balances and cash (including cash, time deposits and demand deposits) increased by US\$453.4 million from US\$1,022.8 million as at 31 December 2024 to US\$1,476.2 million as at 31 December 2025.

Trade receivables at amortised cost/Trade receivables at fair value through profit or loss ("FVTPL")

As at 31 December 2025, the Group recorded trade receivables at amortised cost of US\$64.9 million and trade receivables at FVTPL of US\$270.0 million. The trade receivables at FVTPL were the trade receivables arising from the sales of copper products under provisional pricing arrangements. The aggregate trade receivables amounted to US\$334.9 million, which increased by US\$78.3 million from US\$256.6 million as at 31 December 2024, primarily attributable to a year-on-year increase in receivables corresponding to year-end sales revenue of copper products.

Inventories

The inventories held by the Group decreased by US\$111.1 million from US\$848.2 million as at 31 December 2024 to US\$737.1 million as at 31 December 2025, primarily due to the year-on-year decrease in raw materials, spare parts and work-in-progress.

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

Save as disclosed in this annual report, there were no other significant investments held by the Group for the year ended 31 December 2025 and there were no other material acquisitions or disposals of subsidiaries, associates and joint ventures by the Group for the year ended 31 December 2025, and there was no plan approved by the Board for other material investments or acquisition of capital assets as at the date of this annual report.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Charge on assets

As of 31 December 2025, the carrying amount of the Group's charge of assets amounted to US\$8,703,000 (31 December 2024: US\$9,161,000).

Capital management

The capital structure of the Group consists of net debt (which includes bank and other borrowings, net of restricted bank balances, time deposits, bank balances and cash) and equity attributable to owners of the Company (comprising share capital and retained profits). Details of capital management of the Group as at 31 December 2025 are included in note 31(e) to the audited consolidated financial statements of this annual report.

Gearing ratio

As at 31 December 2025, as the Group had a net cash position* of approximately US\$1,453.4 million, it is therefore not considered to have any net gearing# (2024: net cash position* approximately US\$997.0 million).

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

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

Contingent liabilities

Save for those disclosed in note 38 to the audited consolidated financial statements of this annual report, there were no other contingent liabilities.

Bank and other borrowings

Details of bank and other borrowings as at 31 December 2025 are included in note 25 to the audited consolidated financial statements of this annual report. The loans of the Group are made in US\$. All of the loans of the Group have floating interest rate.

Trade payables at amortised cost/Trade payables designated at FVTPL

As at 31 December 2025, the Group recorded trade payables at amortised cost of US\$242.8 million and trade payables designated at FVTPL of US\$242.6 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\$485.4 million, which increased by US\$44.9 million from US\$440.5 million as at 31 December 2024, primarily due to the mining costs payable and the year-on-year increase in trade payables corresponding to the procurement of raw materials at the end of the year 2025.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)



Capital expenditure

	For the year ended	
	31 December	
	2025	2024
	(US\$'000)	(US\$'000)
Mining and ore processing facilities at Chambishi Southeast Mine of NFCA	30,690	26,356
Other mining and ore processing facilities of NFCA	25,633	12,559
Other facilities at Luanshya	9,754	7,505
Baluba Mine Open Pit Mine Project at Luanshya	14,423	13,073
Pumping and drainage project for Shaft No. 28 at Luanshya	42,351	24,052
Sulphide ore resource development project for Shaft No. 28 at Luanshya	17,706	1,440
Resource extraction projects in the Southern Superficial Part of Muliashi and Mashiba sections at Luanshya	14,442	–
Mining and leaching facilities at Luanshya (Muliashi Project)	7,433	11,679
Mining facilities at Luanshya (Roan Mine)	13,125	821
Smelting facilities at CCS	11,874	6,585
Leaching facilities at SML	1,965	6,492
Leaching facilities at Huachin Leach	2,233	3,670
Mining rights and leaching facilities at CNMC Huachin Mabende	10,411	22,944
Smelting facilities at Lualaba Copper Smelter	13,971	10,234
Mining and the processing facilities at Kambove Mining	57,282	20,700
Leaching facilities at Kambove Mining	41,502	–
Other facilities	139	684
Total	314,934	168,794

The total capital expenditure of the Group amounted to US\$314.9 million in 2025, increased by US\$146.1 million as compared with US\$168.8 million in 2024, mainly due to the increase in investment expenditure by Luanshya, Kambove Mining and NFCA.

Treasury policies

During the year ended 31 December 2025, the Group had in place 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 Listing Rules.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Please also refer to note 32 to the audited consolidated financial statements contained in this annual report for the financial instruments (which include the financial risk management objectives and policies).

Principal risks and uncertainties

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

Commodity price risk

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

Foreign currency exchange risk

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

Interest rate risk

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



OVERVIEW

In 2025, the Group extensively carried out energy expansion, cost reduction, innovation and quality improvement to enhance efficiency and strived hard to expand the market and strengthen internal management, achieving remarkable results in maintaining, stabilizing and increasing production capacity with stable production and operation.

During the reporting period for the financial year ended 31 December 2025 revenue of the Group has decreased by 10.4% to US\$3,420.1 million over the last year, primarily attributable to the year-on-year increase in the production of blister copper and copper anodes processed for enterprises outside of the Group and the year-on-year decrease in the sales volume of self-produced and sold copper products, resulting in a year-on-year decrease in revenue; the profit attributable to owners of the Group amounted to US\$404.3 million, representing an increase of 1.5% as compared with the same period last year, primarily attributable to the increase in global copper price.

BUSINESS REVIEW

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

The businesses of the Group are principally carried out through the following companies: NFCA, Luanshya, CCS and SML located in Zambia, as well as Huachin Leach, CNMC Huachin Mabende, Lualaba Copper Smelter and Kambove Mining located in the DRC.

In 2025, the Group accumulatively produced 192,266 tonnes of blister copper and copper anodes, representing a year-on-year decrease of 32.8%; sulphuric acid of 1,068,286 tonnes, representing a year-on-year increase of 1.2%; copper cathodes of 130,232 tonnes, representing a year-on-year increase of 3.2%; cobalt contained in cobalt hydroxide of 829 tonnes, representing a year-on-year decrease of 17.9%; and liquid sulphur dioxide of 5,337 tonnes, representing a year-on-year decrease of 66.6%. The processed copper products for the Group amounted to 227,060 tonnes representing a year-on-year increase of 102.9%. In 2025, revenue of the Group decreased by 10.4% to US\$3,420.1 million from US\$3,816.5 million in 2024.

RESOURCES AND RESERVES

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

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

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



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

As of 31 December 2025, in accordance with the JORC reporting standards, the Group's total mineral resources contained copper resources of 7.1826 million tonnes, and copper metal reserves of 1.6894 million tonnes. Details of the mineral resources and mineral reserves are as follows:

(1) Resources

Chambishi Main Mine

JORC Code	31 December 2025 Average grade				31 December 2024 Average grade			
	Ore (Mt)	Total copper	Oxide copper	Cobalt	Ore (Mt)	Total copper	Oxide copper	Cobalt
Measured	10.5	2.31%	-	-	9.77	2.29%	-	-
Indicated	6.77	2.48%	-	-	7.26	2.48%	-	-
Inferred	6.32	2.18%	-	-	6.66	2.18%	-	-

Note: The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 1.0% Total Copper ("TCu") cut-off grade adopted for Chambishi Main Mine. In 2025, 39,900 tonnes of ore were extracted, and supplementary exploration was carried out.

Chambishi West Mine

JORC Code	31 December 2025 Average grade				31 December 2024 Average grade			
	Ore (Mt)	Total copper	Oxide copper	Cobalt	Ore (Mt)	Total copper	Oxide copper	Cobalt
Oxide ore								
Measured	6.2	1.98%	-	-	3.64	2.03%	1.00%	-
Indicated	1.69	1.94%	-	-	1.46	1.83%	0.96%	-
Inferred	0.33	1.73%	-	-	1.45	2.32%	1.10%	-
Sulphide ore								
Measured	16.83	1.97%	-	-	17.30	2.00%	-	-
Indicated	4.41	2.06%	-	-	5.19	2.16%	-	-
Inferred	7.89	1.79%	-	-	8.40	1.86%	-	-

Note: The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 1.0% TCu cut-off grade adopted for Chambishi West Mine. In 2025, 1,677,300 tonnes of ore were extracted, and supplementary exploration was carried out.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)



Chambishi Southeast Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Measured	40.91	2.25%	-	0.12%	40.23	2.27%	-	0.11%
Indicated	20.6	1.78%	-	0.11%	26.47	1.89%	-	0.12%
Inferred	61.21	1.89%	-	0.11%	57.50	1.74%	-	0.08%

Note: The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.8% TCu cut-off grade adopted for Chambishi Southeast Mine. In 2025, 1,320,700 tonnes of ore were extracted, and supplementary exploration was carried out.

Mwambashi-B Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Measured	2.38	2.55%	0.73%	-	0.12	1.96%	0.87%	-
Indicated	2.06	2.12%	0.32%	-	4.32	1.91%	0.54%	-
Inferred	2.78	2.15%	0.33%	-	2.83	2.11%	0.28%	-

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

Samba Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Measured	-	-	-	-	-	-	-	-
Indicated	9.43	1.63%	-	-	9.24	1.65%	-	-
Inferred	8.63	1.56%	-	-	8.58	1.60%	-	-

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



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Baluba Center Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Oxide ore								
Measured	6.31	1.81%	1.08%	0.15%	12.94	1.52%	0.89%	0.14%
Indicated	8.06	1.44%	0.57%	0.09%	2.32	1.14%	0.40%	0.08%
Inferred	1.50	1.14%	0.35%	0.1%	0.29	1.04%	0.37%	0.09%

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

Muliashi North Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Oxide ore								
Measured	1.14	1.34%	0.57%	0.04%	1.14	1.34%	0.57%	0.04%
Indicated	3.19	1.72%	0.59%	0.02%	3.19	1.72%	0.59%	0.02%
Inferred	11.83	1.48%	0.52%	0.02%	11.83	1.48%	0.52%	0.02%
Sulphide ore								
Measured	0.03	1.35%	0.11%	0.05%	0.03	1.35%	0.11%	0.05%
Indicated	6.00	1.46%	0.23%	0.04%	6.00	1.46%	0.23%	0.04%
Inferred	6.85	1.47%	0.21%	0.04%	6.85	1.47%	0.21%	0.04%

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

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)



Baluba East Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Measured	7.68	1.36%	0.42%	–	8.89	1.36%	0.42%	–
Indicated	1.42	1.06%	0.29%	–	1.49	1.05%	0.30%	–
Inferred	0.02	1.18%	0.36%	–	0.03	1.09%	0.37%	–

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

Roan Basin SS0-4 Ore Vein

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Measured	0.15	3.25%	1.96%	–	0.88	2.93%	1.56%	–
Indicated	0.10	3.44%	2.15%	–	0.17	3.34%	2.25%	–
Inferred	0.14	3.53%	2.18%	–	0.16	3.64%	2.36%	–

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



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Roan Basin SS19-35 Ore Vein

Mine	JORC Code	Ore (Mt)	31 December 2025 Average grade			Ore (Mt)	31 December 2024 Average grade		
			Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Roan Basin 19-35 Ore Vein South Side	Measured	7.16	1.42%	1.02%	0.02%	7.48	1.42%	1.02%	0.02%
	Indicated	3.07	1.04%	0.66%	0.02%	3.38	1.06%	0.68%	0.02%
	Inferred	1.41	0.86%	0.50%	0.03%	1.64	0.88%	0.52%	0.03%
Roan Basin 19-35 Ore Vein North Side	Measured	3.05	0.77%	0.39%	0.03%	3.05	0.77%	0.39%	0.03%
	Indicated	4.24	0.78%	0.37%	0.03%	4.24	0.78%	0.37%	0.03%
	Inferred	1.39	0.80%	0.39%	0.03%	1.39	0.8%	0.39%	0.03%
Roan Basin SS19-35 Ore Vein total	Measured	10.21	1.23%	0.83%	0.02%	10.53	1.23%	0.84%	0.02%
	Indicated	7.31	0.89%	0.49%	0.03%	7.62	0.90%	0.51%	0.03%
	Inferred	2.80	0.83%	0.45%	0.03%	3.03	0.84%	0.46%	0.03%

Note:

1. The resources of Roan Basin SS19-35 Ore Vein are the sum of the Roan Basin 19-35 Ore Vein South Side and the Roan Basin 19-35 Ore Vein North Side.
2. The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.30% TCu cut-off grade adopted for Roan Basin SS19-35 Ore Vein.

Roan Ext. East

JORC Code	Ore (Mt)	31 December 2025 Average grade			Ore (Mt)	31 December 2024 Average grade		
		Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Measured	0.28	2.99%	1.84%	–	0.47	2.13%	1.43%	–
Indicated	0.24	2.61%	1.57%	–	0.52	1.89%	1.34%	–
Inferred	0.06	2.03%	1.25%	–	0.02	2.15%	1.46%	–

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

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)



Smelting Slag

JORC Code	31 December 2025 Average grade				31 December 2024 Average grade			
	Ore (Mt)	Total copper	Oxide copper	Cobalt	Ore (Mt)	Total copper	Oxide copper	Cobalt
Measured	-	-	-	-	-	-	-	-
Indicated	0.76	0.86%	0.21%	-	1.57	0.91%	0.22%	-
Inferred	-	-	-	-	-	-	-	-

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

New Mine Superficial Part Project

Mine	JORC Code	31 December 2025 Average grade				31 December 2024 Average grade			
		Ore (Mt)	Total copper	Oxide copper	Cobalt	Ore (Mt)	Total copper	Oxide copper	Cobalt
Mashiba Mine	Measured	4.02	2.06%	0.37%	-	6.62	1.88%	0.42%	0.03%
	Indicated	3.21	2.17%	0.13%	-	3.03	1.92%	0.20%	0.01%
	Inferred	2.42	2.12%	0.24%	-	1.05	1.68%	0.27%	0.01%
Southern Superficial Part of Muliashi Mine	Measured	5.15	1.82%	0.21%	-	-	-	-	-
	Indicated	3.62	1.67%	0.21%	-	9.11	2.42%	0.15%	-
	Inferred	1.69	1.56%	0.18%	-	4.68	2.53%	0.2%	-
New Mine Superficial Part Project total	Measured	9.17	1.93%	0.28%	-	6.62	1.88%	0.42%	0.03%
	Indicated	6.83	1.91%	0.17%	-	12.14	2.30%	0.16%	0.01%
	Inferred	4.12	1.89%	0.22%	-	5.73	2.37%	0.21%	0.01%

Notes:

1. According to the overall plan, the Mashiba Mine and the Southern Superficial Part of Muliashi Mine have been renamed as the New Mine Superficial Part Project.
2. The resources of New Mine Superficial Part Project are the sum of the Mashiba Mine and the Southern Superficial Part of Muliashi Mine.
3. The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.80% TCu cut-off grade adopted for Mashiba Mine, and a reported 1.0% TCu cut-off grade for Southern Superficial Part of Muliashi Mine ore body.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

New Mine Deep Part Project (Extended Section of Roan to Southern Deep Part of Muliashi Mine)

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Measured	24.46	2.15%	-	-	17.66	-	-	-
Indicated	17.05	2.42%	-	-	10.53	-	-	-
Inferred	7.64	3.13%	-	-	8.69	-	-	-

Notes:

1. According to the overall plan, the Shaft 28 Project has been renamed as the New Mine Deep Part Project.
2. The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 1.0% TCu cut-off grade adopted for the New Mine Deep Part Project.

Kambove Main Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Measured	2.14	2.79%	-	0.11%	2.25	2.2%	-	0.11%
Indicated	3.53	2.71%	-	0.11%	6.84	2.51%	-	0.11%
Inferred	0.97	2.54%	-	0.11%	0.84	2.46%	-	0.11%

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

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)



Kambove Main Open Pit Tailings

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Measured	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-
Inferred	1.42	0.95%	-	0.15%	0.53	0.75%	-	0.15%

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

Kambove West Open Pit Tailings

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Measured	-	-	-	-	-	-	-	-
Indicated	-	-	-	-	-	-	-	-
Inferred	2.35	1.15%	-	0.22%	2.35	1.15%	-	0.22%

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



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Kambove MSES A Mine

JORC Code	31 December 2025 Average grade				31 December 2024 Average grade			
	Ore (Mt)	Total copper	Acid soluble copper	Cobalt	Ore (Mt)	Total copper	Acid soluble copper	Cobalt
Measured	2.04	3.82%	2.18%	0.25%	-	-	-	-
Indicated	0.94	4.26%	3.09%	0.26%	-	-	-	-
Inferred	1.64	3.58%	1.79%	0.32%	-	-	-	-

Note: The mineral resources estimate was based on the scope of the three-dimensional model of ore body with a reported 0.5% TCu cut-off grade adopted for Kambove MSES A Mine.

(2) Reserves

Chambishi Main Mine

JORC Code	31 December 2025 Average grade				31 December 2024 Average grade			
	Ore (Mt)	Total copper	Oxide copper	Cobalt	Ore (Mt)	Total copper	Oxide copper	Cobalt
Proved	5.13	1.8%	-	-	6.06	1.75%	-	-
Probable	1.06	1.85%	-	-	1.59	1.72%	-	-

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)



Chambishi West Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Sulphide ore								
Proved	9.95	1.88%	-	-	11.74	1.70%	-	-
Probable	0.64	2.00%	-	-	1.43	1.84%	-	-

Chambishi Southeast Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Proved	37.51	1.97%	-	0.10%	38.42	1.92%	-	0.10%
Probable	5.79	1.66%	-	0.08%	6.20	1.61%	-	0.08%

Mwambashi Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Proved	1.14	2.50%	0.93%	-	0.13	2.31%	1.05%	-
Probable	0.00	1.94%	1.01%	-	1.03	2.41%	0.89%	-



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Baluba Center Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade			Cobalt
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt	
Oxide ore									
Proved	6.41	1.92%	1.26%	-	6.90	1.74%	1.27%	-	
Probable	0.21	2.32%	1.81%	-	0.23	1.58%	1.42%	-	

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

Muliashi North Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade			Cobalt
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt	
Proved	0	0	0	0	0.06	1.45%	0.62%	-	
Probable	0	0	0	0	0.10	1.76%	0.68%	-	

Note: Loss rate was 5% and impoverishment rate was 5%, with a reported 0.5% TCu cut-off grade adopted. The Muliashi North Mine was closed in 2024.

Mashiba Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade			Cobalt
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt	
Proved	2.71	1.93%	0.30%	-	2.71	1.93%	0.30%	-	
Probable	1.78	1.83%	0.19%	-	1.78	1.83%	0.19%	-	

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)



Baluba East Mine

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Proved	2.03	1.51%	0.46%	–	3.58	1.43%	0.56%	–
Probable	0.05	1.19%	0.48%	–	0.11	1.12%	0.53%	–

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

Roan Ext. East

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Proved	0.04	2.21%	1.65%	–	0.38	1.90%	1.38%	–
Probable	0.02	2.09%	1.44%	–	0.62	1.94%	1.37%	–

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

Roan Basin SS0-4 Ore Vein

JORC Code	31 December 2025 Average grade				Ore (Mt)	31 December 2024 Average grade		
	Ore (Mt)	Total copper	Oxide copper	Cobalt		Total copper	Oxide copper	Cobalt
Proved	0	0	0	0	0.70	2.63%	1.39%	–
Probable	0	0	0	0	0.08	3.13%	2.36%	–

Note: Loss rate was 5% and impoverishment rate was 5%, with a reported 1.0% TCu cut-off grade adopted. The mine was closed in 2025.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Roan Basin SS19-35 Ore Vein South Side

JORC Code	31 December 2025				31 December 2024			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
Total Copper		Oxide Copper	Total Copper			Oxide Copper		
Proved	6.89	1.34%	0.96%	-	5.89	1.32%	0.96%	-
Probable	2.77	0.97%	0.64%	-	2.63	1.01%	0.67%	-

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

Smelting Slag

JORC Code	31 December 2025				31 December 2024			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
Total copper		Oxide copper	Total copper			Oxide copper		
Proved	-	-	-	-	-	-	-	-
Probable	0.76	0.86%	0.21%	-	1.57	0.91%	0.22%	-

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

Kambove Main Mine

JORC Code	31 December 2025				31 December 2024			
	Ore (Mt)	Average grade		Cobalt	Ore (Mt)	Average grade		Cobalt
Total copper		Oxide copper	Total copper			Oxide copper		
Proved	1.68	2.81%	-	-	0.81	2.37%	-	0.11%
Probable	3.57	2.62%	-	-	6.34	2.53%	-	0.11%

Note: For mineral reserve, a reported cut-off grade of 0.5% TCu was adopted for the main ore body.



PRODUCTION OVERVIEW

NFCA

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

In 2025, copper anodes produced by NFCA amounted to 55,464 tonnes in total, representing a year-on-year decrease of 18.7%, primarily due to the suspension of production for maintenance of the Southeast Mine in the second half of 2025.

Luanshya

Luanshya operates four copper mines under production, namely Baluba East Mine, Baluba Center Mine, Roan Ext. East Mine and Roan Basin Mine. The developmental stripping for the Roan Basin SS19-35 Ore Vein South Side Strip Mine commenced in June 2025. Luanshya also operates Muliashi Leach.

In 2025, copper cathodes produced by Luanshya amounted to 45,018 tonnes, representing a year-on-year increase of 1.4%; copper anodes produced amounted to 3,974 tonnes, representing a year-on-year decrease of 4.4%, mainly due to the suspension of production of the processing plant for safety assessment and maintenance starting from 20 October 2025, resulting in a temporary decline in output.

CCS

CCS mainly operates the Chambishi Smelting Plant.

In 2025, CCS produced 261,067 tonnes in total of blister copper and copper anodes (including the processed copper products of 60,978 tonnes for enterprises within the Group, and processed copper products of 121,290 tonnes for enterprises outside of the Group), representing a year-on-year decrease of 0.7%; produced 705,387 tonnes of sulphuric acid, representing a year-on-year decrease of 5.7%. This was mainly due to a 16-day maintenance in September 2025, together with the impact of the decrease in the sulphur contained in copper concentrate supplied by major suppliers, resulting in lower production of copper products and sulphuric acid.

SML

SML mainly operates Mwambashi Mine and the Chambishi Leach Plant.

In 2025, SML produced 755 tonnes of copper cathodes, representing a year-on-year decrease of 86.9%; produced 1,540 tonnes of blister copper and copper anodes, representing a year-on-year decrease of 76.5%, mainly due to the temporary suspension of production to focus on the appropriate rehabilitation measures.

CNMC Huachin Mabende

In 2025, CNMC Huachin Mabende produced 27,008 tonnes of copper cathodes, representing a year-on-year increase of 17.3%, mainly attributable to the successful commissioning of diesel and photovoltaic power generation systems, which significantly enhanced the power supply reliability compared with the same period last year.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Huachin Leach

Huachin Leach produced 20,303 tonnes of copper cathodes in 2025, representing a year-on-year decrease of 8.1%, mainly due to a production shortfall resulting from the suspension of operations of the company from mid-October to the end of December for upgrading and renovation of the tailings dam. Huachin Leach produced 301 tonnes of cobalt contained in cobalt hydroxide, representing a year-on-year increase of 40.0%, mainly due to the increase in raffinate treatment capacity with higher cobalt concentration as a result of improved power supply during the year. No sulphuric acid was produced during the year.

Lualaba Copper Smelter

Lualaba Copper Smelter mainly operates the Lualaba Smelting Plant.

Lualaba Copper Smelter produced 158,259 tonnes of blister copper in 2025 (including the processed copper products of 105,770 tonnes for enterprises outside of the Group), representing a year-on-year increase of 20.6%; produced 362,899 tonnes of sulphuric acid, representing a year-on-year increase of 18.3%. The year-on-year increase in blister copper and sulphuric acid production was mainly due to (i) an increase of 21 production days in 2025 compared to 2024, resulting in a corresponding increase in output; (ii) greater supply of high-sulphur copper concentrate in 2025 compared to 2024, providing robust support for stable production. Production of liquid sulphur dioxide was 5,337 tonnes, representing a year-on-year decrease of 66.6%, which was mainly due to the suspension of cobalt product export by the DRC government until October 2025 and the systematic reduction or suspension of cobalt production by mining companies in the DRC, thus reducing demand for liquid sulphur dioxide.

Kambove Mining

Kambove Mining produced 37,148 tonnes of copper cathodes in 2025, representing a year-on-year increase of 7.9%, mainly due to the operation of the dual power supply system during local utility outages, compensating for the shortfall in electricity consumption through the diesel generating units to ensure normal production of the system. Cobalt contained in cobalt hydroxide was 528 tonnes, representing a year-on-year decrease of 33.6%, mainly attributable to the decrease in cobalt production as a result of the suspension of cobalt product export by the DRC government until October 2025, together with the decrease in cobalt grade of the raw ore, prompting Kambove Mining to adjust its cobalt production model.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)



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

	Production volume for 2025^{(1), (2), (3)} (Tonnes)	Production volume for 2024 ^{(1), (2), (3)} (Tonnes)	Year-on-year increase/ (decrease) (%)
Blister copper and copper anodes	192,266	285,930	(32.8)
Copper cathodes	130,232	126,141	3.2
Cobalt contained in cobalt hydroxide	829	1,010	(17.9)
Sulphuric acid	1,068,286	1,056,035	1.2
Liquid sulphur dioxide	5,337	15,993	(66.6)
Copper products processing services	227,060	111,901	102.9

Notes:

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

	Production volume for year ended 31 December 2025 (Tonnes)	Production volume for year ended 31 December 2024 (Tonnes)
Blister copper and copper anodes produced by self-owned mine	60,686	77,668
Copper cathodes produced by self-owned mine	82,458	81,491
Total	143,144	159,159



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

EXPLORATION, DEVELOPMENT AND MINING COSTS OF THE GROUP

Costs of exploration, development, and mining activities of the Group for the year ended 31 December 2025 are set out below:

Unit: Million US dollars

	NFCA		Luanshya		SML		Kambove Mining			MSEA Mine	Total
	Chambishi	Southeast Mine	Southern Superficial Part of Mulishi Sulphide Mine	Roan Extended to the Southern Deep Part of Mulishi Sulphide Mine	Mwambashi Mine	Samba Mine	Main Mine	West Mine			
Exploration activities											
Drilling	0.81	1.28	3.87	0.74	0.64	0.04	0.73	0.54	0.11	8.76	
Analysis	0.02	0.12	0.59	-	0.10	0.12	0.14	0.07	-	1.16	
Others	-	0.08	-	1.58	1.12	0.51	-	-	-	3.98	
Sub-total	0.83	1.48	4.46	2.32	1.86	0.67	0.87	0.61	0.11	13.90	
Development activities (including mine construction)											
Purchases of assets and equipment	4.58	6.76	0.47	15.91	-	-	-	-	-	27.72	
Civil work for construction of tunnels and roads	5.56	12.32	12.50	27.78	6.22	-	-	-	-	64.38	
Others	8.48	21.50	-	0.93	27.54	-	-	-	-	58.45	
Sub-total	18.62	40.58	12.97	44.62	33.76	-	-	-	-	150.55	
Mining activities (excluding ore processing)											
Staff cost	4.31	14.34	-	-	-	-	-	-	-	18.65	
Consumables	6.82	29.62	-	-	-	-	-	-	-	36.44	
Fuel, electricity, water and others services	19.52	9.93	-	-	-	-	0.59	-	-	30.04	
Depreciation	7.65	34.72	-	-	14.22	-	4.65	-	-	61.30	
Sub-contracting charges	51.36	53.01	-	-	50.95	-	37.16	-	-	192.69	
Transportation charges	-	-	-	-	-	-	-	-	-	-	
Others	2.53	2.56	-	-	-	-	-	-	-	5.15	
Sub-total	92.19	144.18	-	-	65.17	-	42.40	-	-	344.27	



MINING EXPLORATION, MINING DEVELOPMENT AND ORE MINING ACTIVITIES

Mining Exploration

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

At Chambishi Main Mine, Chambishi West Mine and Chambishi Southeast Mine of NFCA, a total of 218 underground drilling holes and deep surface exploration drilling holes were completed, with a total of 50,249 metres drilled, of which, 48 underground drilling holes were completed in the Main Mine and West Mine, with a total of 6,615 metres drilled; 132 underground drilling holes were completed in the Southeast Mine, with a total of 9,573 metres drilled; and 4 drilling holes in the pit were completed in the south and west, with a total of 5,233 metres drilled; 25 surface drilling holes were completed along the 0–60 ore vein for detailed exploration, with a total of 18,958 metres drilled; 7 surface drilling holes were completed along the N59-N87 ore vein for detailed exploration of ore body No. 2, with a total of 7,163 metres drilled; 2 surface drilling holes were completed for the exploration of the unexplored area between the Main Mine and the Southeast Mine, with a total of 2,707 metres drilled.

Luanshya conducted mining exploration projects including the “Southern Superficial Part of Muliashi and Mashiba Construction and Exploration Project” and the “Production Exploration in the Extended Section of Roan”. In particular, 30 surface drillings with a total drilling footage of 3,942 metres and 3 hydrogeological holes with a total drilling footage of 351 metres were completed at the Southern Superficial Part of Muliashi and Mashiba Construction and Exploration Project; and for the Production Exploration in the Extended Section of Roan, 4 surface drilling holes were completed, with a total drilling footage of 274 metres.

SML’s 2025 priority mineral exploration mission was the supplemental exploration of the hydrogeological environment at the Samba Copper Mine in the Copperbelt Province and the resource verification (2025) and exploration of the hydrogeological environment at the Mwambashi-B Copper Mine. The field work of the exploration of the hydrogeological environment at the Samba Copper Mine started in October 2024 and ended in January 2025. Hydrogeological drilling work was carried out, completing 2 drillings with a total drilling footage of 771 metres, while pumping tests and connectivity tests were conducted; 1:2,000 hydrogeological, engineering geological and environmental geological revision survey and mapping of the mine area was carried out; and 45 hydrogeological dynamic observations were carried out. A detailed investigation report was completed on the basis of the previous work. The field work of the resource verification (2025) and exploration of the hydrogeological environment at the Mwambashi-B Copper Mine started in June 2025 and ended in October 2025, completing 12 resource verification drillings with a total drilling footage of 1,630 metres and 4 hydrogeological drillings with a total drilling footage of 1,076 metres. A resource verification report was submitted.

Production exploration and supplemental exploration were carried out at Kambove Main Mine, with drilling footage of 4,187 metres/39 holes completed; supplementary geological survey with drilling footage of 2,444 metres/19 holes was completed at West Mine.



Mining Development

SML

Samba Copper Mining Project

The Samba Copper Mining Project mainly comprises 1.5 million tonnes of raw ore per year underground mining project, 4,545 tonnes/day ore processing project, tailings treatment project and auxiliary facilities. The project is scheduled to commence construction in the first half of 2026, subject to investment decision. The estimated total investment of the project is US\$275 million. The main source of revenue of the project is the sales revenue from the processing of copper ore into copper concentrate.

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

The Mwambashi-B copper mine is an important source of copper resources for SML, and has provided a stable supply of raw materials for SML since the commissioning of the first phase of the open pit. The open pit project at the deep part of the ore body is in essence a follow-on project for SML's production of raw materials for ore. The project mainly includes the extension of the open pit, the expansion of the open pit boundary and the construction of ancillary infrastructure. The project is scheduled to commence construction after the project investment decision is completed in 2026. The estimated total investment of the project is US\$79.0 million and the main source of revenue is from the sales revenue of copper ore to be processed into copper cathodes and copper concentrates through subsequent processes.

Kambove Mining

The Resumed Project of Kambove West Mine

The Resumed Project of Kambove West Mine was officially approved in October 2022. It is currently in the stage of preliminary resource verification and pre-feasibility study, and as at 31 December 2025, the cumulative investment was US\$5.69 million.

MSESA Mine Rehabilitation Project in Kambove

Feasibility study work for the MSESA Mine Rehabilitation Project in Kambove commenced in 2025. The preliminary design has been completed and is currently undergoing review. As at 31 December 2025, the cumulative investment was US\$8.46 million.

Kambove Leaching Plant Process System Overall Optimisation Project

The Project of Overall Optimisation of the Process System of the Kambove Leaching Plant obtained investment approval in August 2024. All construction work and single unit trial run have been completed and commissioning run is currently underway. As at 31 December 2025, the cumulative investment was US\$39.97 million.

Mining Activities

For details of mining activities, please refer to "Production Overview" on pages 31 to 33.



HUMAN RESOURCES

As of 31 December 2025, the Group employed a total of 8,521 employees (as of 31 December 2024: 8,494 employees), which comprised 937 Chinese and 7,584 employees of other nationalities including Zambia and the DRC. Employees' remuneration was determined by the Group based on their performance, experience and the prevailing market practice. For the year ended 31 December 2025, the total cost of employees reflected in the consolidated statement of profit or loss and other comprehensive income amounted to approximately US\$141.6 million (2024: US\$133.1 million). Through professional knowledge cultivation and comprehensive skills training, the Group has effectively improved the comprehensive quality, work technical skills, safety awareness and management capabilities of its employees, providing sufficient talents for the Group's safety management. For further information on the Group's employee training, please refer to the "Environmental, Social and Governance Report 2025" published by the Company.

2026 OUTLOOK

Looking back over the past year, the pace of global economic recovery has become increasingly divergent, while commodity markets experienced significant volatility. Coupled with numerous unfavourable factors such as the power supply constraints in certain host countries of its overseas investment, continued pressure on smelting and processing fees, and the normalization of geopolitical disturbances, the Company's production and operations faced numerous tests and challenges. Faced with this complex and challenging external environment, with the scientific decision-making of the Board, the dedication of all employees, and the steadfast support of our shareholders, the Company remained firmly focused on its core businesses. Through a pragmatic and resilient approach, it has advanced initiatives on cost reduction, efficiency enhancement, and lean operation, making every effort to ensure stable production and supply, while exercising strict control over operating risks. As a result, the Company successfully achieved our core operating goals for the year, maintained stable output of major products, strengthened operating efficiency, and steadily enhanced its value creation capability. On the capital market front, the Company continued to deepen investor relations management. Leveraging solid operating results and a high level of shareholder dividend returns, it further consolidated market confidence, enhanced its reputation as a high-quality listing platform in the industry, and laid a solid foundation for the long-term and high-quality development of the Company.

Stepping into 2026, the world is undergoing profound changes unseen in a century, with global geopolitical dynamics remaining highly uncertain. Challenges such as unilateralism and protectionism, uncertainty in macroeconomic recovery, exchange rate volatility, commodity price fluctuations, operational risks in overseas mines, policy adjustments in host countries, as well as pressures on supply chain resilience shall not be overlooked. At the same time, the global monetary environment is gradually easing, and market liquidity is steadily improving, providing strong momentum for the recovery of the real economy and valuation recovery of commodities. On the supply side, the new capacity of global copper mines remains limited, with commissioning of major projects lagging expectations and exploration approval cycles lengthening, resulting in a sustained slowdown in supply growth and a widening supply-demand gap. On the demand side, traditional power grid upgrades and infrastructure investment are progressing steadily. New energy industry, AI computing infrastructure, and advanced intelligent manufacturing are experiencing explosive growth. These developments continue to expand the application scenarios for nonferrous metals such as copper and cobalt. Accordingly, the global copper market's tight supply-demand balance is further reinforced, with prices expected to remain high, creating favourable conditions for the Company to seize development opportunities and achieve quality and efficiency improvement.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

The year 2026 is a critical year for the planning and implementation of the “15th Five-Year Plan”, and also represents a pivotal year for the Company to seize opportunities and make breakthroughs. Opportunities and challenges coexist, while hard work and responsibility go hand in hand. The Company will firmly grasp the strategic opportunity of industry development, remain committed to the path of high-quality growth, and focus its efforts on advancing its core businesses with precision and determination: first, the Company will make every effort to build a solid foundation for production and operations, strive for stable and high output in mining and smelting, strictly upholding the bottom line of safe production and compliance operation, and address bottlenecks in power supply and logistics transportation; second, the Company will continue to deepen cost reduction, efficiency enhancement, and technological innovation, leveraging new productive forces to empower industrial transformation and upgrading, accelerate the progress of key production expansion projects, and comprehensively enhance resource security and core competitiveness; third, the Company will continuously optimise corporate governance system and ESG management structure, steadfastly practice green and low-carbon development, and fulfill corporate social responsibilities; fourth, the Company will enhance capital market value management, strengthen the foundation of investor trust, and safeguard the core values of shareholders with solid results and sustainable returns.

The road ahead is long, but with determination, we are ready to take on new challenges. In the new year, staff of the Company will work together diligently with dedication to withstand the impact of external uncertainty with solid operating performance. The Company will strive to create a new chapter of high-quality development, and deliver outstanding results to shareholders that honour their trust and live up to the times.

DIRECTORS AND SENIOR MANAGEMENT BIOGRAPHIES



BOARD OF DIRECTORS

The Board of Directors is responsible for the management and conduct of the business. As at the Latest Practicable Date, the Board consists of six Directors, including one executive Director, two non-executive Directors and three independent non-executive Directors. The table below sets forth certain information in respect of the members of the Board of Directors:

Name	Age	Position/Title
Bo XIAO (<i>appointed with effect from 27 March 2025</i>)	43	Chairman and Executive Director
He YANG ^(Note) (<i>resigned with effect from 27 March 2025</i>)	45	Chairman and Executive Director
Yaoyu TAN ^(Note) (<i>resigned on 28 October 2025</i>)	52	Non-executive Director
Yani GONG	45	Non-executive Director
Zhijiang CHEN (<i>appointed on 28 October 2025</i>)	44	Non-executive Director
Huanfei GUAN	68	Independent Non-executive Director
Guangfu GAO	63	Independent Non-executive Director
Yufeng SUN (<i>appointed on 21 March 2025</i>)	61	Independent Non-executive Director
Dingfan QIU ^(Note) (<i>resigned on 21 March 2025</i>)	84	Independent Non-executive Director

Note: For the details of He YANG and Dingfan QIU's biography, please refer to the section headed "Directors and Senior Management Biographies" in 2023 annual report. For the details of Yaoyu TAN's biography, please refer to the section headed "Directors and Senior Management Biographies" in 2024 annual report.

Bo XIAO (肖波), aged 43, has been appointed as the Chairman of the Board, an executive Director of the Company, the Chairman of the Compliance Committee, a member of the Nomination Committee and a member of the Remuneration Committee with effect from 27 March 2025. Mr. Xiao has resigned as a member of the Nomination Committee with effect from 30 June 2025. He obtained a bachelor's degree in geology from the China University of Geosciences in 2006 and a doctoral degree in science in mineralogy, petrology and mineral deposits from the Graduate School of University of Chinese Academy of Sciences in 2011. Mr. Xiao joined the mineral exploration department of CNMC in November 2011. Since December 2024, he has been the general manager of the mining development department. He has served as the deputy director of the mineral exploration department, the director of the Africa regional office of the international business department and the deputy director of the board (strategy research office) of CNMC, the deputy manager of the technical department and the deputy director of the chief engineer's office of NFCA, and the deputy general manager and the general manager of Luanshya. Mr. Xiao is familiar with mineral geology and has more than 11 years of business management experience. He is also a senior engineer.



Leaching workshop of Luanshya Muliashi Leaching Plant

Yani GONG (龔亞妮), aged 45, has been appointed as a non-executive Director with effect from 27 December 2023. Ms. Gong was appointed as a member of the Nomination Committee, with effect from 30 June 2025. She majored in English (Economics and Trade) at the School of Foreign Languages in Central South University from 1997 to 2001. She obtained a bachelor's degree in arts from Central South University in 2001 and a master's degree in economics (specialising in global economics) from the School of Economics at Peking University in 2008. Ms. Gong obtained a senior economist qualification in 2013. Ms. Gong joined the personnel department of a subsidiary of CNMC in 2001, and subsequently held various positions in human resources and corporate management in CNMC and its subsidiaries, including the deputy director of the personnel deployment division of the personnel department, the director of the personnel deployment division of the personnel department, the director of the corporate management division (personnel department), and the deputy director of the human resources department of CNMC. In 2019, she was appointed as the chairman of Sino-Zam Vocational College of Science and Technology (中國贊比亞職業技術學院). She was appointed as the director of the party and people work department of CNMC in February 2025. Ms. Gong has over 25 years of professional experience in human resources and corporate management and is also a senior economist.



Zhijiang CHEN (陳志江), aged 44, has been appointed as a non-executive Director and a member of the Audit Committee with effect from 28 October 2025. He has obtained a Bachelor's degree in Accounting from Beijing Technology and Business University in 2003. Mr. Chen joined the Finance Department of China Nonferrous Metal Industry's Foreign Engineering and Construction Co., Ltd.* (中國有色金屬建設股份有限公司) ("CNFC", a subsidiary of CNMC) in July 2003. From September 2013 to November 2022, he held successive positions including head of Finance Department, finance manager at the Kazakhstan Representative Office, deputy manager of the Audit Department, deputy manager of the Budget Management Department and deputy director of the Finance Department at CNFC, and the chief financial officer of NFC Kazakhstan Ltd. From November 2022 to February 2025, he has served successively as head of the Accounting Management Division within the Finance Department and head of the Accounting and Tax Management Division within the Finance and Funds Department at CNMC. Since February 2025, he has been deputy general manager of the Finance Shared Centre at CNMC. Mr. Chen has over 12 years of experience in financial management and is a senior accountant.

Huanfei GUAN (關浣非), aged 68, is an independent non-executive Director of the Company, chairman of the Remuneration Committee, a member of each of the Audit Committee and the Compliance Committee, and was appointed to the Board on 28 August 2014. Mr. Guan has extensive experience in the finance and insurance industry in Hong Kong and China. He served in various senior managerial positions in People's Insurance Company of China* (Jilin Branch) (中國人民保險公司吉林省分公司), Hong Kong and Macao Regional Office of China Insurance Group* (中國保險港澳管理處), Ming An Insurance Company (Hong Kong) Limited (香港民安保險有限公司) and China Pacific Insurance Co., (HK) Ltd. (中國太平洋保險(香港)有限公司). Mr. Guan also held offices at the Bank of Communications, including the deputy chairman of the risk asset management committee, deputy chairman of credit asset management committee, chairman of loan verification committee, deputy general manager of the Bank of Communications Hong Kong Branch, the director of Bank of Communications Trustee Limited (交通銀行信託有限公司), the chairman and chief executive of China BOCOM Insurance Co., Ltd. (中國交銀保險有限公司) and an executive director and general manager of BoCommLife Insurance Company Limited. Mr. Guan was also an economic and technical consultant of Jilin Provincial Government for many years. Mr. Guan is now an independent non-executive director of Sunwah Kingsway Capital Holdings Limited (Hong Kong listed company code 0188), XinKong International Capital Holdings Limited (formerly known as Huarong International Financial Holdings Limited) (Hong Kong listed company code 0993), Shandong Hi-Speed Holdings Group Limited (formerly known as China Shandong Hi-Speed Financial Group Limited) (Hong Kong listed company code 0412) and DevGreat Group Limited (formerly known as Shanghai Zendai Property Limited) (Hong Kong listed company code 0755) (shares of those companies are listed on the Main Board of the Hong Kong Stock Exchange). He also served as an independent non-executive director of Guangdong – Hong Kong Greater Bay Area Holdings Limited (Hong Kong listed company code: 01396) from 27 June 2022 to 9 January 2026. Mr. Guan obtained a doctor's degree in Economics in 2000 from Wuhan University and has been a part-time researcher of the Insurance Research Centre of Fudan University since 2004. He has also been appointed as a part-time lecturer of professional degree in Fudan University since 2013. He has been appointed as a visiting professor of Jilin University of Finance and Economics since September 2019, and he has been appointed as an off-campus postgraduate tutor of the University of International Business and Economics since October 2022.



DIRECTORS AND SENIOR MANAGEMENT BIOGRAPHIES (CONTINUED)

Guangfu GAO (高光夫), aged 63, has been appointed as an independent non-executive Director of the Company, the Chairman of the Audit Committee and member of the Nomination Committee with effect from 27 December 2023. He is a senior accountant, graduated from Central South University of Finance and Economics with a postgraduate major in Public Finance. He had studied as a visiting scholar at the Grenoble Alpes University in France. Mr. Gao had served as the deputy chief financial officer and chief economist of State Power Investment Corporation Limited (國家電力投資集團公司), the director and deputy chief financial officer of finance department of China Power Investment Corporation (中國電力投資集團公司), the general manager of China Power Investment Finance Co., Ltd (中電投財務有限公司), the deputy director of finance and property management department of State Power Corporation of China (國家電力公司), a director of China Power International Holding Limited, a non-executive director of China Power International Development Limited (a company listed on the Stock Exchange of Hong Kong, stock code: 2380), a director of Shanghai Electric Power Co., Ltd. (上海電力股份有限公司, a company listed on Shanghai Stock Exchange, stock code: 600021) and a director of SPIC Yuanda Environmental-Protection Co., Ltd. (國家電投遠達環保股份有限公司, a company listed on Shanghai Stock Exchange, stock code: 600292). Mr. Gao had also served as a director of the Accounting Society of China (中國會計學會) and a director of the China Association of Chief Financial Officers (中國總會計師協會).



Copper production at CCS Isasmelt furnace



Yufeng SUN (孫玉峰), aged 61, has been appointed as an independent non-executive Director of the Company, the Chairman of the Nomination Committee, and a member of the Remuneration Committee and the Compliance Committee with effect from 21 March 2025. He obtained a Bachelor’s degree in English Literature from the Shanghai International Studies University in 1987 and a Master’s degree in Business Administration from the University of Delaware in the United States in 1997. Mr. Sun joined the CITIC Group Corporation in 1987 and CITIC Metal Co., Ltd. in 1999. He acted as the president and the chairman of CITIC Metal Co., Ltd. between 2003 and 2016, where he was responsible for managing trading and investment businesses. He acted as the vice-chairman and president of CITIC Metal Group Limited from January 2017 to May 2023. From March 2019 to April 2023, he acted as an executive director and the chairman of CITIC Resources Holdings Limited, a company listed on The Stock Exchange of Hong Kong Limited (Stock Code: 1205), where he was responsible for the strategic and corporate development, management and operations of the group. From September 2018 to July 2023, Mr. Sun was a non-executive co-chairman of Ivanhoe Mines Ltd., a company listed on the Toronto Stock Exchange (Stock Code: IVN) and OTC Markets Group, Inc. (Stock Code: IVPAF). Mr. Sun possesses over 30 years of experience in the metal trading and mining sector, including business management and investment.



Southeast ore body control center of NFCA



SENIOR MANAGEMENT

As at the Latest Practicable Date, the senior management of the Company includes:

Dayong YANG (楊大勇), aged 56, is the president of the Company and was appointed as and joined the senior management of the Company on 6 July 2019, who is in charge of compliance management. Mr. Yang was appointed as President of the Company on 27 December 2023. He currently serves as a director of CNMHKI and CNMH. He was appointed as the chief compliance officer (“Chief Compliance Officer”) and a joint company secretary (“Joint Company Secretary”) of the Company on 1 April 2020 and 27 April 2020, respectively. He resigned as a Joint Company Secretary on and a Chief Compliance Officer on 7 March 2022 and 24 November 2025, respectively. Mr. Yang commenced his career at the former Ministry of Foreign Trade and Economic Cooperation of the PRC (currently known as the Ministry of Commerce of the PRC (“MOFCOM”)) in 1992. He used to serve as the deputy division head and the division head of the Department of Outward Investment and Economic Cooperation of the MOFCOM. Mr. Yang’s rich public administration experience also includes his services at the Economic and Commercial Counsellor’s Office of the Embassy of the PRC in the Swiss Confederation and the Economic and Commercial Counsellor’s Office of the Embassy of the PRC in the Republic of France. From September 2012 to January 2019, Mr. Yang served as the deputy director of the strategic planning department (previously known as “strategic research office”) of CNMC, a controlling shareholder of the Company. Mr. Yang graduated from Beijing Foreign Studies University with a bachelor’s degree in French language. From September 2011 to August 2012, Mr. Yang attended an international public administration study programme at École Nationale d’Administration as a candidate sponsored by the French government.

Jingjun WANG (王晶軍), aged 58, is a vice president of the Company, and was appointed as the senior management of the Company on 17 March 2023, who is in charge of NFCA and SML, and is currently the chairman of NFCA and SML. Mr. Wang has over 33 years of experience in nonferrous metals industry. He joined Luanshya in 2009 and successively served as deputy general manager, general manager, and chairman. He served as the chairman of NFCA and SML in 2025. Mr. Wang graduated from Southern Institute of Metallurgy (currently known as Jiangxi University of Science and Technology) in 1992 with a Bachelor of Engineering degree in safety engineering from the Department of Mining. He graduated from University of Science and Technology Beijing with a master’s degree in engineering specializing in mining engineering in 2017. He obtained the title of professor-level senior engineer in 2018.

Lei JIANG (蔣雷), aged 44, is a vice president of the Company, and was appointed as the senior management of the Company on 30 September 2025, who is in charge of Luanshya, and is currently the chairman of Luanshya. Mr. Jiang has 20 years of business management experience. He joined China 15th Metallurgical Construction Group Co., Ltd. (中國十五冶金建設集團有限公司) (“CNMC 15th Metallurgical”, a subsidiary of CNMC) in July 2004. From January 2015 to October 2024, he successively served as assistant manager of the Luanshya Mining Project and the deputy manager of CNMC 15th Metallurgical, chairman of Fifteen MCC Africa Construction & Trade Ltd (中國十五冶非洲建築貿易有限公司), and deputy general manager of CNMC 15th Metallurgical. From October 2024 to September 2025, he served as general manager of CNFC. Mr. Jiang graduated from the College of Water Conservancy and Architectural Engineering Northwest Sci-Tech University of Agriculture and Forestry with a bachelor’s degree in Civil Engineering in 2004. He obtained the title of professor-level senior engineer in 2023.



Tian WANG (王闐), aged 52, is a vice president of the Company, and was appointed as the senior management of the Company on 17 March 2023, who is in charge of the CCS and is currently the chairman of CCS. Mr. Wang has over 29 years of experience in nonferrous metallurgy. Since 2019, he has served as the deputy general manager of CCS and the deputy general manager of Luanshya for the same period. In 2021, he became the chairman of the board of directors of CCS. Mr. Wang joined the Company in 2023 as vice president. Mr. Wang graduated from Central South University of Technology (currently known as Central South University) in 1996 with a Bachelor of Engineering degree in Metallurgy from the Department of Nonferrous Metallurgy. He graduated from Central South University in 2009 and Missouri State University in 2011 with a master's degree in engineering in metallurgical engineering and a master's degree in business administration, respectively. He obtained the title of professor-level senior engineer in 2017.

Jinghe ZHU (朱景和), aged 57, is a vice president of the Company, and was appointed as the senior management of the Company on 21 April 2025, who is in charge of CNMHK and is currently the chairman of CNMHK. Mr. Zhu has over 21 years of business management experience. From 2004 to 2025, he successively served as deputy manager of the investment department, deputy director of the science and technology department, director of the science and technology department, director of the investment mineral exploration department, and general manager of the technology and digital department of CNMC. Mr. Zhu graduated from the Department of Mining Southern Institute of Metallurgy with a bachelor's degree in Mineral Processing Engineering in 1991. He graduated from the Department of Materials Engineering of Mining Southern Institute of Metallurgy (now known as Jiangxi University of Science and Technology) with a master's degree in Non-ferrous Metallurgy in 2000. He graduated from the School of Civil and Environmental Engineering of University of Science and Technology Beijing with a doctoral degree in Mining Engineering in 2004. He obtained the title of professor-level senior engineer in 2009.

Zhimin CHEN (陳志敏), aged 49, is a vice president of the Company, and was appointed as and joined the senior management of the Company on 21 February 2022, who is in charge of the production and operation and compliance operation of Lualaba Copper Smelter and is currently the chairman of Lualaba Copper Smelter. Mr. Chen has over 27 years of experience in metal industry. He served as the office secretary of former Shizishan Copper Mine of Tongling Nonferrous and deputy secretary of youth league committee of Dongguashan Copper Mine of Tongling Nonferrous. From 2008 to 2025, Mr. Chen successively served as the general counsel, manager and deputy general manager of general office of NFCA, chairman of SML and chairman of CNMHK. Mr. Chen graduated from University of Science and Technology Beijing and obtained a master's degree in mining engineering in 2015.

Chong LI (李冲), aged 43, is a vice president of the Company, and was appointed as the senior management of the Company on 21 April 2025, who is in charge of the production and operation and compliance operation of Kambove Mining and is currently the chairman of Kambove Mining. Mr. Li has 16 years of experience in non-ferrous project management. From 2010 to 2021, he successively served as cost engineer, assistant manager of the Muliashi Project and deputy manager of the technical department of Luanshya, as well as deputy manager and manager of the engineering department of Societe Miniere de Deziwa S.A.S.(迪兹瓦礦業股份有限公司) (a subsidiary of CNMC). He joined Kambove Mining in 2021 and successively served as deputy general manager, general manager and chairman. Mr. Li graduated from the Department of Hydraulic Engineering Dalian University of Technology with a bachelor's degree in Engineering Management in 2006, and graduated from the School of Civil and Environmental Engineering University of Science and Technology Beijing with a master's degree in Mining Engineering in 2019. He obtained the title of professor-level senior engineer in 2025.



Groundbreaking ceremony of Luanshya new mine project

Xiwen SUN (孫希文), aged 49, is a vice president of the Company, and was appointed as and joined the senior management of the Company on 18 May 2021, who is in charge of the development of overseas mineral resources. He currently serves as a director of CNMHKI and CNMH. Mr. Sun has over 19 years of experience in nonferrous metal industry. He was appointed as the director of the mining development department of CNMC in January 2025. He worked for the China Non-Ferrous Metals Resource Geological Survey Centre and Sinomine Resource Exploration Co., Ltd. From December 2012 to May 2021, he successively served as the deputy head of geological division of mineral exploration department, head of resource development division of mineral exploration department, head of resource development division of investment mineral exploration department, head of African region of international business department of CNMC. Mr. Sun graduated from the University of Utah and obtained a master's degree in geology science in 2006.

Bo YOU (游波), aged 51, is the chief financial officer of our Company and was appointed as and joined the senior management of Company on 27 February 2023. She currently serves as a director of CNMHKI and CNMH. Ms. You has 27 years of experience in financial management. Ms. You joined China Nonferrous Metal Industry's Foreign Engineering and Construction Co., Ltd. (中國有色金屬建設股份有限公司) (a subsidiary of CNMC) in 1996, and successively served as the chief accountant, the head, the deputy manager of its Financial Department, the manager and director of the Audit Department. She joined our Company in 2023 and has served as chief financial officer ever since. Ms. You graduated from Jiangxi University of Finance and Economics with a bachelor's degree in economics and a bachelor's degree in laws in 1996. She also obtained the title of non-practising registered accountant, tax adviser and senior accountant in 2003, 2006 and 2009, respectively.

Note: Peiwen ZHANG (張培文) and Shougao WANG (王首高) resigned as the vice president of the Company on 21 March 2025. Zhiguo MENG (孟志國) resigned as the vice president of the Company on 21 April 2025 and Zhanyan LI (李占炎) resigned as the vice president of the Company on 12 September 2025.



JOINT COMPANY SECRETARIES

As at the Latest Practicable Date, the Company's joint company secretaries are as follows:

Chaoran ZHU (朱超然), aged 38, has been appointed as a joint company secretary of the Company with effect from 7 March 2022. Mr. Zhu was appointed as the chief compliance officer of the Company on 24 November 2025. He joined CNMC in August 2018 and was responsible for capital operation and equity financing and other relevant works. Mr. Zhu began his career as a department director in CNPC Greatwall Drilling Company ("CNPC Greatwall Drilling", a subsidiary of China National Petroleum Corporation) for the period from 2012 to 2016 and was responsible for the administrative and operational affairs of CNPC Greatwall Drilling. From 2016 to 2018, Mr. Zhu successively served as senior management in the securities affairs department and then the general office of CECEP Wind Power Corporation Co., Ltd. (an A share company listed on the Shanghai Stock Exchange). From August 2018 onwards, Mr. Zhu has served as the director of the secretariat of general office, the member of the preparatory group and deputy director of equity financing division of capital operation department in CNMC. Mr. Zhu obtained a bachelor's degree in Economics and a master's degree in Public Administration from Renmin University of China and subsequently obtained the doctoral degree in Laws from China University of Political Science and Law. Mr. Zhu held both the Fund Professional Qualification Certificate issued by the Asset Management Association of China and the Qualification Certificate for Board Secretaries of Listed Companies issued by the Shanghai Stock Exchange.

Man Yi WONG (黃敏儀), aged 50, has been appointed as a joint company secretary of the Company with effect from 27 April 2018. Ms. Wong has over 10 years of experience in company secretarial services industry. Ms. Wong was previously a joint company secretary of the Company for the period from June 2012 to December 2013. Ms. Wong graduated from City University of Hong Kong with a bachelor's degree in Business Administration (Honours) in Business Management in 2006 and a Master of Science degree in Professional Accounting and Corporate Governance in 2009. Ms. Wong is an associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute.



CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES

The Board of Directors and the management of the Group are committed to achieving and maintaining high standards of corporate governance, which they consider critical in safeguarding the integrity of the Company's operations and maintaining investors' trust in the Company. The Company had complied with all the code provisions as set out in the CG Code contained in Appendix C1 of the Listing Rules during the year ended 31 December 2025.

During the year, the Company has applied the principles set out in the Corporate Governance Code. The Company's corporate governance structure has applied the provisions of the CG Code. In leading, managing and monitoring the Group's business and making strategic decisions, the Board requires each Director to act in good faith, be transparent, accountable, compliant with applicable laws and regulations, make decisions in the interests of the Company and its Shareholders and balance the interests of stakeholders in order to promote the healthy growth and effective performance of the Company's functions, thereby enhancing investors' value.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

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

The Company had made specific enquiry to all the Directors and confirmed that all of them complied with the Model Code for the year ended 31 December 2025.

BOARD OF DIRECTORS

As at 31 December 2025, the Board comprised one executive Director, namely Mr. Bo XIAO; two non-executive Directors, namely Ms. Yani GONG and Mr. Zhijiang CHEN; and three independent non-executive Directors, namely Mr. Huanfei GUAN, Mr. Guangfu GAO and Mr. Yufeng SUN. Mr. Bo XIAO is the Chairman of the Board. The Board's composition is in compliance with the requirements under Rule 3.10(1) and Rule 3.10A of the Listing Rules that at least three independent non-executive Directors; and that the number of independent non-executive Directors must represent at least one-third of the Board.

During the reporting period, the following changes of Board members have been effected:

21 March 2025	Mr. Dingfan QIU resigned, appointed Mr. Yufeng SUN as independent non-executive Director
27 March 2025	Mr. He YANG resigned, appointed Mr. Bo XIAO as the Chairman and executive Director
28 October 2025	Mr. Yaoyu TAN resigned, appointed Mr. Zhijiang CHEN as non-executive Director

To the best knowledge of the Company, there was no relationship (including financial, business, family or other material/relevant relationship(s)) between Board members and in particular, between the chairman and the president during the reporting period up to the Latest Practicable Date, and the Board members were also independent of and not related to any members of the senior management.

CORPORATE GOVERNANCE REPORT (CONTINUED)



For the year ended 31 December 2025, all the members of the Board and board committees actively attended relevant meetings. The attendances at the meetings of the Board and its committees and the general meetings held in person or through other electronic means of communication are as follows:

	For the year ended 31 December 2025						Chairman and INED Meeting	General Meeting
	Board Meeting	Audit Committee Meeting	Nomination Committee Meeting	Remuneration Committee Meeting	Compliance Committee Meeting			
Minimum number of meetings	4	2	1	1	2	1	1	
Number of meetings held in 2025	7	3	2	3	2	1	1	
Mr. Bo XIAO (appointed with effect from 27 March 2025)	5/5	N/A	0/0	1/1	1/1	1/1	1/1	
Mr. He YANG (resigned with effect from 27 March 2025)	2/2	N/A	2/2	2/2	1/1	0/0	0/0	
Mr. Yaoyu TAN (resigned on 28 October 2025)	4/4	3/3	N/A	N/A	N/A	N/A	1/1	
Ms. Yani GONG	7/7	N/A	N/A	N/A	N/A	N/A	1/1	
Mr. Zhijiang CHEN (appointed on 28 October 2025)	3/3	0/0	N/A	N/A	N/A	N/A	0/0	
Mr. Huanfei GUAN	7/7	3/3	N/A	3/3	2/2	1/1	1/1	
Mr. Guangfu GAO	7/7	3/3	2/2	N/A	N/A	1/1	1/1	
Mr. Yufeng SUN (appointed on 21 March 2025)	6/6	N/A	1/1	2/2	2/2	1/1	1/1	
Mr. Dingfan QIU (resigned on 21 March 2025)	0/0	N/A	0/0	0/0	0/0	0/0	0/0	



CORPORATE GOVERNANCE REPORT (CONTINUED)

The Board shall meet at least four times a year at approximately quarterly intervals. The Audit Committee shall meet not less than twice a year to review and discuss the interim and annual consolidated financial statements. The Compliance Committee shall meet at least twice a year to review the Company's internal control policies and corporate management. Both of the Nomination Committee and the Remuneration Committee shall meet at least once a year. In addition, the Chairman of the Board shall meet with independent non-executive Directors without the attendance of executive Directors at least once a year. The Company was in compliance with all the requirements in respect of meetings of Board committee throughout the year of 2025.

The Board is responsible for leading, supervising and managing the Company. Its main duties include but are not limited to: (i) formulating and reviewing the corporate governance policies and practice of the Company; (ii) reviewing and inspecting trainings and continuing development of Directors and senior management; (iii) reviewing and monitoring relevant policies and rules of the Company in relation to compliance with laws and regulations; (iv) developing, reviewing and monitoring the code of conduct and compliance manual applicable to employees and Directors; and (v) reviewing the Company's compliance with Corporate Governance Code and the disclosure of relevant information in the corporate governance report of this annual report ("Corporate Governance Report"). The Board supervises the business, strategy and decision making as well as performance of the Group, in a bid to achieve sound growth momentum to improve shareholder value. Each Director executes his duties in good faith and makes objective decisions in compliance with requirements of applicable laws and regulations. The Board delegates day-to-day operations of the Company to the management of the Group and also instructs the management to implement the Board's decisions and resolutions. The delegated functions are periodically reviewed. Approval has to be obtained from the Board prior to any significant transaction being entered into. Non-executive Directors and independent non-executive Directors actively participated in the meetings of the Board and its committees to exercise their independent judgment on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct of the Company. All of the non-executive Directors and independent non-executive Directors made positive contributions to the strategy and policies of the Company's development through independent, constructive and informed comments. In addition, the Board has also delegated various responsibilities to the Audit Committee, the Nomination Committee, the Remuneration Committee and the Compliance Committee.



Photovoltaic-storage power stations at Kambove Mining

CORPORATE GOVERNANCE REPORT (CONTINUED)



The Board recognises the importance of having access to independent views and opinions. As at 31 December 2025 and up to the Latest Practicable Date, the Board comprises 6 members, 3 of whom are independent non-executive Directors, representing 50%. Where necessary, the board of directors and each committee seek external independent professional advice to facilitate performing its duties, and the expenses shall be borne by the Company. Through the above measures and procedures, the Company has reviewed the effectiveness of the Board's access to independent views and input during the year and considers that the above policies and measures are able to ensure the independent views and input are available to the Board.

The Board also has a balance of skills and experience appropriate for the requirements of the Company's business and it ensures that changes to its composition can be managed without undue disruption. There is a sufficient number of non-executive Directors for their views to carry weight. As not less than one-third of the Board shall be made up of independent non-executive Directors, there is also a strong independent element on the Board, which facilitates the exercise of independent judgment by the Board. One of the independent non-executive Directors, Mr. Guangfu GAO, holds the appropriate professional qualifications as required under Rule 3.10(2) of the Listing Rules.

Directors are provided in a timely manner with appropriate information in the form and quality to enable them to make an informed decision and perform their duties and responsibilities.

Each newly appointed Director receives formal, comprehensive and tailored induction on the first occasion of his/her appointment, so as to ensure that he/she understands the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and other relevant regulatory requirements.

The Directors are continually provided with information relating to the developments in the legal and regulatory regime and the business and market environments to facilitate the execution of their responsibilities. Continuing briefings and professional development training for the Directors were arranged by the Company and its professional advisers.

During the year ended 31 December 2025, all the Directors complied with code provision C.1.4 of Part 2 of the Corporate Governance Code and took continuous professional development trainings in order to refresh their knowledge and skills and provided relevant records to the Company.



CORPORATE GOVERNANCE REPORT (CONTINUED)

The types of trainings in which all Directors participated during 2025 are as follows:

	Type of Trainings
<i>Executive Director</i>	
Mr. Bo XIAO (<i>appointed with effect from 27 March 2025</i>)	A*, A, B
Mr. He YANG (<i>resigned with effect from 27 March 2025</i>)	A, B
<i>Non-Executive Directors</i>	
Mr. Yaoyu TAN (<i>resigned on 28 October 2025</i>)	A, B
Ms. Yani GONG	A, B
Mr. Zhijiang CHEN (<i>appointed on 28 October 2025</i>)	A, B
<i>Independent Non-Executive Directors</i>	
Mr. Huanfei GUAN	A, B
Mr. Guangfu GAO	A, B
Mr. Yufeng SUN (<i>appointed on 21 March 2025</i>)	A*, A, B
Mr. Dingfan QIU (<i>resigned on 21 March 2025</i>)	B

A: attending seminars, conferences and/or expert briefings relevant to the business or Directors' duties

A*: obtained the legal advice referred to in Rule 3.09D of the Listing Rules and that he/she has confirmed he/she understood his/her obligations as a Director

B: paying visits to the Group's local management and facilities

Pursuant to Rule 3.13 of the Listing Rules, the Company has received written annual confirmation from each independent non-executive Director for his independence and considers that all independent non-executive Directors are independent in accordance with the guidelines set out in the Listing Rules.

The Company has arranged appropriate insurance cover in respect of legal action against all the Directors.

CHAIRMAN AND CHIEF EXECUTIVE

Code provision C.2.1 of Part 2 of the Corporate Governance Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. The chairman provides leadership and is responsible for the effective functioning and leadership of the Board. The chief executive focuses on the Company's business development and daily management and operations generally. During the year ended 31 December 2025, Mr. He YANG and Mr. Bo XIAO have successively served as the Chairman of the Board, and Mr. Dayong YANG was the President. The Company had complied with code provision C.2.1 of Part 2 of the Corporate Governance Code throughout the Year.



APPOINTMENT AND RETIREMENT OF DIRECTORS

According to article 107 of the Articles of Association of the Company and Rule 4(2) of Appendix A1 of the Listing Rules, Directors who were appointed by the Board to fill a casual vacancy or to increase the number of members of the Board during the year 2025 shall retire at the forthcoming annual general meeting. They are eligible for re-election and will offer themselves for re-election.

In accordance with article 102 of the Articles of Association of the Company, at each annual general meeting, one-third of the Directors or, if their number is not three (3) or a multiple of three (3), the number which is nearest to and is at least one-third, shall retire from office by rotation at least once every three (3) years. A retiring Director shall be eligible for re-election. Pursuant to article 103 of the Articles of Association, the directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

The Nomination Committee is responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession planning of Directors and assessing the independence of independent non-executive Directors.

Each of the executive Directors has signed a service agreement with the Company for an initial term of three years and to renew for three years automatically (subject to termination in certain circumstances as stipulated in the relevant service agreement). Each of the non-executive Directors (including three independent non-executive Directors) has signed a letter of appointment and/or a supplemental letter of appointment with the Company for an initial term of three years and to renew for three years automatically (subject to termination in certain circumstances as stipulated in the relevant letters of appointment).

Save as disclosed herein, none of the Directors has or is proposed to have entered into any service agreement or letter of appointment with any member of the Group (excluding agreements expiring or determinable by any member of the Group within one year without the payment of compensation other than statutory compensation).

PRACTICES OF BOARD MEETINGS

Notices of regular Board meetings are given to all the Directors at least 14 days before the meetings. Schedules and agenda of each meeting are made available to the Directors in advance. All the Directors are given an opportunity to include matters in the agenda for regular Board meetings. For other Board and committee meetings, notices are given within reasonable time in advance. Minutes of all Board meetings and committee meetings are kept by the joint company secretaries and open for the Directors' inspection. Draft and final version of minutes are circulated to the Directors for their comments and records within a reasonable time after the Board meeting is held. Minutes of the meetings of the Board and Committees recorded sufficient details of the matters considered and decisions reached at relevant meetings, including any concerns raised by Directors or dissenting views expressed.



CORPORATE GOVERNANCE REPORT (CONTINUED)

The Directors, upon reasonable request, will be provided with independent professional advice, at the Company's expense, to assist them to perform their duties. They may also have access to the senior management whenever necessary. Senior management would attend all regular Board meetings as and whenever necessary to report and advise the Board on business developments, financial and accounting matters, statutory and regulatory compliance, corporate governance and other major aspects of the Company. All Directors are entitled to have access to Board papers and related materials. The Company shall provide prompt and full responses to queries raised by the Directors as soon as it possibly can.

Pursuant to the provision of the Articles of Association, a Director shall not vote nor be counted in the quorum at the Board meeting on any resolution approving any contract or arrangement or concerning a matter in which he or any of his associate(s) has, directly or indirectly, a material interest (other than an interest in shares, debentures or other securities of, or otherwise in or through, the Company) unless his interest arises because of specified matters set out in the Articles.

BOARD PERFORMANCE EVALUATION

The Company has conducted an annual evaluation of the overall performance of the Board during the year 2025. The evaluation was carried out through an internal assessment model, which included: (i) distribution of anonymous questionnaires to all Directors to collect feedback on the operation of the Board; (ii) review of the minutes and resolutions of the Board meetings held in 2025; and (iii) comparative analysis against the Board skills matrix and key financial data. No independent professional consultant was engaged for this evaluation.

The evaluation adopted a combined approach of qualitative and quantitative assessment, as well as objective and subjective criteria. The scope of assessment covered the overall effectiveness of the Board, its composition and skills matrix, the quality of information provided to the Board, risk management and internal control mechanisms, and the effectiveness of communication between the Board and Shareholders.

The results of this evaluation indicated that the Board operated effectively during the year 2025, with no material areas requiring significant improvement. The Company plans to continue enhancing the Board's organisation structure, governance framework and skill diversification in the next reporting year, and to strengthen the Board's focus and guidance on key matters within its terms of reference. Going forward, the Company intends to conduct Board performance evaluations on a biennial basis.

BOARD COMMITTEES

The Board has established the Audit Committee, the Nomination Committee, the Remuneration Committee and the Compliance Committee to oversee particular aspects of the affairs of the Company. Each of these committees is set up with specific written terms of reference and the same has been published on the website of Hong Kong Stock Exchange. Each committee is delegated with authorities and duties within its terms of reference. The agenda of Board committees and relevant documents will be sent to all Directors at least three days before the intended date of relevant meetings. Each committee shall report to the Board according to its terms of reference.



AUDIT COMMITTEE

The Company has an audit committee which was established with written terms of reference in compliance with Rule 3.22 of the Listing Rules and code provision D.3 of the CG Code as set out in Part 2 of Appendix C1 of the Listing Rules. The primary role and function of the Audit Committee are to supervise the financial reporting process and internal control and risk management systems of the Group. At 28 October 2025, Mr. Yaoyu TAN resigned from his position as member of the Audit Committee, and Mr. Zhijiang CHEN was appointed as a replacement on the same date. As at the date of this report, the Audit Committee consists of one non-executive Director, being Mr. Zhijiang CHEN, and two independent non-executive Directors as its members, being Mr. Guangfu GAO and Mr. Huanfei GUAN. The chairman of the Audit Committee is Mr. Guangfu GAO, who has appropriate professional qualifications, accounting and related financial management expertise as required under Rule 3.10(2) of the Listing Rules. The Group's financial statements for the year ended 31 December 2025 have been reviewed by the Audit Committee, who was of the opinion that such statements complied with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures had been made.

The Audit Committee is also responsible for overseeing and monitoring the risk management and internal control systems of the Company on an ongoing basis and review with our external auditors and management periodically, not less than once a year, the scope, adequacy and effectiveness of the Company's corporate accounting and financial controls, risk management and internal control systems and any related significant findings regarding risks or disclosure, and consider recommendations for improvement of such controls. The review should cover all material controls, including financial, operational and compliance controls. In conducting annual review, the Audit Committee should, in particular, consider the factors including (a) the changes, since the last annual review, in the nature and extent of significant risks, and the issuer's ability to respond to changes in its business and the external environment; (b) the scope and quality of management's ongoing monitoring of risks and of the internal control systems, and where applicable, the work of its internal audit function and other assurance providers; (c) the extent and frequency of communication of monitoring results to the board which enables it to assess control of the issuer and the effectiveness of risk management; (d) significant control failings or weaknesses that have been identified during the period. Also, the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the issuer's financial performance or condition; and (e) the effectiveness of the issuer's processes for financial reporting and Listing Rule compliance.

The Audit Committee is also responsible for reviewing the Company's internal audit function, ensuring coordination within the Group and between the Company's internal and external auditors, and ensuring that the internal audit function is adequately resourced and has appropriate standing within the Company and to review and monitor its effectiveness.

During this year, the work of the Audit Committee of the Company was summarized as follows:

During this year, the work of the Audit Committee of the Company includes reviewing the unaudited financial statements of the Group for the six months ended 30 June 2025, the 2025 interim result announcement and 2024 annual result announcement, the 2025 interim report and the 2024 annual report for approval by the Board; providing all Directors with views on the financial statements, the auditor's report, accounting policies and comments; reviewing the continuing connected transactions for the year ended 31 December 2025; and reviewing the risk management and internal control reports.



CORPORATE GOVERNANCE REPORT (CONTINUED)

The Company's and the Group's audited financial statements for the year ended 31 December 2025 have also been reviewed by the Audit Committee, who was of the opinion that the financial statements complied with the applicable accounting standards, the Listing Rules and the legal requirements, and that adequate disclosures had been made.

For the Year, the Audit Committee held three meetings and the attendance records of individual members are set out below:

Name of Directors	Number of meetings attended/held
Mr. Guangfu GAO	3/3
Mr. Zhijiang CHEN (<i>appointed on 28 October 2025</i>)	0/0
Mr. Yaoyu TAN (<i>resigned on 28 October 2025</i>)	3/3
Mr. Huanfei GUAN	3/3

NOMINATION COMMITTEE

The Nomination Committee consists of three members. On 21 March 2025, Mr. Dingfan QIU resigned as chairman of the Nomination Committee and Mr. Yufeng SUN was appointed as a replacement on the same day. Mr. He YANG resigned as a member of the Nomination Committee with effect from 27 March 2025, and Mr. Bo XIAO was appointed as a replacement on the same day. Mr. Bo XIAO resigned as a member of the Nomination Committee with effect from 30 June 2025, and Ms. Yani GONG was appointed as a replacement on the same day. Following the appointment of Ms. Gong, the Company has complied with the gender diversity requirement for Nomination Committee members under Code B.3.5 under Part 2 of Appendix C1 of the Listing Rules. As at 31 December 2025, the Nomination Committee consists of one non-executive director, being Ms. Yani GONG, and two independent non-executive Directors as its members, being Mr. Guangfu GAO and Mr. Yufeng SUN. The chairman of Nomination Committee is Mr. Yufeng SUN, an independent non-executive Director. The Company has adopted the board diversity policy since 30 August 2013. The primary role and function of the Nomination Committee include, but are not limited to, reviewing the structure, size, diversity (including but not limited to gender, age, culture and educational background), and composition of the Board of Directors, assessing the independence of independent non-executive Directors and making recommendations to the Board on matters relating to the appointment of Directors. The Nomination Committee is authorised by the Directors to obtain advice from external counsel or other independent professional consultants if necessary. It may invite external individuals with relevant experience and professional knowledge to attend the meeting when needed. The Nomination Committee will be provided adequate resources to perform its duties.

The Nomination Committee has fulfilled the primary duties mentioned above. At the meeting held by the Nomination Committee in 2025, it reviewed the structure, size, composition and diversity of the Board to ensure that the Board has a balance of expertise, skills and experience appropriate for the business of the Company, and assessed the independence of the independent non-executive Directors. The Nomination Committee reviewed the appointment of each Director prior to that Director seeking re-election at the forthcoming annual general meeting and was pleased to recommend the re-election of eligible Directors to the Board.



For the Year, the Nomination Committee held two meetings and the attendance records of individual members are set out below:

Name of Directors	Number of meetings attended/held
Mr. Yufeng SUN (<i>appointed on 21 March 2025</i>)	1/1
Mr. He YANG (<i>resigned with effect from 27 March 2025</i>)	2/2
Mr. Guangfu GAO	2/2
Ms. Yani GONG (<i>appointed with effect from 30 June 2025</i>)	0/0
Mr. Bo XIAO (<i>appointed with effect from 27 March 2025, resigned with effect from 30 June 2025</i>)	0/0
Mr. Dingfan QIU (<i>resigned on 21 March 2025</i>)	0/0

Nomination Process

The Nomination Committee shall assess whether any vacancy on the Board has been created or is expected on a regular basis or as required.

The Nomination Committee utilises various methods for identifying director candidates, including recommendations from Board members, management, and professional search firms. All Director candidates, including incumbents and candidates nominated by Shareholders are evaluated by the Nomination Committee based upon the Director qualifications. While Director candidates will be evaluated on the same criteria through review of resume, personal interview and performance of background checks, the Nomination Committee retains the discretion to establish the relative weighting of such criteria, which may vary based on the composition, skill sets, age, gender and experiences of the collective Board rather than on the individual candidate for the purpose of diversity perspectives appropriate to the requirement of the Company's business.

Selection Criteria

The Nomination Committee will take into account whether a candidate has the qualifications, skills, experience and gender diversity that would add to and complement the range of skills, experience and background of existing Directors by considering the highest personal and professional ethics and integrity of the director candidates, proven achievement and competence in the nominee's field and the ability to exercise sound business judgment, skills that are complementary to those of the existing Board, the ability to assist and support management and make significant contributions to the Company's success and such other factors as it may deem are in the best interests of the Company and the Shareholders.

During the year, the above procedures and selection criteria were adopted for the nomination and selection of new Directors.



CORPORATE GOVERNANCE REPORT (CONTINUED)

Board Diversity Policy

The composition of the Board is reviewed on an annual basis by the Nomination Committee to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competence for informed decision-making and effective functioning. The Company adopted its own board diversity policy and recognises the benefits of having diversity in the composition of the Board.

The summary of the board diversity policy:

General Policy

With a view to achieve a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity will be considered from a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Measurable Objectives

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Company will also take into account factors based on its own business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

Implementation of the Policy

Although the mining industry is traditionally male-dominated, the Group plans to consider not only the basic qualifications of the candidates, but also select female employees if suitable, in order to increase the proportions of female employees and, in the long run, increase the likelihood of the Company having more female directors and senior management in the future, when recruiting senior management, as well as middle and senior staff.

The Nomination Committee will review annually on the Board's composition under diversified perspectives, including but not limited to progress on achieving any measurable objectives that set for implementing the Policy, and monitor the implementation of the Policy.

Ms. Yani GONG ("Ms. Gong") was appointed as a non-executive Director on 27 December 2023. She is the first female director of the Company. After the appointment of Ms. Gong has come into effect, the Company has satisfied the gender diversity requirement for directors under Rule 13.92 of the Listing Rules. As at 31 December 2025, the Group had a total of 8,521 staff (including staff of the subsidiaries), comprising 8,101 male staff and 420 female staff (as at 31 December 2024: 7,929 male staff and 565 female staff), representing approximately 95.1% and 4.9% of the workforce (as at 31 December 2024: approximately 93.3% male staff and 6.7% female staff), respectively. As at 31 December 2025, 1 (as at 31 December 2024: 1) of the Company's senior management was female.



Composition of the Diversified Board

As at the Latest Practicable Date, the Board comprises 6 Directors. The following table further illustrate the composition and diversity of the Board in terms of age and length of service with the Group, educational background and professional experience as at the date of this annual report:

Name of Directors	Age Group			Length of Service	
	40 to 49	50 to 59	60 or above	less than 3 years	more than 3 years
Mr. Bo XIAO	✓			✓	
Ms. Yani GONG	✓			✓	
Mr. Zhijiang CHEN	✓			✓	
Mr. Huanfei GUAN			✓		✓
Mr. Guangfu GAO			✓	✓	
Mr. Yufeng SUN			✓	✓	

Name of Directors	Educational Background				Professional Experience		
	Economics	Mining	Accounting and Finance	Business Administration	Mining	Accounting and Finance	Management
Mr. Bo XIAO		✓			✓		✓
Ms. Yani GONG	✓						✓
Mr. Zhijiang CHEN			✓			✓	✓
Mr. Huanfei GUAN	✓					✓	✓
Mr. Guangfu GAO			✓			✓	✓
Mr. Yufeng SUN				✓	✓		✓

REMUNERATION COMMITTEE

The Remuneration Committee consists of three members. On 21 March 2025, Mr. Dingfan QIU resigned as member of the Remuneration Committee and Mr. Yufeng SUN was appointed as a replacement on the same day. Mr. He YANG resigned as a member of the Remuneration Committee with effect from 27 March 2025, and Mr. Bo XIAO was appointed as a replacement on the same day. As at 31 December 2025, the Remuneration Committee consists of one executive director, being Mr. Bo XIAO, and two independent non-executive Directors as its members, being Mr. Huanfei GUAN and Mr. Yufeng SUN. The Remuneration Committee is chaired by Mr. Huanfei GUAN, an independent non-executive Director. The primary role and function of the Remuneration Committee include, but are not limited to, the following: (i) making recommendations to the Board and determining on the Company's policy and structure for all remuneration of the Directors (including executive Directors) and senior management and on the establishment of a formal and transparent procedure for development policy on such remuneration; (ii) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time; (iii) evaluating the performance of executive Directors; and (iv) approving the terms of executive Directors' service contracts. The Remuneration Committee is authorised by the Directors to obtain advice from external counsel or other independent professional consultants if necessary. It may invite external individuals with relevant experience and professional knowledge to attend the meeting when needed. The Remuneration Committee is provided with adequate resources to perform its duties.

The remuneration payable to each of the directors is determined by the Remuneration Committee with reference to his contribution of time, effort and expertise on the Company's matters.



CORPORATE GOVERNANCE REPORT (CONTINUED)

The Remuneration Committee of the Company has performed the primary role and function mentioned above. During the year, the work of the Remuneration Committee is summarized as reviewing and recommending to the Board the remuneration arrangements for directors and senior management of the Company in accordance with the Provisional Management Measures of Senior Management's Remuneration and recommending and proposing to the Board amendments to the relevant terms of reference of the Remuneration Committee. For the purposes of code provision E.1.2(c) of Corporate Governance Code, the mode adopted by the Company is for the Remuneration Committee to recommend to the Board the remuneration packages of individual executive directors and senior management, including non-monetary benefits, pension entitlements and compensation payments (including compensation for loss of office or termination or appointment).

For the remuneration of the Directors for the year ended 31 December 2025, please refer to note 9 to the audited consolidated financial statements of this annual report.

Please see below for the remuneration of the directors and senior management of the Group by band for the year ended 31 December 2025:

	Number of Directors and senior management
HK\$0 to HK\$500,000	12
HK\$500,001 to HK\$1,000,000	0
HK\$1,000,001 to HK\$1,500,000	5
Over HK\$1,500,000	6

For the Year, the Remuneration Committee held three meetings and the attendance records of individual members are set out below:

Name of Directors	Number of meetings attended/held
Mr. Huanfei GUAN	3/3
Mr. Bo XIAO (<i>appointed with effect from 27 March 2025</i>)	1/1
Mr. Yufeng SUN (<i>appointed on 21 March 2025</i>)	2/2
Mr. He YANG (<i>resigned with effect from 27 March 2025</i>)	2/2
Mr. Dingfan QIU (<i>resigned on 21 March 2025</i>)	0/0



COMPLIANCE COMMITTEE

The Compliance Committee consists of three members. On 21 March 2025, Mr. Dingfan QIU resigned as a member of the Compliance Committee and Mr. Yufeng SUN was appointed as a replacement on the same day. Mr. He YANG resigned as the Chairman of the Compliance Committee with effect from 27 March 2025, and Mr. Bo XIAO was appointed as a replacement on the same day. As at 31 December 2025, the Compliance Committee consists of one executive director, being Mr. Bo XIAO, and two independent non-executive Directors as its members, being Mr. Huanfei GUAN and Mr. Yufeng SUN. Mr. Bo XIAO is the Chairman of the Compliance Committee. The terms of reference of the Compliance Committee include the terms of code provision A.2.1 of the CG Code. The primary role and functions of the Compliance Committee include, but are not limited to, overseeing and monitoring the compliance status of the Company's business and operations based on the applicable legal and regulatory requirements as well as the Company's own internal control policies and procedures; reviewing regular and special reports submitted by the compliance principal in each subsidiary and requiring such compliance principals to prepare specific reports dealing with particular internal control or compliance issues for review; holding regular meeting to discuss, investigate and make plans for the legal and compliance matters; formulating and reviewing the Company's policies and practice on corporate government and making recommendations to the Board; and reviewing the Company's compliance with the Corporate Governance Code set out in the Listing Rules and disclosure in the Corporate Governance Report section of the Company's annual report.

The Compliance Committee has performed the primary role and function mentioned above.

For the Year, the Compliance Committee held two meetings and the attendance records of individual members are set out below:

Name of Directors	Number of meetings attended/held
Mr. Bo XIAO (<i>appointed with effect from 27 March 2025</i>)	1/1
Mr. He YANG (<i>resigned with effect from 27 March 2025</i>)	1/1
Mr. Huanfei GUAN	2/2
Mr. Yufeng SUN (<i>appointed on 21 March 2025</i>)	2/2
Mr. Dingfan QIU (<i>resigned on 21 March 2025</i>)	0/0

INDEPENDENT AUDITOR

On 28 June 2022, Deloitte Touche Tohmatsu retired as the auditor of the Group and Ernst & Young was appointed as the auditor of the Group. Details of the change of auditors were set out in the announcements of the Company dated 13 June 2022 and 28 June 2022.

Since 26 December 2023, Ernst & Young ceased to be the auditor of the Group and KPMG ("KPMG") was appointed as the auditor of the Group. Details of the change of auditors were set out in the announcements of the Company dated 28 November 2023 and 26 December 2023 and the circular of the Company dated 4 December 2023.

Apart from these, there have been no other changes of auditors in the past three years.

The Group's independent external auditor is KPMG. KPMG is responsible for presenting independent opinion on the consolidated financial statements of the Group in accordance with the results of their audit work, and reporting to the Shareholders on the same. KPMG was engaged to provide assurance services on continuing connected transactions. KPMG was engaged to perform a review of the interim consolidated financial statements of the Group for the six months ended 30 June 2025.



CORPORATE GOVERNANCE REPORT (CONTINUED)

The remuneration paid to KPMG and its affiliates in respect of audit and assurance services for the year ended 31 December 2025 amounted to US\$696,000. The remuneration paid to KPMG and its affiliates in respect of review services for the six months ended 30 June 2025 amounted to US\$144,000. For the year ended 31 December 2025, remuneration paid to KPMG and its affiliates for other non-audit services (i.e., provision of tax consulting services, due diligence services and risk management consulting services to subsidiaries) was US\$215,000.

JOINT COMPANY SECRETARIES

Mr. Chaoran ZHU has been appointed as a replacement on 7 March 2022, after a waiver to the Company from strict compliance with the requirements under Rule 3.28 and Rule 8.17 of the Listing Rules for a period of three years starting from the date of Mr. Zhu's appointment, has been granted by the Hong Kong Stock Exchange. As at the date of this report, Mr. Chaoran ZHU and Ms. Man Yi WONG are the joint company secretaries of the Company.

Ms. Wong's primary contact person at the Company is Mr. Chaoran ZHU. The joint company secretaries have taken no less than 15 hours of relevant professional training during the year. Joint company secretaries of the Company shall report to chairman of the Board and/or the President.

FINANCIAL REPORTING

The Directors acknowledge their responsibility for preparing the consolidated financial statements of the Group, which were prepared in accordance with statutory requirements and applicable accounting standards. The management has provided detailed explanation and information to the Board, which will enable the Board to make informed assessment on the financial and other information put before the Board for approval. Updated information has been provided by the management to members of the Board on a monthly basis, containing fair and understandable assessment on performance, financial condition and prospect of the Group.

The auditor's report for the consolidated financial statements for the year ended 31 December 2025 is set out on pages 99 to 104 of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Group is dedicated to maintaining and establishing quality corporate governance. Pursuant to code provisions of the Corporate Governance Code set out in Part 2 of Appendix C1 of Listing Rules, basic standards, guidelines for evaluation as well as other requirements under relevant laws and regulations, the Group has conducted self-evaluation on the effectiveness of its internal control in respect of design and operation. As at 31 December 2025, the internal control for businesses and matters involved in self-evaluation has been established and has operated effectively. Thus the internal control objective of the Group was achieved and the internal control of the Group was sound and effective.



RISK MANAGEMENT AND INTERNAL CONTROL REPORT

I. Responsibilities

The Board of the Company is fully responsible for maintaining a sound and effective risk management and internal control system, while the management is responsible for the design and implementation of the risk management and internal control system to manage the risks. The Board further clarifies that a sound and effective risk management and internal control system is designed to identify and manage the risk of failure to achieve business objectives, and only makes reasonable, but not absolute, assurance against material misstatement or loss.

II. Risk Management and Internal Control Structure of the Company

The Board is responsible for the Company's risk management and internal control system and reviews its effectiveness periodically. The Audit Committee and the Compliance Committee assist the Board in monitoring the Company's risk tolerance level, the designs of the risk management and internal control system and their operational effectiveness.

The Company strictly complies with the requirements of the Listing Rules and relevant laws and regulations on inside information management, and strictly supervises the dealing and publishing of inside information to keep such information in confidentiality before being disclosed, and be disclosed in an accurate and timely manner.

The Audit Committee will continuously supervise and monitor the Company's risk management and internal control system, and will review with external auditors and senior management of the Company in a certain scope on a regular basis (at least once a year) the scope, adequacy and effectiveness of the Company's accounting and financial monitoring, risk management and internal control systems, as well as any relevant significant findings relating to risks or disclosure, and consider making recommendations for improvement of such controls. An annual review covers all material monitoring, including financial monitoring, operational monitoring and compliance monitoring. The matters that the Audit Committee reviews include, among others, the following:

- (a) discussing the changes, since the last annual review, in the nature and extent of significant risks, and the Company's ability to respond to changes in its business and the external environment;
- (b) the scope and quality of the continuous monitoring of risk management and internal control system by senior management, as well as (where applicable) internal audit functions and works of other assurance providers;
- (c) reporting on the extent and frequency of communication of monitoring results to the Board to enable the Audit Committee to assess control of the Company and the effectiveness of risk management;
- (d) significant control failings or weaknesses that have been identified during the reporting period and the extent to which they have resulted in unforeseen outcomes or contingencies that have had, may have or may in the future have, a material impact on the Company's financial performance;
- (e) the effectiveness of the Company's procedures on financial reporting and the compliance of the Listing Rules;



CORPORATE GOVERNANCE REPORT (CONTINUED)

- (f) discussing the risk management and internal control system with senior management in order to ensure the proper establishment and maintenance of effective systems by senior management in the performance of its duties. The discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal control and financial reporting functions;
- (g) considering major findings from investigation on risk management and internal control matters as delegated by the Board or on its own initiative and considering management's response to these findings;
- (h) reviewing the internal audit function, to ensure co-ordination between the internal and external auditors of the Company, to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
- (i) reporting to the Board of any actions that have been noted and which, depending on their severity, should be brought to the attention of the Board in respect of any alleged fraud, noncompliance, failure of risk management and internal control system, or alleged violations and irregularities, and to review the internal investigation findings of any alleged fraud, noncompliance, failure of risk management and internal control system, or alleged violations and irregularities in financial reporting; and
- (j) reporting to the Shareholders in the Corporate Governance Report its annual review of the effectiveness of risk management, internal control system and internal audit functions, or whether additional internal audit functions are required and explain why this function is not available (as the case may be), in order to make sure that the Company has complied with the disclosure requirements under the code provisions on risk management and internal control in the Corporate Governance Code and Corporate Governance Report under the Listing Rules.

The responsibilities of the Compliance Committee in risk management and internal control shall include, but are not limited to:

- (a) devising mechanisms and procedures and making recommendations on improving the internal control system;
- (b) improving and reviewing the effectiveness of the Company's risk management and internal control policies and making recommendations on their improvement;
- (c) overseeing and monitoring the compliance of the Company's business and operations in accordance with applicable legal and regulatory requirements as well as with the risk management and internal control policies and procedures;
- (d) fostering a conducive compliance and risk culture within the Company and considering key risk and compliance issues in relation to the Company's commercial activities.



Risk Management Structure of the Company

<p>Top-down: monitor, identify, assess and control the risks at corporate level</p>	Board		Audit Committee	Compliance Committee
	<ul style="list-style-type: none"> Fully responsible for the Company's risk management and internal control system Set up strategic objectives to review the effectiveness of the Company's risk management and internal control system 	<ul style="list-style-type: none"> Assess and define the nature and extent of the risks Provide guidance on the importance of risk management and promote the risk management culture 	<ul style="list-style-type: none"> Continuously monitor the Company's risk management and internal control system and regularly review the scope, adequacy and effectiveness of the Company's accounting and financial monitoring, and risk management and internal control system 	<ul style="list-style-type: none"> Assist the Board in improving and checking the effectiveness of the Company's risk management and internal control policies and make recommendations for their improvement
<p>Bottom-up: identify, assess and control the risks of business units and job functions</p>	Management		Internal audit	
	<ul style="list-style-type: none"> Design, implement and monitor risk management and internal control system Assess the risks to the Company and its control measures 		<ul style="list-style-type: none"> Assist the Audit Committee in reviewing the effectiveness of the Company's risk management and internal control system 	
	Business units at operations level			
<ul style="list-style-type: none"> Identify, evaluate and manage business risks 		<ul style="list-style-type: none"> Implement risk management procedures and internal control measures within each operational and functional scope 		



III. Risk Management and Internal Control Model

The risk management and internal control model of the Company is based on the model set down by the Committee of Sponsoring Organizations of the U.S. Treadway Commission (COSO), and has five components, namely: internal environment, risk assessment, control activities, information and communication, and internal supervision. In developing our internal control model based on the internal control model set by COSO, the Company has taken into consideration its organisation structure and nature of business activities.

Internal Environment – This creates suitable conditions for the risk management and internal control of the Company. The Company formed a management style focusing on corporate governance, and built a corporate culture with good professional ethics and accountability. The Company has formulated the Code on Corporate Governance Practices and promoted it to all employees. The Internal Control Management Manual of the Company has full coverage of the organisational structure, development strategies, human resources, social responsibility, corporate culture and other internal environment aspects, aims to build risk awareness and internal control responsibility into our culture and is regarded as the foundation of the Company's internal controls system.

Risk Assessment – The Company formed a risk management system for risk identification, risk analysis, risk assessment and risk response. The Board, management and all employees work together for continuing promotion of risk management. A law and compliance department was established by the Company to regularly follow up on risk management work, to prepare a compliance report every month so as to track the risk situation of the enterprise and to integrate the risk management function into the daily management work and the scope of business operation and functions of each enterprise. Meanwhile, the Company proactively conducted identification and assessment of key risks and analyzed and coped with risks in a timely manner.

Control Activities – The Company's core businesses of mining, ore processing, smelting and sales of copper have all established mature operational processes. The Company and all the investees have formed a sound system covering every production and business activity at the business and financial level. Besides, the Company has strengthened its information automation programme to effectively set restrictions on power and implement the separation of duties. With the help of digital technology, the operating efficiency was enhanced.

Information and Communication – The Company established a sound information communication mechanism, for example, it promulgated the "Management System of Information Disclosure of China Nonferrous Mining Corporation Limited" and the "Management System of Financial Information Disclosure of China Nonferrous Mining Corporation Limited", set up a periodic reporting mechanism of monthly compliance information including statutory matters, internal control system, legal cases and related party transactions, and the Company continuously supervises and manages the financial information and compliance information of all the investees. All the investees have established a unified business finance management system to strengthen the integration and sharing of information.

Internal Supervision – The supervision procedure is organised and started by the Board, the Audit Committee and the Compliance Committee, and performed by the Legal and Compliance Department and the internal auditor. The Audit Committee and the Compliance Committee shall hold at least two meetings a year, to continuously monitor the risk management and internal control system. At management level, the Company has a complaint channel to carry out anti-fraud monitoring work, and the Legal and Compliance Department will arrange reviews on the risk management and internal control system annually.



IV. Review on the Effectiveness of the Risk Management and Internal Control System in 2025

The Company has organised an overall review on the risk management and internal control system in 2025. As at 31 December 2025, as confirmed by the management, the Board considered the risk management and internal control systems effective and adequate and did not identify any significant issues that may affect the Company's financial monitoring, operational monitoring, compliance monitoring and risk management functions.

During the course of review, the Board considered that the resources available to, qualifications and experience of staff responsible for the Company's accounting, internal audit and financial reporting, training and budget were sufficient.

V. Further Reinforcing the Company's Risk Management and Internal Control System

During the reporting period, the Company, grounded in the realities of cross-border mining operations and anchored on the core objective of high-quality sustainable development, continued to strengthen its risk management and internal control system, with focus on the following:

Internal Environment – Anchor to development objectives and reinforce the foundation for risk management and control

The Company closely adheres to the main goal of high-quality development, anchors on the objective of establishing a world-class mining enterprise, continues to improve its modern corporate governance system, and drives the iterative upgrading of governance capabilities and operational management standards. During the reporting period, the Company deepened the concept of full-process lean management, promoted value enhancement and the "six efficiency enhancement" action plan, and adapted to changes in the global non-ferrous metals market cycle as well as challenges in overseas operating environments. These efforts have reinforced the foundation for the Company's steady cross-border operations and comprehensive risk prevention and control.

Risk Assessment – Uphold the safety bottom line and closed-loop management and control

The Company insists on coordinating development and safety, continues to uphold bottom line thinking and integrates compliance management and control throughout the entire production and operational process to foster a low-risk, high compliance operation and management environment continuously. During the reporting period, the Company advanced the iterative optimisation of its risk prevention and control system to achieve normalised and full-cycle management and control of major operational, compliance and safety production risks. For example, Lualaba Copper Smelter organised a comprehensive review of company-wide policies, transforming its approach from fragmented "stacked management" to "systematic governance", revising and improving various rules and regulations, thereby effectively enhancing governance efficiency.



CORPORATE GOVERNANCE REPORT (CONTINUED)

Control Activities – Deepen lean management and control to enhance value creation

The Company continues to deepen lean management and control across the entire business chain, drive business units and functional departments to fully explore management potential and systematically optimise core management process flows to continuously reduce operating costs and improve operating quality and efficiency. At the same time, the Company has advanced value creation initiatives that aligned with world-class enterprises, and deepened the all-round benchmarking against leading enterprises in the industry around the world. For example, the “KMS” brand electrolytic copper of Kambove Mining SAS was officially approved as a delivery brand of the London Metal Exchange (LME), and can be delivered to LME warehouses around the world; CNMC Huachin Mabende obtained ISO three systems certification; and Huachin Leach completed its ISO certification review.

Information and Communication – Digital transformation enables collaborative links

With digital transformation as a core driver, the Company continues to advance intelligent and information construction with the core objectives of cost reduction, efficiency enhancement, management upgrades and value creation. It promotes the deep integration and efficient interaction of information across multiple segments and departments, such as supply-marketing-inventory, production operations, geological exploration and safety management, breaking down cross-segment data barriers, significantly reducing communication costs and improving collaborative operational efficiency. For example, the tailings pond online monitoring system of Kambove Mining was officially completed and put into use, providing technological support for safe production and ecological protection in the mine area; NFCA successfully developed its own AI management system for filling station and UPS intelligent monitoring, achieving intelligent control and closed-loop data management in key processes, thereby significantly improving work efficiency; and CNMHK completed and commissioned its mineral rights and geological integrated information system for the copper-cobalt metallogenic belt in DRC, providing strong data support for resource strategic decision-making.

Internal Supervision – Improve closed-loop supervision and strengthen rectification implementation

In 2025, based on regular internal control and assessment of the Company, the legal affairs and compliance department carried out an in-depth all-round assessment on risk management and internal control of listed companies and capital contributors, thoroughly identifying control gaps and potential risks. In addition, the Company continues to implement rectification of issues identified in special supervision and inspections, carries out regular “look-back” on the rectification situation, forming a closed-loop supervision of “inspection–rectification–review–consolidation”, thereby comprehensively improving the Company’s overall compliance operation and risk management and control capabilities.

VI. Future Development

Developing a risk management system that will be used by each operating unit to manage and control risks is an ongoing process. The Company will continue to enhance its risk management and control capabilities, improve its internal control structure, and strive to integrate risk management and internal control into its business processes.



VII. Risk Factors of the Company

As the basis for the risk management policy, the Company should be aware of the risk factors and risk changes it is currently exposed to. The following table sets out the nature and risk changes of some of the significant risks to the Company.

Risks	Description of risks change	Risks change in 2025
Political environment	<p>In 2025, although the security situation in the eastern part of the DRC further deteriorated, the Company's main production and operation were concentrated in the southern region, which is distant from the conflict areas. As such, the Company was not directly affected by the hostilities, nor did its production and operation suffer any substantial impact. The overall risk remained largely unchanged.</p> <p>Zambia's domestic political system is mature, the social security situation is generally stable, economic growth is steady, and there are no substantial political changes that affect the Company's operations. The risk level remained stable.</p>	Maintained
Operating environment	<p>In 2025, the DRC's economy remained resilient, with its free market economy system unchanged, however, the issue of high tax rates persisted, and the progress of improving the business environment was slow.</p> <p>In 2025, Zambia's business environment was stable, economic growth accelerated, inflation continued to moderate, ease of doing business improved, and there were no material adverse changes occurred in the overall operating environment. The risk level remained stable.</p>	Maintained
Product price	<p>In 2025, copper prices rose significantly year-on-year, primarily driven by the growth in global demand. The tight balance of global copper supply continued to support high copper prices. The rise in copper prices directly benefited the Company's operating results, effectively reducing the adverse impact of price volatility on profitability, and decreasing product price risk.</p>	Decreased



CORPORATE GOVERNANCE REPORT (CONTINUED)

Risks	Description of risks change	Risks change in 2025
Provision of raw materials	In 2025, power shortages in southern and central Africa persisted, however, multiple energy projects in Zambia and the DRC were under accelerated construction and gradually commencing operations, and the tight power supply situation is expected to gradually ease in the future. In terms of mineral resources, the Company has increased its reserves through internal resource exploration, while securing long-term supply and processing agreements with core mines, further strengthening its resource assurance capability.	Maintained
Production management	The Company deepened lean management through “six efficiency enhancement”, advancing technological innovation to improve automation level and steadily improving production efficiency. In 2025, a tailings dam incident occurred at SML, while an object falling incident occurred at NFCA, resulting in temporary suspension of projects. However, the Company promptly implemented comprehensive safety and environmental corrective measures, and normal production has since resumed. These incidents did not cause any long-term adverse impact on the overall production and operation, and production order has remained stable.	Maintained
Asset management	The Company possesses abundant copper resources, with asset impairment risk primarily driven by copper prices. In 2025, copper prices fluctuated at high levels without sustained sharp decline. The Company’s asset quality remained stable and risk level decreased.	Decreased
Foreign exchange management	In 2025, the exchange rate of the Congolese Franc (“CDF”) against the US dollar experienced mild fluctuation throughout the year, showing an overall appreciation trend, while the exchange rate of the Zambian Kwacha (“ZMK”) against the US dollar first depreciated and then rebounded, experiencing a larger fluctuation than that of 2024. The Company closely monitored exchange rate fluctuations and continuously optimized its financial management strategies to effectively address uncertainties in the foreign exchange market.	Maintained
Legal litigation	In 2025, the Company strictly enforced the internal legal affairs rules and regulations and management processes, with routine litigation management conducted in an orderly manner. However, a tailings dam incident occurred at SML in 2025, which triggered lawsuits, resulting in a marginal increase in legal litigation risk.	Increased



COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Group emphasises the importance of maintaining good communication with the Shareholders and investors, so as to increase the Group's transparency and facilitate the performance of undertaking by the Shareholders. The annual general meeting provides a useful forum for Shareholders to exchange views with the Board. The chairman of the Board will attend and invite the chairmen of the Audit Committee, the Remuneration Committee and the Nomination Committee to attend the annual general meetings. The members of the Board are pleased to answer Shareholders' questions. To foster two-way communication amongst the Group, its Shareholders and potential investors, the Group has assigned personnel in respect of investor relations to respond to enquiries from Shareholders and the public. In the event that a Shareholder wishes to put forward a proposal to the Board, he may put forth his enquiry in writing to the investor relations personnel who will handle the same accordingly. The Group is also willing to maintain communication with shareholders and investors on a continuous basis through individual and group meetings. In addition, the Group is committed to maximising the use of its website as a channel to provide updated information in a timely manner and strengthening the communication with both the Shareholders and the public.



China Securities Journal – 2025 Golden Bull Award for Corporate Governance



Top 100 Hong Kong Listed Companies by Overall Strength 2025



Outstanding Stock Connect Company 2025



Most Valuable Investment Award 2025



CORPORATE GOVERNANCE REPORT (CONTINUED)

Pursuant to F.2 of Part 2 of the CG Code as set out in Appendix C1 of the Listing Rules, the Company shall ensure that shareholders are given sufficient notice of general meetings, and shall ensure that shareholders are familiar with the detailed procedures of voting by poll and shall arrange for questions from the shareholders to be answered at the general meeting.

Pursuant to Article 58 of the Articles of Association, any extraordinary general meeting at which the passing of a special resolution is to be considered or any annual general meeting shall be called by notice of not less than 21 clear days. All other extraordinary general meetings may be called by notice of not less than 14 clear days but if permitted by the Articles of Association, a general meeting may be called by shorter notice.

In addition, in accordance with Article 57 of the Articles of Association, an extraordinary general meeting may be convened on requisition as provided by the Companies Ordinance. According to the Companies Ordinance, the directors are required to call a general meeting if the company has received requests to do so from shareholders of the company representing at least 5% of the total voting rights of all the shareholders having a right to vote at general meetings. Such meeting must be held on a date not more than 28 days after the date of the notice convening the meeting. The directors also have a duty to circulate a resolution proposed as a written resolution by a shareholder (together with any statement of not more than 1,000 words on the subject of the resolution proposed by the shareholder) if the Company has received such requests from the shareholders of the company representing not less than 5% of the total voting rights of all the shareholders entitled to vote on the resolution.

Shareholders may at any time send their enquiries and concerns to the Board in writing at Unit 1303, 13/F, Austin Tower, 22–26 Austin Avenue, Tsimshatsui, Kowloon, Hong Kong. Sufficient contact details are available to enable these enquiries to be properly attended to.

All resolutions put forward at a general meeting will be taken by poll pursuant to the Listing Rules except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. In addition, the poll results will be posted on the websites of the Company and the Hong Kong Stock Exchange after the relevant Shareholders' meeting. Sufficient contact details are available for Shareholders to send their advice.



Dividend Policy

The Company adopted a policy on payment of dividends (the “Dividend Policy”) in March 2019, which established an appropriate procedure on declaring and recommending the dividend payment of the Company.

The Company will declare and/or recommend the payment of dividends to the Shareholders after considering the Company’s ability to pay dividends, which will depend on a number of factors, including but not limited to:

- (i) the Group’s actual and expected financial performance;
- (ii) the Group’s expected working capital requirements, capital expenditure requirements and future expansion plans;
- (iii) retained profits and distributable reserves of the Company and each of the members of the Group;
- (iv) the Group’s liquidity position;
- (v) the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- (vi) any other factors that the Board deems relevant.

The Board has complete discretion on whether to pay a dividend, subject to Shareholders’ approval, where applicable. Even if the Board decides to recommend and pay dividends, the form, frequency and amount will depend upon the operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors of and affecting the Group. The Board may also consider declaring interim dividends from time to time.

The Company shall review and reassess the Dividend Policy and its effectiveness on a regular basis or as required.



INVESTOR RELATIONS

There have been no changes to the Company's Articles of Association during the year ended 31 December 2025.

The Group believes that investor relations is an integral part of good corporate governance for listed companies. During the reporting period, the Group has been proactive in liaising with investors and updating them on industry conditions, company information and business development in a timely manner to create a fair, open and highly transparent disclosure platform. At present, the investor relations work of the Group is undertaken by Mr. Chaoran ZHU, the joint company secretary of the Company, with the full support of the Board and the senior management. Mr. Zhu can be reached by email: zhucr@cnmc.com.cn, telephone: +86 10 8442 6085 and fax: +86 10 8442 6376. hk1258-ir@cnmc.com.cn is an email address dedicated to the Group's investor relations. The Group actively participated in various investor relations activities during the year and provided investors with real-time information through the Company's website.

The Company places great importance to the maintenance and management of investor relations. In addition to the disclosure of annual and semi-annual reports and quarterly reports on its operations, the Company also keeps investors abreast of the Company's experience through various means, such as organizing results presentations, roadshows, and posting dynamic news on the Company's website. During the year, the Company organized a total of 216 investor communication events, including annual and interim results conferences, attended 52 broker strategy meetings, covering more than 100 brokerage firms and institutional investors, and released result reports to the public via official media such as Xinhua Finance and Shanghai Securities News. During the year, the Company has reviewed the implementation and effectiveness of its shareholder communication policy. Based on the feedback and response from investors and shareholders of the Company, the Company believes that its shareholder communication policy is effective.



Panoramic view of Kambove Mining



CONTINUOUS IMPROVEMENT OF INVESTOR RELATIONS

The Group published interim and annual results and disclosed inside information promptly in strict compliance with guidelines of Securities and Futures Commission and Hong Kong Stock Exchange, to provide financial performance, operating strategies and future prospects of the Company to the public in an accurate and effective manner.

The Group maintained close relationships with certain institutions including professional media outlets and investment banks, with a view to learn about the market recognition and expectation for the Group through various channels such as the media and analysts. In the meantime, the Group provided updates to the public in a bid to increase the Group's publicity.

Through on-going information dissemination, the Group's website (www.cnmcl.net) serves as a platform to communicate with the public. The Group regularly updates the content of its website, disseminates the latest updates, so as to enable the public to obtain such information in a timely manner. In 2025, the Group has published 55 announcements and company news on its website, published 5 articles of news on WeChat official account. In addition, the Group also swiftly responds to different enquiries made by the Shareholders, investors, analysts and media by means of email, facsimile and telephone. The Group also published announcements, press releases and other latest updates on the development of the Group, so as to strengthen the effectiveness of information dissemination.



REPORT OF THE DIRECTORS

The Directors present the annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in exploration, mining, ore processing, leaching, smelting of copper and cobalt, and sale of copper cathodes, blister copper and copper anodes, copper-cobalt alloy, cobaltous hydroxide and sulfuric acid. There has been no significant change in the Group's principal activities for the year ended 31 December 2025.

The Group's revenue and segment information for the year ended 31 December 2025 are set out in note 4 to the consolidated financial statements.

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. The net subscription price, after deducting such fees, costs and expenses, was approximately HK\$5.96 per subscription share (approximately US\$0.76 per share). 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. 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 were 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) were 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.

REPORT OF THE DIRECTORS (CONTINUED)



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 31 December 2025, details of the use of the Proceeds are as follows:

Unit: US\$'000

Net proceeds from the Placing	Planned usage	Amount utilized	Actual usage	Unutilized amount	Timeline for the planned use
124,080	Project construction works to increase the production capacity of copper concentrate of mines which is located in Luanshya, Kambove and Chambishi, etc	8,149	Used for the Kambove project construction works	99,167	Before 31 December 2027
	Acquisition of potential mineral resources	16,764	Used for the acquisition of SM MINERALS shares		
	Replenish and supplement the general working capital of the Group	–	–		

Note:

The net proceeds have been applied in the manner consistent with the use of proceeds as disclosed in the Announcements. 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.

RESULTS

The Group’s operating results for the year ended 31 December 2025 and the financial position of the Group as at 31 December 2025 are set out on pages 105 to 190 in the audited consolidated financial statements contained in this annual report.

DIVIDENDS

The Board proposes a payment of final dividends of US¢4.1446 per share for the year ended 31 December 2025. The proposed final dividend will be paid on Tuesday, 14 July 2026 after approval at the forthcoming AGM of the Company. As at the date of this annual report, the Board is not aware of any Shareholder who has waived or agreed to waive any dividends.

SUMMARY OF FINANCIAL INFORMATION

A summary of the consolidated results, assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements of the Group, is set out on page 191 in this annual report.



REPORT OF THE DIRECTORS (CONTINUED)

BUSINESS REVIEW

Overview and Performance of the Year

A review of the business of the Group and an analysis of the Group's performance using financial key performance indicators are provided in the Results Highlights and the Management Discussion and Analysis sections on page 8 and pages 9 to 38, respectively, of this annual report.

Environmental Policies and Performance

The Group upholds the core principle of sustainable development by integrating environmental, social and governance (ESG) considerations into its corporate strategy and daily operations, and systematically advancing compliance management, green development, employee well-being and community integration. We continue to improve our ESG management system, proactively identify and manage risks, and remain committed to creating long-term value for shareholders, employees, communities and broader stakeholders.

Particulars in relation to the Group's environmental policies and performance are set out in the "Environmental, Social and Governance Report" for the Year.

Compliance with relevant Laws and Regulations

Relevant laws and regulations that have a significant impact on the Group mainly include:

- (1) Minerals Regulation Commission Act, 2024 of Zambia;
- (2) Environmental Management Act No. 12 of 2011 of the Laws of Zambia;
- (3) Employment Act Chapter 268 of the Laws of Zambia;
- (4) Explosives Act Chapter 115 of the Laws of Zambia and Explosives Regulations;
- (5) Factories Act Chapter 441 of the Laws of Zambia;
- (6) Occupational Health and Safety Act No. 36 of 2010 of the Laws of Zambia;
- (7) Workers Compensation Act No. 10 of 1999 of the Laws of Zambia;
- (8) Acte Uniforme Relatif au Droit des Societes Commerciales et du Groupement D'Intereteconomique of the Laws of DRC;
- (9) Law No. 001/2018, the Mining Code of the Laws of DRC;
- (10) Decree No. 18/24, the Mining Regulation of the DRC;
- (11) Law on Subcontracting in the Private Sector of the DRC (Law No. 17/001 of 8 February 2017);
- (12) Regulations on the Implementation of the Law on Subcontracting in the Private Sector of the DRC (Decree No. 18/18 of 24 May 2018); and
- (13) Labor Law of the DRC (Law No. 015/2002 of 16 October 2002).



The Group has established and improved the manual for internal control in relation to overall business chains and management processes with subsequent monthly and annual supervision and review to ensure compliance with the relevant laws and regulations. For the year ended 31 December 2025, the Group complied with relevant laws and regulations which had significant impact on the businesses and operations of the Group in all material aspects. During the year ended 31 December 2025, the Group was not subject to any penalty due to violation of the aforesaid laws, regulations and other public policies.

The Group has complied with the requirements under the Companies Ordinance, the Listing Rules, the SFO and the CG Code for, among other things, the disclosure of information and corporate governance. The Group has adopted the Model Code.

Key Relationships with Stakeholders

The support and trust of our stakeholders is integral to the Group’s growth and success. Our stakeholders include Shareholders and creditors, employees and employee organisations, governments and regulatory authorities, the public communities, charities and non-government organisations (NGOs) and clients as well as suppliers. We place emphasis on communications with our stakeholders and have established an open and transparent communication channel for each category of stakeholders to understand their expectations and requests. Please refer to the “Environmental, Social and Governance Report” set out in this annual report for more information.

We continued to strengthen the quality and effectiveness of information disclosure, comply with applicable laws and regulations, and actively participate in public welfare activities, with the purpose of achieving mutual development and value sharing with our stakeholders. We have also formulated key indicators based on the focuses and concerns of different stakeholders to reflect our management performance on the above subject matters. Some of our key indicators include dividend payout ratio and dividend rate for investors; employee training frequency and turnover rate for employees and employee organisations; violations of laws and regulations and safety and environment performance concerned by the government; public opinion and corporate image concerned by the public; contributions to charitable and community activities; and satisfaction surveys for clients etc.. Going forward, we will endeavor to improve our current policies, strive to maximise our stakeholders’ value and achieve a mutually beneficial outcome.



On 3 April 2025, NFCA donated scholarships to students of Copperbelt University



REPORT OF THE DIRECTORS (CONTINUED)

Key Risks and Uncertainties

A description of principal risks and uncertainties that the Group may be facing is provided on page 16 in the “Management Discussion and Analysis” and “Corporate Governance Report” sections of this annual report.

Prospects

Please refer to the Chairman’s Statement on pages 4 to 7 and pages 37 to 38 in the “Management Discussion and Analysis” section of this annual report.

Subsequent Event after the End of Financial Year

Save as disclosed in notes 37 and 38 to the consolidated financial statements for the year ended 31 December 2025, there were no other significant events in relation the Group after the reporting period and up to the date of this report.

BANK AND OTHER BORROWINGS

Details of bank borrowings of the Group as at 31 December 2025 are set out in note 25 to the consolidated financial statements.

CHARITABLE DONATIONS

Charitable donations made by the Group during the year ended 31 December 2025 amounted to US\$3,154,200. In addition, the Group subsidised schools and community hospitals, provided financial aid for the construction and maintenance of public sports facilities such as football fields and swimming pools, and participated in programmes to fight against malaria, AIDS and cholera, thereby earnestly fulfilling its social responsibility.



PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2025 are set out in note 12 to the consolidated financial statements.

As at 31 December 2025, the Group did not own any properties for investment purposes or held for development and/or sale where one or more percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) exceed 5%.

RESERVES

Details of change in the reserves of the Group during the year ended 31 December 2025 are set out in the consolidated statement of changes in equity.

DISTRIBUTABLE RESERVES

As at 31 December 2025, the Company had distributable reserves amounting to US\$398,632,000.

SHARE CAPITAL

There was no change in the share capital of the Company during the year ended 31 December 2025.

As at 31 December 2025 and up to the date hereof, the Company does not hold any treasury shares.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association and there is no restriction against such rights which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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)) during the year ended 31 December 2025.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2025, sales to the Group's five largest customers accounted for 74.1% of the Group's total sales, and sales to its largest customer, being the Retained Group, accounted for 54.1% of the Group's total sales. The second largest customer was the group comprising a non-controlling shareholder of subsidiaries and its subsidiaries.

During the year ended 31 December 2025, purchases from the Group's five largest suppliers in aggregate accounted for approximately 55.5% of the total purchases, and purchases from the largest supplier accounted for approximately 32.0% of the total purchases.



REPORT OF THE DIRECTORS (CONTINUED)

Save as disclosed above, none of the Directors, their associates or any shareholders of the Company (which, to the best knowledge of the Directors, own more than 5% of the number of issued shares of the Company) had any interest in the Group's five largest customers and suppliers during the year ended 31 December 2025.

SIGNIFICANT CONTRACT

Save as disclosed in "Connected Transactions", no other significant contract was entered into between the Company or any of its subsidiaries, and a controlling shareholder or any of its subsidiaries during the year ended 31 December 2025.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2025.

DIRECTORS

The Directors during the Year and up to the date of this report were as follows:

Executive Director

Mr. Bo XIAO (appointed with effect from 27 March 2025)
Mr. He YANG (resigned with effect from 27 March 2025)

Non-Executive Directors

Ms. Yani GONG
Mr. Zhijiang CHEN (appointed on 28 October 2025)
Mr. Yaoyu TAN (resigned on 28 October 2025)

Independent Non-Executive Directors

Mr. Huanfei GUAN
Mr. Guangfu GAO
Mr. Yufeng SUN (appointed on 21 March 2025)
Mr. Dingfan QIU (resigned on 21 March 2025)

Mr. Yaoyu TAN resigned as a non-executive Director on 28 October 2025 due to other business commitments. Mr. Zhijiang CHEN was appointed as a non-executive Director on the same day. Pursuant to article 107 of the Articles of Association, the directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed as the maximum number of directors. A director so appointed shall retire at the next following general meeting and shall then be eligible for re-election. Pursuant to Rule 4(2) of the Core Shareholder Protection Standard of Appendix A1 of Main Board Listing Rules, any person appointed by the directors to fill a casual vacancy on or as an addition to the board shall hold office only until the first annual general meeting of the issuer after his appointment, and shall then be eligible for re-election. Accordingly, Mr. Zhijiang CHEN shall retire at the forthcoming annual general meeting. He is eligible for re-election and will offer himself for re-election.

REPORT OF THE DIRECTORS (CONTINUED)



In accordance with article 102 of the Articles of Association, at each annual general meeting, one-third of the directors or, if their number is not three (3) or a multiple of three (3), the number which is nearest to and is at least one-third, shall retire from office by rotation at least once every three (3) years. A retiring director shall be eligible for re-election. Pursuant to article 103 of the Articles of Association, the directors to retire by rotation shall be those who have been longest in office since their last appointment or reappointment, but as between persons who became or were last reappointed directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. Pursuant to Code B.2.2 of Part 2 of the Corporate Governance Code of Appendix C1 of the Listing Rules, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Accordingly, Mr. Huanfei GUAN and Mr. Guangfu GAO shall retire at the forthcoming annual general meeting and, being eligible, will offer themselves for re-election.

The Company has received annual confirmation of independence from all independent non-executive Directors in accordance with Rule 3.13 of the Listing Rules and considers them to be independent.

The names of all directors who have served on the boards of the subsidiaries of the Company during the year ended 31 December 2025 or during the period from 1 January 2026 to 24 March 2026 are set out below and those marked with an asterisk (*) are directors as at 24 March 2026:

Dayong YANG*	Jingjun WANG*	Chengyi FANG
Bo YOU*	Xi YI*	Wenyan XU*
Aoao WANG*	Weimin XU*	Siukam NG*
Yibin LIU*	Junxuan ZHANG*	Siuhong NG*
Jiapeng CUI*	Yong WAN	Hassan MOUKACHAR*
Xiwen SUN*	Ligang YANG*	Shaocheng LI*
Lei JIANG*	Bing ZHANG	Zhiguo MENG
Hui LI*	Wendong TIAN*	Yunjun LI
Peiwen ZHANG*	Xianyuan LI*	Hongbin LIU*
Ran ZHU*	Rongman HUANG*	Yi LIU*
Zhanyan LI	Chunguang PANG	Zhimin CHEN*
Nchimunya SHATONTOLA*	Mingming CHENG*	Chong LI
Tamara S NGOMA	Mufingwe NG'AMBI*	Simon TSHIBANGU NGOY*
Irene Lombe CHIBESAKUNDA	Cosmas MWANANSHIKU*	Clotilde Wamana KALONGO*
Edward KABWE*	Lixian YU*	Kabanji NKULU CEDRICK*
Yani GONG	Hailiang CUI*	Roger SIDO WAGIA*
Tian WANG*	Guang HAN	Yong LI
Helin XU	Yaping LIU*	Peng HU
Jingen HAN	Gaohui YAO*	Yongsheng XIE*
Zhenkun XIONG*	Jinghe ZHU*	Xiaofeng ZHANG*
Peng CUI	Shengjun SHAO*	Qiongzhi PU
Wei YANG*	Jianming ZHU*	Ba Mei LIU*
Shougao WANG*	Jian GUO*	Xin LI*
Zhongjun WANG*	Yuan JIANG*	Yuan Hong TAY*

Note: The list is in no particular order.



REPORT OF THE DIRECTORS (CONTINUED)

DIRECTORS AND SENIOR MANAGEMENT

The biographies of the Directors and senior management are set out on pages 39 to 47 in this annual report.

DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENT AND CONTRACT OF SIGNIFICANCE

No Directors and their connected entities had an interest, either directly or indirectly, in any transactions, arrangements or contract of significance to the business of the Group to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party during the year ended 31 December 2025.

None of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

CONTRACT OF SIGNIFICANCE BETWEEN THE COMPANY, OR ONE OF ITS SUBSIDIARY COMPANIES, AND A CONTROLLING SHAREHOLDER OR ANY OF ITS SUBSIDIARIES

There were no particulars of any contract of significance between the Company, or one of its subsidiary companies, and a controlling shareholder or any of its subsidiaries during the year ended 31 December 2025.

DIRECTORS' PERMITTED INDEMNITY PROVISION

Pursuant to the Company's Articles of Association, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group during the year ended 31 December 2025, and such coverage remained in full force as at the date of this report.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors of the Company had engaged in any business or had any interest in business which competes or may be likely to compete, either directly or indirectly, with the business of the Group during the year ended 31 December 2025.



DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

The Company or any of its subsidiaries did not have any arrangement in place at any time during the reporting period whereby the Directors or their respective spouse or children under the age of 18 years can obtain benefit by acquiring shares of the Company or other body corporate.

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

As at 31 December 2025, none of the Directors or chief executive had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV the SFO) which would fall to be disclosed to the Company or the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 under the Part XV of the SFO; or interests or short positions required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO; or interests or short positions which fall to be disclosed to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

EMOLUMENTS OF THE DIRECTORS, SENIOR MANAGEMENT AND THE FIVE HIGHEST PAID INDIVIDUALS

The Directors' remuneration is determined by the Remuneration Committee with reference to the time, effort and expertise contributed by each Director to the affairs of the Company. The Group adopts relevant remuneration management rules such as the "Provisional Management Rules for Senior Management's Remuneration" and the "Staff Remuneration Management Rules" to continuously enhance the core competitiveness of the Group for healthy development.

Please refer to notes 9, 10 and 35 to the consolidated financial statements for details of the emoluments of the Directors, senior management and the five highest paid individuals of the Company.

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

As at 31 December 2025, so far as it is known to the Directors and chief executive of the Company, interests or short positions which would fall to be disclosed to the Company and the Hong Kong Stock Exchange pursuant to the provisions of Division 2 and 3 under the Part XV of the SFO is as follows:

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

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

Save as disclosed above, as at 31 December 2025, no person had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.



REPORT OF THE DIRECTORS (CONTINUED)

As at 31 December 2025, 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 the general meeting of any other members of the Group:

Member of the Group	Entity with 10% or more interest (other than member of the Group)	Percentage of that entity's interest
NFCA	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	GCM	40%
Lualaba Copper Smelter	YH Metal	38%
Kingsail	YH Metal	40%

RETIREMENT BENEFIT SCHEMES

Details of the retirement benefit schemes of the Group are set out in note 34 to the consolidated financial statements.

SHARE SCHEME

The Group has not adopted any share scheme.

EQUITY-LINKED AGREEMENT

Save as disclosed in this annual report, there was no equity-linked agreement entered into by the Company during the year ended 31 December 2025.

REMUNERATION POLICIES

Based on the overall development strategy, the Group actively improves the scientific remuneration management system to attract outstanding talents, retain key talents and mobilize human resources. The Directors' remuneration is determined by the Remuneration Committee with reference to the time, effort and expertise contributed by each Director to the affairs of the Company. The Group adopts relevant remuneration management rules such as the "Provisional Management Rules for Senior Management's Remuneration" and the "Staff Remuneration Management Rules" to continuously enhance the core competitiveness of the Group for healthy development.



CONNECTED TRANSACTIONS

Non-exempted Connected Transactions

During the Year, the Group carried out the following transaction which constituted connected transaction under Chapter 14A of the Listing Rules.

Purchase of Copper Cathodes by CNMHK

On 11 September 2024, CNMHK, Huachin Leach and GCM entered into the First GCM Copper Cathodes Purchase Agreement in respect of the purchase of high grade Copper Cathodes, pursuant to which CNMHK shall purchase a total of 3,644.442 mt of high grade copper cathodes from GCM at the total consideration of US\$30,745,059.38 to meet the requirement of copper cathodes by CNMHK as a result of its rising demands of copper cathodes from its customers. During the year ended 31 December 2024, the delivery of a total of 3,644.442 mt of high grade copper cathodes has been completed.

On 31 December 2024, CNMHK and GCM entered into the Second GCM Copper Cathodes Purchase Agreement in respect of the purchase of high grade copper cathodes, pursuant to which CNMHK shall purchase a total of 3,151.696 Mt of high grade copper cathodes processed by Huachin Leach from GCM at the total consideration of approximately US\$29,893,837 to meet the requirement of copper cathodes by CNMHK as a result of its rising demands of copper cathodes from its customers. During the year ended 31 December 2024, the delivery of a total of 3,151.696 mt of high grade copper cathodes processed by Huachin Leach from GCM has been completed.

On 16 June 2025, CNMHK and GCM entered into the GCM Copper Cathodes Purchase Agreement 2025 in respect of the purchase of high grade copper cathodes, pursuant to which CNMHK shall purchase a total of 7,000 mt of high grade copper cathodes processed by Huachin Leach from GCM at the total consideration of approximately US\$67,025,000, to meet the requirement of copper cathodes by CNMHK as a result of its demands of copper cathodes from its customers. During the year ended 31 December 2025, the delivery of a total of 7,000 mt of high grade copper cathodes processed by Huachin Leach has been completed.

Each of CNMHK and Huachin Leach is a subsidiary of the Company. GCM holds 40% of the shares in Kambove Mining, a subsidiary of the Company, and is therefore a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules.

For details of the First GCM Copper Cathodes Purchase Agreement, the Second GCM Copper Cathodes Purchase Agreement and the transactions contemplated thereunder, please refer to the announcements of the Company dated 11 September 2024 and 31 December 2024 respectively.

For details of the GCM Copper Cathodes Purchase Agreement 2025 and the transactions contemplated thereunder, please refer to the announcement of the Company dated 16 June 2025.



REPORT OF THE DIRECTORS (CONTINUED)

Non-exempted Continuing Connected Transactions

During the Year, the Group carried out the following transactions which constituted continuing connected transactions under Chapter 14A of the Listing Rules and were subject to annual review.

1. CNMC Copper Supply Framework Agreement

On 18 April 2017, the Company entered into the CNMC Copper Supply Framework Agreement (“2017 CNMC Copper Supply Framework Agreement”) with CNMC for a term of three years from 1 January 2018 to 31 December 2020, pursuant to which the Company agreed to sell, or procure its subsidiaries to sell, copper products including blister copper and copper cathode to the Retained Group, subject to the approval of the Independent Shareholders. The Independent Shareholders approved the 2017 CNMC Copper Supply Framework Agreement and the proposed annual caps at the EGM held on 31 May 2017. Details of the 2017 CNMC Copper Supply Framework Agreement were disclosed in the announcement and circular of the Company dated 18 April 2017 and 15 May 2017 respectively.

On 23 April 2018, the Company revised the annual caps under the 2017 CNMC Copper Supply Framework Agreement and obtained the approval of the Independent Shareholders at the AGM held on 28 June 2018. Details of the revision were disclosed in the announcement and circular of the Company dated 23 April 2018 and 13 June 2018 respectively.

On 30 October 2020, the Company entered into the CNMC Copper Supply Framework Agreement (“2020 CNMC Copper Supply Framework Agreement”) with CNMC for a term of three years from 1 January 2021 to 31 December 2023, pursuant to which the Company agreed to sell, or procure its subsidiaries to sell, copper products including blister copper and copper cathode to the Retained Group, subject to the approval of the Independent Shareholders. The Independent Shareholders approved the 2020 CNMC Copper Supply Framework Agreement and the proposed annual caps at the EGM held on 16 December 2020. Details of the 2020 CNMC Copper Supply Framework Agreement were disclosed in the announcement and circular of the Company dated 30 October 2020 and 20 November 2020 respectively.

On 9 September 2021, the Company revised the annual caps under the 2020 CNMC Copper Supply Framework Agreement and obtained the approval of the Independent Shareholders at the EGM held on 21 October 2021. Details of the revision were disclosed in the announcement and circular of the Company dated 9 September 2021 and 30 September 2021 respectively.

On 24 November 2023, the Company renewed the CNMC Copper Supply Framework Agreement (“2023 CNMC Copper Supply Framework Agreement”) with CNMC for a term of three years from 1 January 2024 to 31 December 2026, pursuant to which the Company agreed to sell, or procure its subsidiaries to sell, copper products including blister copper and copper cathodes to the CNMC Group.

During the year ended 31 December 2025, the revenue and gains from the sale of copper products (including gain on change in fair value) to the Retained Group amounted to US\$1,969,138,000, which is below the annual cap amount of US\$2,502,400,000.

CNMC indirectly owns an aggregate of 66.63% of the issued share capital of the Company through CNMD, CNMC is therefore a controlling shareholder of the Company, and a connected person of the Company under Chapter 14A of the Listing Rules.



2. Yunnan Copper Supply Framework Agreement

On 18 April 2017, the Company entered into the Yunnan Copper Supply Framework Agreement (“2017 Yunnan Copper Supply Framework Agreement”) with Yunnan Copper Group, for a term of three years from 1 January 2018 to 31 December 2020, pursuant to which the Company agreed to sell, or procure its subsidiaries to sell, copper products including blister copper and copper cathode to the Yunnan Copper Group and its subsidiaries. Details of the 2017 Yunnan Copper Supply Framework Agreement were disclosed in the announcement of the Company dated 18 April 2017.

On 23 April 2018, the Company revised the annual caps under the 2017 Yunnan Copper Supply Framework Agreement. Details of the revision were disclosed in the announcement of the Company dated 23 April 2018.

On 30 October 2020, the Company entered into the Yunnan Copper Supply Framework Agreement (“2020 Yunnan Copper Supply Framework Agreement”) with Yunnan Copper Group, for a term of three years from 1 January 2021 to 31 December 2023, pursuant to which the Company agreed to sell, or procure its subsidiaries to sell, copper products including blister copper and copper cathode to the Yunnan Copper Group and its subsidiaries. Details of the 2020 Yunnan Copper Supply Framework Agreement were disclosed in the announcement of the Company dated 30 October 2020.

On 9 September 2021, the Company revised the annual caps under the 2020 Yunnan Copper Supply Framework Agreement. Details of the revision were disclosed in the announcement of the Company dated 9 September 2021.

On 24 November 2023, the Company renewed the Yunnan Copper Supply Framework Agreement (“2023 Yunnan Copper Supply Framework Agreement”) with Yunnan Copper Group for a term of three years from 1 January 2024 to 31 December 2026, pursuant to which the Company agreed to sell, or procure its subsidiaries to sell, copper products including blister copper and copper cathodes to Yunnan Copper Group and its subsidiaries.

During the year ended 31 December 2025, the revenue and gains from the sale of copper products (including loss on change in fair value) to Yunnan Copper Group and its subsidiaries amounted to US\$356,653,000, which is below the annual cap amount of US\$938,400,000.

Yunnan Copper Group and its subsidiary Yunnan & Hongkong Metal Company Limited (雲港金屬有限公司) are respectively the substantial shareholders of CCS and LCS, holding 40% and 38% of the issued share capital of CCS and LCS, respectively. Yunnan Copper Group and its subsidiaries constitute connected persons of the Company under the Listing Rules.

3. Mabende Ore Supply Framework Agreement

On 18 April 2017, the Company entered into the Huachin Ore Supply Framework Agreement (“2017 Huachin Ore Supply Framework Agreement”) with Mabende Mining, for a term of three years from 1 January 2018 to 31 December 2020, pursuant to which the Company agreed to buy, or procure its subsidiaries to buy, copper ores mined by Mabende Mining. Details of the 2017 Huachin Ore Supply Framework Agreement were disclosed in the announcement of the Company dated 18 April 2017.

On 23 April 2018, the Company revised the annual caps under the 2017 Huachin Ore Supply Framework Agreement. Details of the revision were disclosed in the announcement of the Company dated 23 April 2018.



REPORT OF THE DIRECTORS (CONTINUED)

On 30 October 2020, the Company entered into the Mabende Ore Supply Framework Agreement (“2020 Mabende Ore Supply Framework Agreement”) with Mabende Mining, for a term of three years from 1 January 2021 to 31 December 2023, pursuant to which Mabende Mining has principally agreed to sell all of the ores mined by Mabende Mining, except that with the Company’s consent, Mabende Mining may sell ores in excess of the Group’s demand to third parties. In respect of transactions, the nature of which is similar to that of the transactions under the 2017 Huachin Ore Supply Framework Agreement. Details of the 2020 Mabende Ore Supply Framework Agreement were disclosed in the announcement of the Company dated 30 October 2020.

On 28 October 2021 and 12 November 2021, the Company revised the annual caps under the 2020 Mabende Ore Supply Framework Agreement. Details of the revision were disclosed in the announcements of the Company dated 28 October 2021 and 12 November 2021.

On 24 November 2023, the Company renewed the Mabende Ore Supply Framework Agreement (“2023 Mabende Ore Supply Framework Agreement”) with Mabende Mining for a term of three years from 1 January 2024 to 31 December 2026, pursuant to which the Company agreed to purchase, or procure its subsidiaries to purchase, copper ores mined by Mabende Mining and its subsidiaries.

During the year ended 31 December 2025, the Group purchased ores amounting to US\$103,598,000 from Mabende Mining, which is below the annual cap amount of US\$189,000,000.

As Mr. Siu Kam Ng is a director of Huachin Leach and CNMC Huachin Mabende, each a subsidiary of the Company, and indirectly owns 32.5% and 33.25% equity interests in Huachin Leach and CNMC Huachin Mabende, respectively, Mr. Siu Kam Ng is a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules. Mr. Siu Kam Ng owns the entire interest in Huachin SARL, and Huachin SARL holds 70% equity interests in Mabende Mining, therefore, Mabende Mining is a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules.

4. Mutual Supply Framework Agreement

On 18 April 2017, the Company entered into the Mutual Supply Framework Agreement (“2017 Mutual Supply Framework Agreement”) with CNMC for a term of three years from 1 January 2018 to 31 December 2020, pursuant to which both parties agreed to provide, or procure their respective subsidiaries to provide certain raw materials, products and services to each other, and CNMC agreed to provide, or procure its subsidiaries to provide transportation and logistics services to the Group, subject to the approval of the Independent Shareholders. The Independent Shareholders approved the 2017 Mutual Supply Framework Agreement and the proposed annual caps at the AGM held on 31 May 2017. Details of the 2017 Mutual Supply Framework Agreement were disclosed in the announcement and circular of the Company dated 18 April 2017 and 15 May 2017 respectively.

On 23 April 2018, the Company revised the annual caps under the 2017 Mutual Supply Framework Agreement and obtained the approval of the Independent Shareholders at the AGM held on 28 June 2018. Details of the revision were disclosed in the announcement and circular of the Company dated 23 April 2018 and 13 June 2018 respectively.

On 27 April 2020, the Company revised the annual caps for the year ended 31 December 2020 under the 2017 Mutual Supply Framework Agreement and obtained the approval of the Independent Shareholders at the AGM held on 29 June 2020. Details of the revision were disclosed in the announcement and circular of the Company dated 27 April 2020 and 26 May 2020 respectively.



On 30 October 2020, the Company entered into the Mutual Supply Framework Agreement (“2020 Mutual Supply Framework Agreement”) with CNMC for a term of three years from 1 January 2021 to 31 December 2023, pursuant to which both parties agreed to provide, or procure their respective subsidiaries to provide certain raw materials, products and services to each other, and CNMC agreed to provide, or procure its subsidiaries to provide transportation and logistics services to the Group, subject to the approval of the Independent Shareholders. The Independent Shareholders approved the 2020 Mutual Supply Framework Agreement and the proposed annual caps at the EGM held on 16 December 2020. Details of the 2020 Mutual Supply Framework Agreement were disclosed in the announcement and circular of the Company dated 30 October 2020 and 20 November 2020 respectively.

On 9 September 2021, the Company revised the annual caps under the 2020 Mutual Supply Framework Agreement and obtained the approval of the Independent Shareholders at the EGM held on 21 October 2021. Details of the revision were disclosed in the announcement and circular of the Company dated 9 September 2021 and 30 September 2021 respectively.

On 24 November 2023, the Company renewed the Mutual Supply Framework Agreement (“2023 Mutual Supply Framework Agreement”) with CNMC for a term of three years from 1 January 2024 to 31 December 2026, pursuant to which both parties agreed to provide, or procure their respective subsidiaries to provide raw materials and product supplies, social and support services, technical services to each other, and CNMC agreed to provide, or procure its subsidiaries to provide transportation and logistics services to the Group.

On 27 May 2024, the Company revised the annual caps in respect of the supply of raw materials, products and services from the CNMC Group under the 2023 Mutual Supply Framework Agreement and obtained the approval of the Independent Shareholders at the AGM held on 27 June 2024. Details of the revision were disclosed in the announcement and circular of the Company dated 27 May 2024 and 3 June 2024, respectively.

During the year ended 31 December 2025, the amount paid by the Group for the provision of raw materials, products and services provided by the Retained Group amounted to US\$518,082,000, and the revenue from the provision of raw materials, products and services to the Retained Group amounted to US\$9,246,000, both of which are below the annual caps of US\$520,000,000 and US\$142,800,000, respectively.

5. Huachin Copper Supply Framework Agreement

On 13 October 2020, the Company and Huachin entered into the Huachin Copper Supply Framework Agreement (“2020 Huachin Copper Supply Framework Agreement”), pursuant to which the Company agreed to sell, or procure its subsidiaries to sell, Copper Products to Huachin Group. The term of the 2020 Huachin Copper Supply Framework Agreement commences on 13 October 2020, and remains valid until 31 December 2020. Details of the 2020 Huachin Copper Supply Framework Agreement were disclosed in the announcement of the Company dated 13 October 2020.

On 30 October 2020, the Company and Huachin entered into the Huachin Copper Supply Framework Agreement (“Second 2020 Huachin Copper Supply Framework Agreement”), for a term of three years from 1 January 2021 to 31 December 2023, pursuant to which the Company agreed to sell, or procure its subsidiaries to sell, Copper Products to Huachin Group. Details of the Second 2020 Huachin Copper Supply Framework Agreement were disclosed in the announcement of the Company dated 30 October 2020.



REPORT OF THE DIRECTORS (CONTINUED)

On 9 September 2021, the Company revised the annual caps under the Second 2020 Huachin Copper Supply Framework Agreement. Details of the revision were disclosed in the announcement of the Company dated 9 September 2021.

On 24 November 2023, the Company renewed the Huachin Copper Supply Framework Agreement (“2023 Huachin Copper Supply Framework Agreement”) with Huachin for a term of three years from 1 January 2024 to 31 December 2026, pursuant to which the Company agreed to sell, or procure its subsidiaries to sell, copper products to Huachin Group.

On 17 November 2025, the Company revised the annual caps under the 2023 Huachin Copper Supply Framework Agreement. Details of the revision were disclosed in the announcement of the Company dated 17 November 2025.

During the year ended 31 December 2025, the revenue and gains from the sale of copper products (including loss on change in fair value) to Huachin International Trading Limited amounted to US\$122,135,000, which is below the annual cap amount of US\$132,000,000.

Huachin is wholly-owned by Mr. Ho Lun Ng, who is the son of Mr. Siu Kam Ng. Mr. Ho Lun Ng is thus an associate of Mr. Siu Kam Ng. As Mr. Siu Kam Ng is a director of Huachin Leach and CNMC Huachin Mabende, each a subsidiary of the Company, and indirectly owns 32.5% and 33.25% equity interests in Huachin Leach and CNMC Huachin Mabende, respectively, Mr. Siu Kam Ng is a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules. Therefore, Huachin, being an associate of Mr. Siu Kam Ng, is also a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules.

6. Properties Leasing Framework Agreement

On 18 April 2017, the Company entered into the Properties Leasing Framework Agreement (“2017 Properties Leasing Framework Agreement”) with CNMC for a term of three years from 1 January 2018 to 31 December 2020, pursuant to which CNMC has agreed to lease the Leased Properties consisting of properties in Zambia, the DRC and the PRC to the Group for general business and ancillary purposes. Details of the 2017 Properties Leasing Framework Agreement were disclosed in the announcement of the Company dated 18 April 2017.

On 30 October 2020, the Company entered into the Properties Leasing Framework Agreement (“2020 Properties Leasing Framework Agreement”) with CNMC for a term of three years from 1 January 2021 to 31 December 2023, pursuant to which CNMC has agreed to lease the Leased Properties to the Group for general business and ancillary purposes. Details of the 2020 Properties Leasing Framework Agreement were disclosed in the announcement of the Company dated 30 October 2020.

On 24 November 2023, the Company renewed the Properties Leasing Framework Agreement (“2023 Properties Leasing Framework Agreement”) with CNMC for a term of three years from 1 January 2024 to 31 December 2026, pursuant to which CNMC has agreed to lease the Leased Properties to the Group for general business and ancillary purposes.

During the year ended 31 December 2025, the total property rentals paid amounted to US\$219,000, which is below the annual cap amount of US\$9,530,000.

CNMC indirectly owns an aggregate of 66.63% of the issued share capital of the Company through CNMD, CNMC is therefore a controlling shareholder of the Company, and a connected person of the Company under Chapter 14A of the Listing Rules.



7. Huachin Leach Ore Processing Agreement

On 29 April 2022, Huachin Leach entered into the Huachin Leach Ore Processing Agreement (“Huachin Leach Ore Processing Agreement”) with GCM in respect of ore processing for a term from 29 April 2022 to 28 April 2023. Pursuant to the Huachin Leach Ore Processing Agreement, Huachin Leach shall provide ore processing service to GCM with the ores provided by GCM that are mined from the Kamatanda and Kamfundwa areas of the DRC, and GCM shall pay processing fees to Huachin Leach accordingly. Details of the Huachin Leach Ore Processing Agreement were disclosed in the announcement of the Company on 29 April 2022.

During the period from 1 January 2023 to 28 April 2023, GCM has paid US\$11,585,000 to Huachin, which is below the annual cap for the transactions contemplated under the Huachin Leach Ore Processing Agreement for the same period is US\$75,600,000.

On 2 October 2023, Huachin Leach entered into the GCM Ore Processing Agreement (“GCM Ore Processing Agreement”) with GCM in respect of ore processing for a term from 2 October 2023 to 1 October 2024. Pursuant to the GCM Ore Processing Agreement, Huachin Leach shall provide ore processing service to GCM with the ores provided by GCM that are mined from the Kamatanda area, Kamfundwa area, K01 area, and HMS area of the DRC, and GCM shall pay processing fees to Huachin Leach accordingly. Details of the GCM Ore Processing Agreement were disclosed in the announcement of the Company on 2 October 2023.

On 11 November 2024, Huachin Leach entered into the GCM Ore Processing (Second Supplemental) Agreement with GCM in respect of copper ore processing services for a term from 2 October 2024 to 1 October 2025.

During the period from 2 October 2024 to 31 December 2024, GCM has paid US\$12,987,000 to Huachin. During the period from 1 January 2025 to 1 October 2025, GCM has paid US\$24,404,000 to Huachin. The proposed annual cap for the transactions contemplated under the GCM Ore Processing (Second Supplemental) Agreement from 2 October 2024 to 1 October 2025 is US\$64,230,000 (VAT excluded).

Huachin Leach is a subsidiary of the Company. GCM holds 40% of the shares in Kambove Mining, a subsidiary of the Company, and is therefore a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules.

8. Huachin Cobalt Products Supply Framework Agreement

On 4 November 2022, the Company and Huachin entered into the Huachin Cobalt Products Supply Framework Agreement (“Huachin Cobalt Products Supply Framework Agreement”) for a term from 4 November 2022 to 31 December 2023, in respect of the supply of cobalt products, pursuant to which the Company agreed to sell, or procure its subsidiaries to sell, cobalt products to Huachin Group. Details of the Huachin Cobalt Products Supply Framework Agreement were disclosed in the announcement of the Company on 4 November 2022.

On 24 November 2023, the Company renewed the Huachin Cobalt Products Supply Framework Agreement (“2023 Huachin Cobalt Products Supply Framework Agreement”) with Huachin for a term of three years from 1 January 2024 to 31 December 2026, pursuant to which the Company agreed to sell, or procure its subsidiaries to sell, cobalt metal products including cobaltous hydroxide to Huachin Group.



REPORT OF THE DIRECTORS (CONTINUED)

During the year ended 31 December 2025, the revenue and gains from the sale of cobalt products to Huachin Group by the Company or procure its subsidiaries amounted to US\$Nil. The annual cap for the same period is US\$38,700,000.

Huachin is wholly-owned by Mr. Ho Lun Ng, who is the son of Mr. Siu Kam Ng. Mr. Ho Lun Ng is thus an associate of Mr. Siu Kam Ng, Mr. Siu Kam Ng is a director of Huachin Leach and CNMC Huachin Mabende, each a subsidiary of the Company, and indirectly owns 32.5% and 33.25% equity interests in Huachin Leach and CNMC Huachin Mabende, respectively. Therefore, Mr. Siu Kam Ng is a connected person of the Company at the subsidiary level under the Listing Rules. Therefore, Huachin, being an associate of Mr. Siu Kam Ng, is also a connected person of the Company at the subsidiary level under the Listing Rules. Accordingly, the transactions contemplated under the Huachin Cobalt Products Supply Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

9. Treasury Management Services Framework Agreement

On 24 November 2023, the Company entered into the Treasury Management Services Framework Agreement (“2023 Treasury Management Services Framework Agreement”) with CNMC Treasury Management (Hong Kong) Company Limited (“CNMC Treasury”) for a term of three years from 1 January 2024 to 31 December 2026, pursuant to which CNMC Treasury agreed to provide the Group with treasury management services, including: financial advisory services, collective fund management services, loan services, exchange rate risk management services, and other treasury management services.

The financial advisory services

CNMC Treasury shall not charge any fees for the provision of financial advisory services to the Group. Therefore, there will not be any proposed annual caps for the relevant transactions contemplated under the 2023 Treasury Management Services Framework Agreement for the three years ending 31 December 2026.

The collective fund management services

The daily balance (including accrued interests) of the funds to be deposited and managed by CNMC Treasury for the year ending 31 December 2025 is US\$63,500,000. The maximum daily balance for the three years ending 31 December 2026 is US\$300,000,000 each year.

The loan services

The daily balance (including accrued interests) of the loans for the year ended 31 December 2025 was US\$Nil. The maximum daily balance for the three years ending 31 December 2026 is US\$300,000,000 each year.

The exchange rate risk management services

CNMC Treasury shall not charge any fees for the provision of the exchange rate risk management services to the Group. Therefore, there will not be any proposed annual caps for the relevant transactions contemplated under the 2023 Treasury Management Services Framework Agreement for the three years ending 31 December 2026.

Miscellaneous treasury management services

The relevant transactions for the year ended 31 December 2025 were US\$Nil. The annual cap for the three years ending 31 December 2026 is US\$10,000,000 each year.



10. CNMC Financial Services Agreement

On 22 December 2023, the Company entered into the Financial Services Agreement with CNMC Finance (“2023 CNMC Financial Services Agreement”), pursuant to which CNMC Finance shall provide Deposit Services and Miscellaneous Financial Services to the Group’s representative entities in mainland China for a term from 25 December 2023 to 24 December 2026 to obtain prioritized, more efficient, and competitively priced financial services exclusively from CNMC Finance, leveraging its operational familiarity to secure terms equal or superior to third-party providers, thereby strengthening bargaining power with external banks, reducing costs, and benefiting both the Company and shareholders. Details of the CNMC Financial Services Agreement were disclosed in the announcement of the Company on 22 December 2023.

On 27 May 2024, the Company and CNMC Finance terminated the 2023 Financial Services Agreement from the Effective Date, and replaced it with the agreement dated 27 May 2024 entered into between the Company and CNMC Finance in relation to the provision of certain financial services by CNMC Finance to the Group (“Financial Services Framework Agreement”) and obtained the approval of the Independent Shareholders at the AGM held on 27 June 2024. Details of the Financial Services Framework Agreement were disclosed in the announcement and circular of the Company dated 27 May 2024 and 3 June 2024, respectively.

As CNMC, indirectly owns an aggregate of 66.63% of the issued share capital of the Company through CNMD, CNMC Finance, being a subsidiary of CNMC, is therefore a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions contemplated under the 2023 CNMC Financial Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

11. Financial Services Framework Agreement

On 27 May 2024, the Company entered into Financial Services Framework Agreement with CNMC Finance, pursuant to which CNMC Finance agreed to provide certain financial services, including the deposit services, and miscellaneous financial services (including but not limited to foreign exchange settlement and sales services and settlement services), to the Group for a term commencing from the Effective Date to 31 December 2026 to access prioritized, competitively priced financial services with flexible fund management, enhancing liquidity and bargaining power with third-party banks while ensuring fair terms aligned with shareholder interests.

In respect of the deposit services, the maximum daily deposit balance (including accrued interests) of the deposits for the period from the Effective Date to 31 December 2025 by the Group was US\$447,826,000. The annual cap for the same period is US\$450,000,000.

In respect of the miscellaneous financial services, the handling fees charged by CNMC Finance in respect of its services provided to the Group for the period from the Effective Date to 31 December 2025 was US\$Nil. The annual cap for the same period is US\$10,000,000.

Please refer to section headed “Connected Transactions – Non-exempted Continuing Connected Transactions – 10. CNMC Financial Services Agreement” of the Report of the Directors in this annual report for relationship between the Company and CNMC Finance.



REPORT OF THE DIRECTORS (CONTINUED)

12. Continuing Connected Transactions under Rule 14A.60 of the Listing Rules

As at 30 March 2022, the Group and GCM have signed a series of agreements on mining rights, mine development and related assistance services (collectively, the “Transaction Agreements”), including:

- (1) CNMC Huachin Mabende Mining Rights Agreement, commenced from 29 June 2019 to 29 June 2044, pursuant to which CNMC Huachin Mabende agreed to pay a royalty fee calculated on the basis of 2.5% of the annual turnover from the development of the Kipushi Mine, located in Haut-Katanga Province of the DRC, to GCM, and GCM in return shall license the related rights of the mining permit to CNMC Huachin Mabende.
- (2) CNMC Huachin Leach Mining Rights Agreement, commenced from 18 July 2018 to 18 July 2043, pursuant to which GCM shall license the related rights of the mining permit in the Kambove Mine, located in Haut-Katanga Province of the DRC, to CNMC Huachin Leach. CNMC Huachin Leach agreed to pay a royalty fee calculated on the basis of 2.5% of the annual turnover from the development of this mine to GCM.
- (3) Kambove Joint Venture Agreement and its Supplemental Agreements, commenced from 25 August 2016 and for the duration of Kambove Mining, pursuant to which GCM shall transfer the relevant mining rights and rights certificates of Kambove Mine to Kambove Mining, in consideration for the ore consumption in the Kambove Mine, Kambove Mining agreed to pay GCM a royalty fee calculated on the basis of 2.5% of the total turnover of Kambove Mining in each financial year.
- (4) Kambove Mining Service Agreement, commenced from 12 December 2019 and for the duration of Kambove Mining, pursuant to the Kambove Mining Service Agreement, GCM shall provide general assistance and consulting services to Kambove Mining for its daily operating activities in Kambove Mine. Kambove Mining shall annually pay the following fees to GCM: (i) a fixed annual fee of US\$2,000,000; and (ii) a supplementary annual fee of US\$1,000,000. The supplementary annual fee will be only applicable to the period when the average price of copper per tonne is above US\$6,200 at the London Metal Exchange.

During the year ended 31 December 2025, the amount of annual fees that Kambove Mining has paid to GCM for provision of general assistance and consulting services required for Kambove Mining to carry out daily operating activities was US\$3,000,000.

Details of the Transaction Agreements were disclosed in the announcement of the Company on 30 March 2022.

At 30 March 2022, GCM was a substantial shareholder of Kambove Mining. The related applicable percentage ratios of Kambove Mining as defined under Rule 14A.09 of the Listing Rules didn't exceed 5% for the financial year ended 31 December 2020 and didn't exceed 10% for each of the three consecutive financial years ended 31 December 2020. Therefore, Kambove Mining was an insignificant subsidiary of the Company under Rule 14A.09(1) of the Listing Rules, pursuant to which, GCM was not a connected person of the Company under Chapter 14A of the Listing Rules. Based on the annual results announcement for the financial year ended 31 December 2021 published by the Company on 30 March 2022, the related applicable percentage ratios of Kambove Mining as defined under Rule 14A.09 of the Listing Rules exceeded 5% for the financial year ended 31 December 2021, pursuant to which, Kambove Mining was no longer an insignificant subsidiary of the Company under Rule 14A.09(1) of the Listing Rules, and therefore, GCM has become a connected person of the Company at the subsidiary level under the Listing Rules. Considering GCM has become a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules, the continuing transactions proposed under the Transaction Agreements will constitute the continuing connected transactions of the Company under Chapter 14A of the Listing Rules.



Details of related party transactions of the Company for the year ended 31 December 2025 are set out in note 35 to the consolidated financial statements. Save for the related party transactions as set out in respect of remuneration of key management personnel, all the related party transactions set out in note 35 constitute connected transactions of the Company under Chapter 14A of the Listing Rules. The Company confirms that all such related party transactions complied with the applicable requirements under Chapter 14A of the Listing Rules.

The independent non-executive Directors have reviewed the nature and process of the continuing connected transactions, discussed the pricing policies of those transactions, and have confirmed that these continuing connected transactions of the Group have been entered into: (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better; and (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders of the Company as a whole.

The Company has designated the Compliance Committee to continuously monitor the continuing connected transactions with the abovementioned connected persons. The Compliance Committee continuously traces and regularly monitors the progress of the continuing connected transactions and reports to management of the Company. The Compliance Committee reviews the continuing connected transactions with the law and compliance department and the finance department to ensure that annual caps are not exceeded. The heads of different departments of the Company will also be informed on a periodic basis in relation to the terms and pricing policies of the continuing connected transactions. The Compliance Committee will communicate with the Audit Committee, management and the Board of Directors, monthly or as needed, to report the progress of the continuing connected transactions, and request for approval of new changes of existing transaction terms. The Audit Committee and the Compliance Committee have also assigned the independent internal audit team the task to ensure that the Company's internal control measures in respect of the continuing connected transactions remain effective and complete. With these measures, the independent non-executive Directors could therefore assess the above matters and give the confirmations on the content in the preceding paragraph.

The Company's auditor has been engaged to report on the continuing connected transactions of the Group in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its letter containing its conclusions, in respect of the above-mentioned continuing connected transactions disclosed by the Company in this annual report in accordance with Rule 14A.56 of the Listing Rules.

In respect of the continuing connected transactions disclosed (the "Disclosed Continuing Connected Transactions"), the Company's auditor confirmed that:

- a. nothing has come to their attention that causes them to believe that the Disclosed Continuing Connected Transactions have not been approved by the Company's board of directors;
- b. for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- c. nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions;



REPORT OF THE DIRECTORS (CONTINUED)

- d. with respect to the aggregate amount of each of the continuing connected transactions set out in the letter, nothing has come to their attention that causes them to believe that the Disclosed Continuing Connected Transactions have exceeded the annual cap in respect of each of the Disclosed Continuing Connected Transactions.

The auditor's letter has been provided to the Board of the Company.

NON-COMPETITION UNDERTAKING

As disclosed in the Prospectus, the independent non-executive Directors will review, on an annual basis, the compliance by CNMC and its associates with the Non-Competition Undertaking under the Deed of Non-Competition Undertaking, including whether to pursue any business opportunities which may be referred or offered to the Company by the Retained Group. The Company has received an annual confirmation from CNMC in respect of its compliance with the Non-Competition Undertaking. The independent non-executive Directors of the Company have reviewed the status of compliance of the Non-Competition Undertaking for the year ended 31 December 2025 and confirmed that all the undertakings under the Deed of Non-Competition Undertaking have been complied with by CNMC.

COMPLIANCE WITH PROVISIONS OF THE CORPORATE GOVERNANCE CODE

The Company had complied with all the code provisions as set out in the Corporate Governance Code contained in Appendix C1 of the Listing Rules during the year ended 31 December 2025.

SUFFICIENCY OF PUBLIC FLOATING

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained at least 25% of public float as at the Latest Practicable Date.

AUDIT COMMITTEE

The Company has an audit committee which was established with written terms of reference in compliance with Rule 3.22 of the Listing Rules and paragraph D.3 of Part 2 of the CG Code of Appendix C1 of the Listing Rules. The primary duties of the Audit Committee are to supervise the financial reporting process and internal control and risk management systems of the Group. As at the date of this report, the Audit Committee consists of three members, being Mr. Guangfu GAO (independent non-executive Director), Mr. Zhijiang CHEN (non-executive Director) and Mr. Huanfei GUAN (independent non-executive Director). The chairman of the Audit Committee is Mr. Guangfu GAO. The Group's financial statements for the year ended 31 December 2024 have been reviewed by the Audit Committee, who was of the opinion that such statements complied with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures had been made.

Approved on behalf of the Board of Directors

Bo XIAO
Chairman

24 March 2026

INDEPENDENT AUDITOR'S REPORT



To the members of China Nonferrous Mining Corporation Limited

(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of China Nonferrous Mining Corporation Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 105 to 190, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes, comprising material accounting policies information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) as issued by HKICPA. Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA’s *Code of Ethics for Professional Accountants* (the “Code”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.



INDEPENDENT AUDITOR'S REPORT (CONTINUED)

KEY AUDIT MATTER (continued)

Key audit matter

How our audit addressed the key audit matter

Impairment assessment on property, plant and equipment and mining rights

Refer to Notes 12 and 14 to the consolidated financial statements and the accounting policies in Note 2(i)(ii).

As at 31 December 2025, the Group's property, plant and equipment and mining rights had a total carrying value of USD1,666,687,000.

In accordance with the prevailing accounting standards, management performs an assessment at the end of the reporting period to determine whether there is any indication that these assets may be impaired. When indications of impairment exist, an impairment assessment should be performed accordingly. An asset is impaired when its recoverable amount, or the recoverable amount of the cash generating unit (CGU) to which it belongs, is less than its carrying amount. Conversely, an impairment loss recognised in prior periods for an asset, other than goodwill, shall be reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

When assessing the recoverable amounts based on value in use, management is required to make a number of judgemental assumptions in their calculations, particularly relating to the discount rates, the underlying cash flow forecasts based on sales growth rates, future copper prices, future capital expenditure, future operating costs. Any changes in management's judgement may impact the results of the impairment assessment.

Our procedures to assess management's impairment assessment of property, plant and equipment and mining rights included:

- obtaining an understanding of and assessing the design, implementation of key internal controls relating to impairment assessment, understanding of the Group's procedures to identify impairment indicators of these assets and evaluating management's identification of impairment indicators, if any, based on the internal sources and external sources of information;
- assessing the appropriateness of the valuation methodology used with reference to the requirements of the prevailing accounting standards;



KEY AUDIT MATTER (continued)

Key audit matter

How our audit addressed the key audit matter

Impairment assessment on property, plant and equipment and mining rights (continued)

Refer to Notes 12 and 14 to the consolidated financial statements and the accounting policies in Note 2(i)(ii). (continued)

As set out in Note 12 to the consolidated financial statements, management concluded no further impairment provisions or reversals of impairment provisions previously made for property, plant and equipment and mining rights for the year ended 31 December 2025.

We identified impairment assessment on property, plant and equipment and mining rights as a key audit matter because of the significant judgement made by management in determining the recoverable amounts of the assets and considering the possibility of management bias in the selection of assumptions adopted.

- evaluating whether the significant judgements and estimates, such as sales growth rates, future copper prices, future capital expenditure, future operating costs and discount rates used in management's calculation of value-in-use are reasonable based on our knowledge of the business and industry;
- engaging our internal valuation specialists to assist us in evaluating whether the discount rates applied in the value-in-use calculations were within the range adopted by other companies in the same industry;
- evaluating the historical accuracy of management's forecasts by comparing cash flow forecasts made in previous period to the actual results in the current year on a sample basis;
- evaluating the sensitivity analysis on key assumptions performed by management and considering the resulting impact on the impairment assessment for the year and whether there were any indicators of management bias; and
- assessing the reasonableness of the disclosures in the consolidated financial statements in respect of management's impairment assessment with reference to the requirements of the prevailing accounting standards.



INDEPENDENT AUDITOR'S REPORT (CONTINUED)

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon. We obtained all of the other information prior to the date of this auditor's report apart from full set of the finalised annual report not yet received. This remaining information is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon as part of our engagement to audit the consolidated financial statements. We have performed an assurance engagement on the disclosed continuing connected transactions that form part of the other information and provided a separate assurance practitioner's conclusion thereon that is included within the other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.



AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



INDEPENDENT AUDITOR'S REPORT (CONTINUED)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chu Man Wai (practising certificate number: P04995).

KPMG

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

24 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME



Year ended 31 December 2025

	Note	2025 US\$'000	2024 US\$'000
Revenue	4	3,420,059	3,816,472
Cost of sales		(2,357,521)	(2,767,325)
Gross profit		1,062,538	1,049,147
Other income	5	49,996	29,812
Other gains and losses	6	22,590	(81,354)
Distribution and selling expenses		(11,621)	(8,688)
Administrative expenses		(263,815)	(192,481)
Other expenses		(41,703)	(9,674)
Profit from operations		817,985	786,762
Finance costs	7(a)	(5,111)	(11,346)
Profit before taxation	7	812,874	775,416
Income tax	8	(229,662)	(217,940)
Profit and total comprehensive income for the year		583,212	557,476
Profit and total comprehensive income attributable to:			
Owners of the Company		404,311	398,500
Non-controlling interests		178,901	158,976
		583,212	557,476
Earnings per share	11		
– Basic and diluted (US cents per share)		10.36	10.34
– Basic and diluted (equivalent to approximately HK\$ per share)		0.81	0.81

The notes on pages 112 to 190 form part of these financial statements. Details of dividends payable to owners of the Company attributable to the profit for the year are set out in Note 31(b).



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	Note	2025 US\$'000	2024 US\$'000
Non-current assets			
Property, plant and equipment	12	1,585,509	1,469,127
Right-of-use assets	13	65,750	17,320
Mining rights	14	81,178	90,937
Other equity investments	16	16,764	–
Restricted bank balances	21	1,505	1,505
Deferred tax assets	30	28,733	24,603
Prepayments and other receivables	19	158,566	178,227
		1,938,005	1,781,719
Current assets			
Inventories	17	737,092	848,154
Trade receivables at amortised cost	18	64,894	70,913
Trade receivables at fair value through profit or loss ("FVTPL")	18	270,027	185,742
Prepayments and other receivables	19	315,292	236,378
Financial assets	20	–	5,835
Restricted bank balances	21	1,739	2,831
Time deposits	21	–	4,173
Cash and cash equivalents	21	1,476,212	1,018,662
		2,865,256	2,372,688
Total assets		4,803,261	4,154,407
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	31(c)	864,199	864,199
Reserves		1,621,810	1,384,869
Total equity attributable to equity shareholders of the Company		2,486,009	2,249,068
Non-controlling interests		926,561	780,024
Total equity		3,412,570	3,029,092

The notes on pages 112 to 190 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 31 December 2025



	Note	2025 US\$'000	2024 US\$'000
Non-current liabilities			
Deferred tax liabilities	30	183,349	176,602
Bank and other borrowings – due after one year	25	–	9,752
Lease liabilities	26	56,902	15,328
Deferred income	28	10,054	11,170
Provision for restoration, rehabilitation and environmental costs	29	111,243	51,594
		361,548	264,446
Current liabilities			
Trade payables at amortised cost	22	242,784	216,259
Trade payables at FVTPL	22	242,595	224,207
Other payables and accrued expenses	23	266,498	217,221
Income tax payable		196,254	173,130
Bank and other borrowings	25	24,516	20,424
Lease liabilities	26	8,931	2,269
Contract liabilities	24	10,213	6,727
Financial liabilities	27	37,352	632
		1,029,143	860,869
Total liabilities		1,390,691	1,125,315
Total equity and liabilities		4,803,261	4,154,407

Approved and authorised for issue by the board of directors on 24 March 2026.

Bo XIAO
Director

Zhijiang CHEN
Director

The notes on pages 112 to 190 form part of these financial statements.



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Equity attributable to owners of the Company				Non-controlling interests US\$'000	Total equity US\$'000
	Share capital US\$'000 <i>(Note 31(c))</i>	Other reserve US\$'000	Retained profits US\$'000	Total US\$'000		
Balance at 1 January 2025	864,199	(1,118)	1,385,987	2,249,068	780,024	3,029,092
Changes in equity for 2025:						
Profit and total comprehensive income for the year	-	-	404,311	404,311	178,901	583,212
Dividends declared by subsidiaries	-	-	-	-	(32,364)	(32,364)
Dividends declared by the Company <i>(Note 31(b))</i>	-	-	(167,370)	(167,370)	-	(167,370)
Balance at 31 December 2025	864,199	(1,118)	1,622,928	2,486,009	926,561	3,412,570

The notes on pages 112 to 190 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

Year ended 31 December 2025



	Equity attributable to owners of the Company				Non-controlling interests US\$'000	Total equity US\$'000
	Share capital US\$'000 (Note 31(c))	Other reserve US\$'000	Retained profits US\$'000	Total US\$'000		
Balance at 1 January 2024	740,119	(1,118)	1,103,385	1,842,386	644,217	2,486,603
Changes in equity for 2024:						
Profit and total comprehensive income for the year	-	-	398,500	398,500	158,976	557,476
Issue of shares, net of issuance cost (Note 31(c))	124,080	-	-	124,080	-	124,080
Dividends declared by subsidiaries	-	-	-	-	(23,169)	(23,169)
Dividends declared by the Company (Note 31(b))	-	-	(115,898)	(115,898)	-	(115,898)
Balance at 31 December 2024	864,199	(1,118)	1,385,987	2,249,068	780,024	3,029,092

The notes on pages 112 to 190 form part of these financial statements.



CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2025

	Note	2025 US\$'000	2024 US\$'000
Operating activities			
Profit before tax		812,874	775,416
Adjustments for:			
Finance costs	7(a)	5,111	11,346
Interest income	5	(39,472)	(24,307)
Depreciation of property, plant and equipment		166,799	183,974
Depreciation of right-of-use assets	7(c)	2,772	463
Amortisation of mining rights		9,253	8,019
Impairment losses, net of reversal:			
– input value added tax (“VAT”) receivables	6	13,323	40,575
– financial assets under expected credit loss (“ECL”) model	6	7,794	(2,251)
Losses/(gains) on disposal of property, plant and equipment, net	6	3,684	(199)
Losses arising on fair value change of financial assets/liabilities at FVTPL	7(c)	4,161	28,935
Write-down of inventories to net realisable value	7(c)	13,667	1,994
Release of premium for electricity supply		1,996	1,323
Deferred income recognised	28	(1,116)	(773)
Foreign exchange losses		(3,445)	(3,560)
Operating cash flows before movements in working capital		997,401	1,020,955
Decrease in inventories		107,917	23,696
Increase in trade and other receivables and prepayments		34,397	22,192
Decrease in trade and other payables and accrued expenses		(33,641)	(148,170)
Increase in contract liabilities		3,486	3,873
Cash generated from operations		1,109,560	922,546
Income tax paid		(170,903)	(147,330)
Net cash generated from operating activities		938,657	775,216

The notes on pages 112 to 190 form part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

Year ended 31 December 2025



	<i>Note</i>	2025 US\$'000	2024 US\$'000
Investing activities			
Interest received		39,472	24,307
Proceeds from disposal of property, plant and equipment		4,501	2,275
Purchases of property, plant and equipment		(242,040)	(211,271)
Placement of deposits in a fellow subsidiary		(62,700)	–
Purchase of other equity investments		(16,764)	–
Placement of restricted bank balances		(1,589)	(593)
Decrease in time deposits		4,173	105,827
Net cash used in investing activities		(274,947)	(79,455)
Financing activities			
Issue of shares		–	124,891
Share issuance cost		–	(81)
Dividends paid to shareholders of the Company	31(b)	(167,370)	(115,898)
Dividends paid to non-controlling shareholders		(32,364)	(23,824)
Interest paid		(335)	(11,840)
Repayments of bank and other borrowings		(20,000)	(205,087)
Repayments of lease liabilities		(3,763)	(277)
New bank and other borrowings		14,227	59,825
Net cash used in financing activities		(209,605)	(173,021)
Net increase in cash and cash equivalents		454,105	522,740
Cash and cash equivalents at 1 January		1,018,662	492,364
Effect of foreign exchange rate changes		3,445	3,558
Cash and cash equivalents at 31 December	21(a)	1,476,212	1,018,662

The notes on pages 112 to 190 form part of these financial statements.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 CORPORATE INFORMATION

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

The principal activity of the Company is investment holding. The Company’s subsidiaries are principally engaged in exploration, mining, ore processing, leaching, smelting and sale of copper cathodes, blister copper and copper anodes, and production and sale of cobalt hydroxide, sulphuric acid and liquid sulphur dioxide. The activities of the subsidiaries of the Company are set out in Note 15.

2 MATERIAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Material accounting policies adopted by the Group are disclosed below.

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

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries (the “Group”). The consolidated financial statements of the Group are presented in United States dollars (“US\$”), which is also the functional currency of the Company. And all values are rounded to the nearest thousand except when otherwise indicated.

The measurement basis used in the preparation of the financial statements is the historical cost basis, except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- Trade receivables and trade payables under provisional priced sales arrangements (see Notes 2(e), 2(m) and 2(o)); and
- derivative financial instruments (see Note 2(e)).



2 MATERIAL ACCOUNTING POLICIES (continued)

(b) Basis of preparation of the financial statements (continued)

The preparation of financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRS Accounting Standards that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 3.

(c) Changes in accounting policies

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

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

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.



2 MATERIAL ACCOUNTING POLICIES (continued)

(d) Subsidiaries and non-controlling interests (continued)

For each business combination, the Group can elect to measure any non-controlling interests (“NCI”) either at fair value or at the NCI’s proportionate share of the subsidiary’s net identifiable assets. NCI are presented in the consolidated statement of financial position within equity, separately from equity attributable to the owners of the Company. NCI in the results of the Group are presented on the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between NCI and the owners of the Company. Loans from holders of NCI and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with Note 2(o).

Changes in the Group’s interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control of a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in that former subsidiary is measured at fair value when control is lost.

In the Company’s statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(i)(ii)), unless it is classified as held for sale (or included in a disposal group classified as held for sale).

(e) Derivative financial instruments and Hedge accounting

The Group holds derivative financial instruments to manage its commodity price risk exposures. The Group’s derivative financial instruments mainly include copper future contracts (mainly standardised copper cathode future contracts in London Metal Exchange (“LME”)) and those embedded in provisional price arrangements.

Derivatives are initially measured at fair value. Subsequently, they are measured at fair value with changes therein recognised in profit or loss (“FVTPL”).

Provisional price arrangements are initially measured at fair value. Subsequently, they are measured at FVTPL (see Note 2(m) and Note 2(o)).



2 MATERIAL ACCOUNTING POLICIES (continued)

(e) Derivative financial instruments and Hedge accounting (continued)

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment; or
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognised firm commitment; or
- hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is “an economic relationship” between the hedged item and the hedging instrument.
- The effect of credit risk does not “dominate the value changes” that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of the hedged item.



2 MATERIAL ACCOUNTING POLICIES (continued)

(e) Derivative financial instruments and Hedge accounting (continued)

Hedges which meet all the qualifying criteria for hedge accounting are accounted for by the Group as follows:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit or loss as other expenses. The change in the fair value of the hedged item attributable to the risk hedged is recorded as a part of the carrying amount of the hedged item and is also recognised in the statement of profit or loss as other expenses.

For fair value hedges relating to items carried at amortised cost, the adjustment to carrying value is amortised through the statement of profit or loss over the remaining term of the hedge using the effective interest rate method. Effective interest rate amortisation may begin as soon as an adjustment exists and shall begin no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value is recognised immediately in the statement of profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in the statement of profit or loss. The changes in the fair value of the hedging instrument are also recognised in the statement of profit or loss.

The Group's methodology for assessing the effectiveness of hedging, risk management strategy and approach to apply the strategy to manage risks are described in Note 27.



2 MATERIAL ACCOUNTING POLICIES (continued)

(f) Property, plant and equipment

The following items of property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses (see Note 2(i)):

- right-of-use assets arising from leases over freehold or leasehold properties where the Group is not the registered owner of the property interest; and
- items of plant and equipment, including right-of-use assets arising from leases of underlying plant and equipment (see Note 2(h)).

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components).

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Depreciation is recognised so as to write off the cost of assets other than construction in progress less their residual values over their estimated useful lives, using the straight-line method or the unit-of production method.

Mining properties in the course of development or construction are included in construction in progress and are not depreciated. Capitalised mining properties costs are depreciated once commercial production commences, as described in mining properties below.

The estimated useful lives for the current and comparative periods for other property, plant and equipment (other than construction in progress) are as follows:

	<i>Estimated useful lives</i>
Land and buildings	10-30 years
Machinery and equipment	3-10 years
Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.



2 MATERIAL ACCOUNTING POLICIES (continued)

(f) Property, plant and equipment (continued)

(i) *Mining properties*

The costs of mining properties, which include the costs of acquiring and developing mining properties, are firstly capitalised as property, plant and equipment under the heading of “Construction in progress” in the year in which they are incurred and then reclassified to the heading of “Mining properties” when they are ready for commercial production.

When a decision is taken that a mining property is viable for commercial production, all pre-production primary development expenditure other than land, buildings, plant and equipment is capitalised as part of the cost of the mining property until the mining property is capable of commercial production. From that point, capitalised mining properties costs are depreciated on a unit-of-production (“UOP”) basis over the total estimated remaining commercial reserves of each property or a group of properties.

Mining properties, except for stripping activity assets related to capitalised stripping costs incurred during the production phase, are depreciated on the UOP method utilising only proven and probable coal reserves in the depletion base. Stripping activity assets related to stripping costs incurred during the production phase are depreciated using the UOP basis over the proven and probable copper reserves of the component to which they relate.

In circumstances where a mining property is abandoned, the cumulative capitalised costs relating to the property are written off in the period.

Commercial reserves are proved and probable reserves. Changes in the commercial reserves affecting unit of production calculations are dealt with prospectively over the revised remaining reserves.

(g) **Mining rights**

The cost of mining rights either as an individual asset purchase or as part of a business combination is capitalised and represents the asset’s fair value at the date of acquisition.

Subsequent to initial recognition, mining rights are reported at costs less accumulated amortisation and any accumulated impairment losses. The costs of mining rights are amortised or depreciated on a unit-of-production basis over the total estimated remaining commercial reserves of each mine.

A mining right is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of a mining right, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.



2 MATERIAL ACCOUNTING POLICIES (continued)

(h) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 2(f) and 2(i)(ii)), except for the following types of right-of-use asset:

- right-of-use assets that meet the definition of investment property are carried at fair value;
- right-of-use assets related to leasehold land and buildings where the Group is the registered owner of the leasehold interest are carried at fair value (see Note 2(f)); and
- right-of-use assets related to interests in leasehold land where the interest in the land is held as inventory are carried at the lower of cost and net realisable value (see Note 2(j)).



2 MATERIAL ACCOUNTING POLICIES (continued)

(h) Leased assets (continued)

(i) *As a lessee (continued)*

Refundable rental deposits are accounted for separately from the right-of-use assets in accordance with the accounting policy applicable to investments in non-equity securities carried at amortised cost. Any excess of the nominal value over the initial fair value of the deposits is accounted for as additional lease payments made and is included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The lease liability is also remeasured when there is a lease modification, which means a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract, if such modification is not accounted for as a separate lease. In this case, the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification.

In the consolidated statement of financial position, the current portion of long-term lease liabilities is determined as the present value of contractual payments that are due to be settled within twelve months after the reporting period.

(ii) *As a lessor*

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying asset to the lessee. Otherwise, the lease is classified as an operating lease.

When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. The rental income from operating leases is recognised in profit or loss on a straight line basis over the term of the leases.

When the Group is an intermediate lessor, the sub-leases are classified as a finance lease or as an operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the exemption described in Note 2(h)(i), then the Group classifies the sub-lease as an operating lease.



2 MATERIAL ACCOUNTING POLICIES (continued)

(i) Credit losses and impairment of assets

(i) Credit losses from financial instruments

The Group recognises a loss allowance for expected credit losses (“ECL(s)”) on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables measured at amortised cost, other receivables, deposits in futures margin accounts, restricted bank balances, bank deposits and bank balances);

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Generally, credit losses are measured as the present value of all expected cash shortfalls between the contractual and expected amounts.

The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade receivables, deposits and other receivables: effective interest rate determined at initial recognition or an approximation thereof; and
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months); and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

- financial instruments that are determined to have low credit risk at the reporting date; and
- other financial instruments for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables measured at amortised cost are always measured at an amount equal to lifetime ECLs.



2 MATERIAL ACCOUNTING POLICIES (continued)

(i) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Significant increases in credit risk

When determining whether the credit risk of a financial instrument has increased significantly since initial recognition and when measuring ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is 90 days past due.

The Group considers a financial instrument to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for FVTOCI (with recycling) financial assets.

Credit-impaired financial assets

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.



2 MATERIAL ACCOUNTING POLICIES (continued)

(i) Credit losses and impairment of assets (continued)

(i) Credit losses from financial instruments (continued)

Write-off policy

The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. This is generally the case when the Group otherwise determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Impairment on property, plant and equipment, right-of-use assets and mining rights

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and mining rights to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGU(s)").

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU or a group of CGUs) is increased to the revised estimate of its recoverable amount, but not to an amount exceeding the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a CGU or a group of CGUs) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.



2 MATERIAL ACCOUNTING POLICIES (continued)

(j) Inventories and other contract costs

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Costs of inventories are determined on the following bases:

- Purchased copper concentrates and all other materials, including spare parts and consumables, are valued on a weighted average basis.
- Finished products are valued at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity.

Net realisable value represents the estimated selling price less any estimated costs of completion and costs to be incurred in selling the property.

(k) Environmental rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing production of a mine or production facilities. Costs arising from facility decommissioning and dismantling, removal or treatment of waste materials and site and land rehabilitation, discounted to net present value, are provided for and a corresponding amount is capitalised at the start of each project, as soon as the obligation to incur such costs arises. These costs are charged to profit or loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost estimates are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost estimates or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the life of the operation. The unwinding of the discount is shown as a finance cost in profit or loss.

Costs for restoration of subsequent site damage which is caused on an ongoing basis during production are provided for at their net present values and charged to profit or loss as extraction progresses. Where the costs of site restoration are not anticipated to be significant, they are expensed as incurred.



2 MATERIAL ACCOUNTING POLICIES (continued)

(l) Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue (see Note 2(t)). A contract liability is also recognised if the Group has an unconditional right to receive non-refundable consideration before the Group recognises the related revenue. In such latter cases, a corresponding receivable is also recognised (see Note 2(m)).

(m) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration and only the passage of time is required before payment of that consideration is due.

Financial assets that do not meet the criteria for being measured at amortised cost or fair value through other comprehensive income ("FVTOCI") or designated as FVTOCI are measured at FVTPL.

Trade receivables under provisional priced sales arrangements are measured at FVTPL. Considering that the contractual cash flows of trade receivables vary depending on the market price at the date of final settlement, and do not give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Trade receivables at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss and included in the "other gains and losses" line item.

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, property pre-sale proceeds held by solicitors that are held for meeting short-term cash commitments, and other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement. Cash and cash equivalents are assessed for ECL (see Note 2(i)(i)).



2 MATERIAL ACCOUNTING POLICIES (continued)

(o) Trade and other payables

Trade and other payables are initially recognised at fair value. Subsequent to initial recognition, trade and other payables are stated at amortised cost or at FVTPL.

Trade payables other than those designated at FVTPL and other payables are subsequently measured at amortised cost, using the effective interest method.

It forms part of a contract containing one or more embedded derivatives, and HKFRS 9 permits the entire combined contract to be designated as at FVTPL.

Trade payables arising from provisional pricing arrangements of copper concentrates purchase are settled at final prices set at a specified future period after shipment by suppliers based on prevailing spot prices. These trade payables are designated at FVTPL on a contract by contract basis.

(p) Interest-bearing borrowings

Interest-bearing borrowings are measured initially at fair value less transaction costs. Subsequently, these borrowings are stated at amortised cost using the effective interest method. Interest expense is recognised in accordance with Note 2(v).

(q) Employee benefits

(i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Obligations for contributions to defined contribution retirement plans are expensed as the related service is provided.

(ii) Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The employees of the Group's subsidiaries in Zambia and DRC are members of the state-managed retirement benefit schemes operated by the Zambia government and DRC government, respectively. The subsidiaries are required to contribute certain percentage of their payroll to the retirement benefit schemes to fund the benefit. Certain employees of the Group are members of the state-managed retirement benefit scheme operated by the PRC government and the Group contributes a certain percentage of their payroll to the retirement benefit scheme to fund the benefit.



2 MATERIAL ACCOUNTING POLICIES (continued)

(r) Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax comprises the estimated tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income taxes. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investment in subsidiaries, associates and joint ventures to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;
- taxable temporary differences arising on the initial recognition of goodwill; and
- those related to the income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (“OECD”) (income tax arising from such tax laws is hereafter referred to as “Pillar Two income taxes”).

The Group recognised deferred tax assets and deferred tax liabilities separately in relation to its leases and decommissioning obligations;

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are offset only if certain criteria are met.



2 MATERIAL ACCOUNTING POLICIES (continued)

(s) Provisions and contingent liabilities

Generally provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, a separate asset is recognised for any expected reimbursement that would be virtually certain. The amount recognised for the reimbursement is limited to the carrying amount of the provision.

(t) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Further details of the Group's revenue and other income recognition policies are as follows:

(i) *Sale of goods*

The Group is the principal for its revenue transactions and recognises revenue on a gross basis, including the sale of products that are sourced externally. In determining whether the Group acts as a principal or as an agent, it considers whether it obtains control of the products before they are transferred to the customers. Control refers to the Group's ability to direct the use of and obtain substantially all of the remaining benefits from the products.

Revenue is recognised when control over a product is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties such as value added tax or other sales taxes.

Revenue from the sale of goods is recognised when control of the goods has transferred based on the terms of the sale contracts. In most cases, the control of goods has transferred upon delivery when the goods have been shipped at the Group's premises. In some other cases, the control of goods has transferred upon delivery at specific destination ports.



2 MATERIAL ACCOUNTING POLICIES (continued)

(t) Revenue and other income (continued)

(i) Sale of goods (continued)

The Group sells copper products under provisional pricing arrangements where final grades of copper, gold, silver and cobalt in copper products are agreed based on third-party examination and final prices are set at a specified date based on market prices. Revenues are recognised using forward prices for the expected date of final settlement. The period between revenue recognition and final settlement is within one to three months. The contractual cash flows of trade receivables vary depending on the market price at the date of final settlement, and do not represent solely payments of principal and interest on the principal amount outstanding. Consequently, these trade receivables resulted from provisionally priced contracts are measured at FVTPL.

(ii) Services income

Revenue from the rendering of copper products processing service is recognised when control of the completed processing copper products has transferred based on the terms of the service contracts.

(iii) Interest income

Interest income is recognised using the effective interest method. The “effective interest rate” is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of the financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(iv) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

(u) Translation of foreign currencies

Transactions in foreign currencies are translated into the respective functional currencies of the Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss.



2 MATERIAL ACCOUNTING POLICIES (continued)

(v) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

(w) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) the entity, or any member of a Group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.



3 ACCOUNTING JUDGEMENTS AND ESTIMATES

In the application of the Group's accounting policies, which are described in Note 2, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) Impairment assessment of property, plant and equipment and mining rights

Property, plant and equipment and mining rights are stated at costs less accumulated depreciation or amortisation and impairment losses, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimates, particularly in assessing: (i) whether an event has occurred or any indicators that may affect the asset value; (ii) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (iii) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the assets are allocated, including allocation of corporate assets when a reasonable and consistent basis of allocation can be established, otherwise recoverable amount is determined at the smallest group of CGUs, for which the relevant corporate assets have been allocated. Changing the assumptions and estimates, including the discount rate or the growth rate in the cash flow projections, could materially affect the net present value used in the impairment test.

An impairment loss of Nil in respect of property, plant and equipment has been recognised. Details of the impairment test of property, plant and equipment and mining rights are disclosed in Notes 12 and 14.



3 ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

(b) Depreciation of mining properties

Mining properties costs are depreciated using the UOP method. The calculation of the rate of depreciation by UOP, and therefore the annual depreciation charge to operations, can fluctuate from initial estimates. This could generally result when there are significant changes in any of the factors or assumptions used in estimating mine reserves, notably changes in the geology of the reserves and assumptions used in determining the economic feasibility of the reserves. Such changes in reserves could similarly impact the useful lives of assets depreciated on a straight-line basis, where those assets are limited to the life of the project, which, in turn, is limited to the estimates of the proved and probable mineral reserves. Estimates of proved and probable reserves are prepared by experts in extraction, geology and reserve determination. Assessments of rates by UOP against the estimated reserve base and the operating and development plan are performed regularly.

(c) Restoration, rehabilitation and environmental costs

Provision is made for costs associated with restoration and rehabilitation of mining sites and certain production facilities of the Group as soon as the obligation to incur such costs arises. Such restoration and closure costs are typical of mining, leaching and smelting industries and they are normally incurred at the end of the life of the mine and production facilities. The costs are estimated on the basis of mine/plant closure plans and the estimated discounted costs of dismantling and removing these facilities and the costs of restoration are capitalised when incurred reflecting the Group's obligations at that time. A corresponding provision is created on the liability side.

The capitalised asset is charged to profit or loss through depreciation over the life of the operation and the provision is increased during each reporting period via the unwinding the discount on the provision. The management estimates are mainly based on the local legislation. The actual costs and cash outflows may differ from estimates because of changes in laws and regulations, changes in prices, analysis of site conditions and changes in restoration technology.

The Group provides for such costs in accordance with the statutory requirements.

(d) Income taxes

The Group is subject to taxes in a number of jurisdictions. Significant judgement is required in determining the tax position and the estimates and assumptions in relation to the provision for taxes, the progressive tax rate applicable for deferred tax provisions and the recovery of deferred tax assets, having regard to the nature and timing of their origination and compliance with the relevant tax legislation.

Deferred tax assets are recognised only if it is probable that future taxable profits will be available to utilise those temporary differences and losses, and the tax losses continue to be available having regard to the nature and timing of their origination and compliance with the relevant tax legislation associated with their recoupment. In addition, the applicable tax rate used in recognising deferred tax assets is determined by the forecast proportion of assessable income against gross sales and the timing of the usage of tax losses when the entity was granted income tax incentives.



3 ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

(d) Income taxes (continued)

In 2018, the parliament of the DRC adopted a new mining code (the “2018 Mining Code”) introducing wide-ranging reforms including the introduction of higher royalties, a new Super Profits Tax regime and further regulatory controls. In accordance with the 2018 Mining Code, should a single product meet the threshold condition that its average effective selling price within one accounting year rises over 25% more than its average selling price in such year as predicated in its project economic feasibility study report (the “Feasibility Report”), excess profit tax is imposed on a tax base that is the difference between the earnings before interest, taxes, depreciation and amortisation (the “EBITDA”) of the product and the predicted amount in the Feasibility Report in such accounting year with an applicable tax rate at 50% with effect from 8 June 2018. The Directors have taken the view that the average selling prices in 2025 were not 25% more than those in the Feasibility Report, thus, no Super Profits Tax was recognised in the consolidated financial statements for the year ended 31 December 2025 (2024: Nil).

However, there is limited guidance in relation to the implementation of certain parts of the 2018 Mining Code; and the Directors’ interpretation of the 2018 Mining Code may be subject to future changes following the publication of relevant implementation guidance on those impacted areas, which are currently uncertain.

(e) Impairment for input VAT receivables

In assessing the recoverable amount of input VAT receivables, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. The amount of the impairment loss recognised is the difference between the asset’s carrying amount and the present value of estimated future cash flows.

4 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, 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 the 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4 REVENUE AND SEGMENT REPORTING (continued)

(a) Revenue

(i) Disaggregation of revenue

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

	2025	
	Leaching US\$'000	Smelting US\$'000
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	1,207,037	–
– Blister copper and copper anodes	–	1,800,695
– Sulphuric acid	–	215,102
– Liquid sulphur dioxide	–	5,365
Copper products processing services	–	191,860
Total	1,207,037	2,213,022
Disaggregated by timing of revenue recognition		
Point in time	1,207,037	2,213,022
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	1,075,635	–
– Blister copper and copper anodes	–	2,452,132
– Sulphuric acid	106	166,855
– Liquid sulphur dioxide	–	13,092
– Cobalt contained in cobalt hydroxide	4,596	–
Copper products processing services	13,639	90,417
Total	1,093,976	2,722,496
Disaggregated by timing of revenue recognition		
Point in time	1,093,976	2,722,496



4 REVENUE AND SEGMENT REPORTING (continued)

(a) Revenue (continued)

(i) 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:

	2025 US\$'000	2024 US\$'000
Disaggregated by geographical location of customers		
Mainland China	–	1,352,370
Singapore	1,941,714	772,539
Switzerland	491,517	636,462
Africa	440,294	308,218
Hong Kong	428,461	635,415
Belgium	118,073	111,468
	3,420,059	2,464,102
	3,420,059	3,816,472

Revenue from customers of the years ended 31 December 2025 and 2024 contributing over 10% of the total revenue of the Group are as follows.

	2025 US\$'000	2024 US\$'000
Customer A		
– Leaching	803,354	673,112
– Smelting	1,047,262	1,241,469
	1,850,616	1,914,581
Customer B		
– Smelting	352,989	790,199

Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date.



4 REVENUE AND SEGMENT REPORTING (continued)

(a) Revenue (continued)

(i) Disaggregation of revenue (continued)

Performance obligations for contracts with customers

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

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

(b) Segment reporting

(i) Segment results, assets and liabilities

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

	2025		Total US\$'000
	Leaching US\$'000	Smelting US\$'000	
Revenue from external sales	1,207,037	2,213,022	3,420,059
Inter-segment sales	–	48,334	48,334
	1,207,037	2,261,356	3,468,393
Elimination			(48,334)
Revenue from external customers			3,420,059
Reportable segment profit	325,595	258,903	584,498
Unallocated income (Note (i))			19,611
Unallocated expenses (Note (ii))			(20,897)
Profit for the year			583,212



4 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting (continued)

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

	2024		Total US\$'000
	Leaching US\$'000	Smelting US\$'000	
Revenue from external sales	1,093,976	2,722,496	3,816,472
Inter-segment sales	–	47,162	47,162
	1,093,976	2,769,658	3,863,634
Elimination			(47,162)
Revenue from external customers			3,816,472
Reportable segment profit	237,696	325,382	563,078
Unallocated income (Note (i))			12,210
Unallocated expenses (Note (ii))			(17,812)
Profit for the year			557,476

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 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.



4 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting (continued)

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

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

	2025 US\$'000	2024 US\$'000
Segment assets		
Leaching	1,517,138	1,374,835
Smelting	2,634,349	2,386,067
Total segment assets	4,151,487	3,760,902
Unallocated assets (Note (i))	656,781	399,771
Elimination	(5,007)	(6,266)
Consolidated total assets	4,803,261	4,154,407
	2025 US\$'000	2024 US\$'000
Segment liabilities		
Leaching	674,594	486,658
Smelting	646,235	579,454
Total segment liabilities	1,320,829	1,066,112
Unallocated liabilities (Note (i))	74,869	65,469
Elimination	(5,007)	(6,266)
Consolidated total liabilities	1,390,691	1,125,315

Note:

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



4 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting (continued)

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

The following is an analysis of other information of profit and assets by reportable and operating segments:

	2025			Consolidated US\$'000
	Leaching US\$'000	Smelting US\$'000	Unallocated US\$'000	
Addition to non-current assets (Note (i))	114,380	38,308	–	152,688
Depreciation of property, plant and equipment	89,471	108,761	11	198,243
Depreciation of right- of-use assets	2,471	46	255	2,772
Amortisation of mining rights	9,759	–	–	9,759
Write-down of inventories	3,383	10,284	–	13,667
Interest income (Note (ii))	9,505	12,375	17,592	39,472
Finance costs	411	37	–	448
(Losses)/gains arising on change in fair value of				
– financial liabilities at FVTPL	(6,420)	(46,501)	–	(52,921)
– trade receivables at FVTPL	51,748	71,159	–	122,907
– trade payables at FVTPL	(19,387)	(54,760)	–	(74,147)
Income tax expense	116,915	98,578	14,169	229,662



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4 REVENUE AND SEGMENT REPORTING (continued)

(b) Segment reporting (continued)

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

	2024			Consolidated US\$'000
	Leaching US\$'000	Smelting US\$'000	Unallocated US\$'000	
Addition to non-current assets (Note (i))	104,138	64,641	15	168,794
Depreciation of property, plant and equipment	78,961	116,587	13	195,561
Depreciation of right- of-use assets	176	46	241	463
Amortisation of mining rights	8,544	–	–	8,544
Write-down of inventories	199	1,795	–	1,994
Interest income (Note (ii))	3,930	8,167	12,210	24,307
Finance costs	623	9,169	–	9,792
(Losses)/gains arising on change in fair value of				
– financial liabilities at FVTPL	2,354	(6,030)	–	(3,676)
– trade receivables at FVTPL	288	32,022	–	32,310
– trade payables at FVTPL	(18,984)	(38,585)	–	(57,569)
Income tax expense	99,658	104,919	13,363	217,940

Notes:

- (i) Non-current assets exclude financial instruments, input VAT receivables and deferred tax assets.
- (ii) Unallocated interest income represents interest income earned from bank balances of the Holding Companies.



5 OTHER INCOME

	2025 US\$'000	2024 US\$'000
Interest income	39,472	24,307
Government grants	–	776
Net income from sale of spare parts and other materials	7,205	2,866
Others	3,319	1,863
	49,996	29,812

6 OTHER GAINS AND LOSSES

	2025 US\$'000	2024 US\$'000
(Losses)/gains on disposal of property, plant and equipment, net	(3,684)	199
Impairment losses (recognised)/reversed in respect of		
– input VAT receivables (Note 19)	(13,323)	(40,575)
– financial assets under ECL	(7,794)	2,251
Foreign exchange gains/(losses), net	51,552	(14,294)
(Losses)/gains from changes in fair value of financial liabilities/ assets at FVTPL		
– financial liabilities at FVTPL	(52,921)	(3,676)
– trade receivables at FVTPL	122,907	32,310
– trade payables at FVTPL	(74,147)	(57,569)
	22,590	(81,354)

7 PROFIT BEFORE TAXATION

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

(a) Finance costs:

	2025 US\$'000	2024 US\$'000
Interest on bank and other borrowings	448	9,792
Interest on lease liabilities	903	114
Unwinding of the discount (Note 29)	3,930	1,440
Less: interest expense capitalised into properties under development	(170)	–
	5,111	11,346

The borrowing costs have been capitalised at a rate of 1.75% per annum (2024: Nil).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7 PROFIT BEFORE TAXATION (continued)

(b) Staff costs:

	2025 US\$'000	2024 US\$'000
Salaries, wages and other benefits	130,291	123,085
Contributions to defined contribution retirement plans	11,314	9,965
	141,605	133,050

Staff costs is excluding Directors' remuneration as disclosed in Note 9.

(c) Other items

	2025 US\$'000	2024 US\$'000
Depreciation of property, plant and equipment (Note 12)	198,243	195,561
Depreciation of right-of-use assets (Note 13)	2,772	463
Amortisation cost of mining rights (Note 14)	9,759	8,544
Total amortisation and depreciation	210,774	204,568
Impairment of inventories	13,667	1,994
Impairment losses, net of reversal		
– input VAT receivables (Note 19)	13,323	40,575
– financial assets under ECL	7,794	(2,251)
Fair value losses, net	4,161	28,935
Foreign exchange differences, net (Note 6)	(51,552)	14,294
Interest income (Note 5)	(39,472)	(24,307)
Losses/(gains) on disposal of items of property, plant and equipment (Note 6)	3,684	(199)
Lease payments not included in the measurement of lease liabilities (Note 13)	1,524	1,113
Auditor's remuneration	840	810
Cost of inventories	2,272,944	2,639,319
Cost of service recognised as an expense	84,577	36,441



8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

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

	2025 US\$'000	2024 US\$'000
Current tax:		
– Income tax in The Republic of Ireland (“Ireland”)	466	2,199
– Income tax in Hong Kong	492	414
– Income tax in DRC	54,249	52,590
– Income tax in Zambia	171,838	113,605
	227,045	168,808
Deferred tax:		
– Current year	2,617	49,132
	229,662	217,940

Income tax in Hong Kong is calculated at 16.5% (2024: 16.5%) on the estimated taxable income.

On 1 January 2023, the Inland Revenue (Amendment) (Taxation on Specified Foreign-sourced Income) Ordinance 2022 came into effect. This legislation has introduced a new “foreign-sourced income exemption” (“FSIE”) regime in Hong Kong. Before the new FSIE regime, the interest income, dividend income, disposal gain from the sale of equity interests in an entity and intellectual property income had been non-taxable for Hong Kong Profits Tax purposes if sourced offshore. Under the new FSIE regime, with certain exceptions, such income is no longer exempt when received by an entity that carries out a trade, profession or business in the Hong Kong.

Subsidiaries in Hong Kong had met the participation exemption for dividend income and disposal gain from the sale of equity interests in an entity if sourced off-shore, and this off-shore income had been non-taxable for Hong Kong Profits.

Income tax for trading income in Ireland is calculated at 12.5% (2024: 12.5%) on the estimated taxable income. Income tax for non-trading income in Ireland is calculated at 25.0% (2024: 25.0%) on the estimated taxable income.

Income tax in DRC is calculated at 30% (2024: 30%) on the estimated taxable income when 30% of the taxable income exceeds 1% of gross sales, and calculated at 1% (2024: 1%) of gross sales when 30% of the taxable income does not exceed 1% of gross sales.

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



8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

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

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

Income tax in Zambia is calculated at 30% (2024: 30%) on the estimated taxable income.

The Group enjoyed the following income tax incentives:

- Certain phase of production facilities of CCS (the “Phase”) is eligible for the tax exemption for the first five profitable years; 50% income tax relief for the next three years thereafter; and 25% of income tax relief for the next two years thereafter. For the year ended 31 December 2025, the Group no more enjoyed the tax exemption (2024: 25%).
- 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.

According to the Convention between the Republic of Zambia and Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Tax on, which is effective on 1 January 2016, certain dividends paid by a company which is a resident of Zambia to a resident of Ireland may be taxed in Zambia according to the tax law of Zambia, but for a beneficial owner of the dividends which is a resident of Ireland, the tax so charged shall not exceed 7.5% of the gross amount of the dividends in Zambia. Therefore, certain dividend income of CNMH from CCS was subject to withholding tax in Zambia at a tax rate of 7.5% (2024: 7.5%) and certain dividend income of CNMH from Luanshya, NFCA and SML which are mining operations were under withholding tax relief for both years.

Certain dividend income of CNMHK and CNMHKI from subsidiaries in DRC is subject to withholding tax at a tax rate of 10% (2024: 10%).

At the end of the reporting period, a deferred tax liability of US\$60,657,000 (2024: US\$49,094,000) has been provided for temporary differences associated with undistributed earnings of these subsidiaries (see Note 30).



8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	2025 US\$'000	2024 US\$'000
Profit before taxation	812,874	775,416
Tax at income tax rate in Hong Kong – for operations at 16.5%	2,420	3,360
Tax at income tax rate in Ireland – for operations at 25%	(884)	2,199
Tax at income tax rate in DRC – for operations at 30%	72,364	49,834
Tax at income tax rate in Zambia – for operations at 30%	155,578	167,416
	229,478	222,809
Tax effect of expenses not deductible for tax purpose	8,372	6,868
Deferred and withholding tax on undistributed earnings	11,563	10,063
Effect of tax incentives granted to the Group	(10,733)	(11,653)
Effect of changes of tax rate	–	(2,603)
Tax effect of deductible temporary differences not recognised	6,576	7,291
Adjustments in respect of income tax of previous periods	(2,275)	(8,304)
Utilisation of temporary differences for which no deferred tax assets were recognised previously	(7,648)	(1,313)
Offshore interest income not received in Hong Kong	(5,671)	(5,218)
Income tax	229,662	217,940

(c) 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.



8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

(c) Pillar Two income taxes (continued)

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 Hong Kong 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.

(d) Other taxes

The Group is also subject to other non-income taxes as below:

The Group is subject to VAT at 16% (2024: 16%) on purchases and sales in Zambia and DRC whereas VAT is exempt on export, and relevant input VAT paid for purchases supported by valid VAT invoices could be refunded by the Zambia Revenue Authority and DRC to the extent where total input VAT paid on purchases exceeds total output VAT payable on domestic sales.

For both reporting periods, the mineral royalty rates are applicable for both open cast mining operations and underground mining operations in Zambia and DRC.

In Zambia, for the year ended 31 December 2024 and 2025, the mineral royalty is based on progressive tax rates, charged at 4.0% when the norm price of copper is less than US\$4,000 per tonne, 6.5% when the norm price of copper is US\$4,000 per tonne or greater but less than US\$5,000 per tonne, 8.5% when the norm price of copper is US\$5,000 per tonne or greater but less than US\$7,000 per tonne and 10% when the norm price of copper is US\$7,000 per tonne or greater.

In DRC, the mineral royalty is charged at 3.5% (2024: 3.5%) for copper products.



9 DIRECTORS' EMOLUMENTS

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	2025				
	Directors' fees US\$'000	Salaries and other allowances US\$'000	Discretionary performance bonus* US\$'000	Retirement benefit scheme contributions US\$'000	Total US\$'000
Executive directors					
Mr. Bo Xiao (i) (ii)	-	-	-	-	-
Mr. He Yang (i) (ii)	-	-	-	-	-
President					
Mr. Dayong Yang	-	82	47	18	147
Non-executive directors					
Mr. Yaoyu Tan (i) (iii)	-	-	-	-	-
Ms. Yani Gong (i)	-	-	-	-	-
Mr. Zhijiang Chen (i) (iii)	-	-	-	-	-
Independent non-executive directors					
Mr. Dingfan Qiu (iv)	8	-	-	-	8
Mr. Huanfei Guan	34	-	-	-	34
Mr. Guangfu Gao	34	-	-	-	34
Mr. Yufeng Sun (iv)	25	-	-	-	25
	101	82	47	18	248
	2024				
	Directors' fees US\$'000	Salaries and other allowances US\$'000	Discretionary performance bonus* US\$'000	Retirement benefit scheme contributions US\$'000	Total US\$'000
Executive directors					
Mr. He Yang (i) (ii)	-	-	-	-	-
President					
Mr. Dayong Yang	-	77	36	17	130
Non-executive directors					
Mr. Yaoyu Tan (i) (iii)	-	-	-	-	-
Ms. Yani Gong (i)	-	-	-	-	-
Independent non-executive directors					
Mr. Dingfan Qiu (iv)	33	-	-	-	33
Mr. Huanfei Guan	33	-	-	-	33
Mr. Guangfu Gao	33	-	-	-	33
Mr. Yufeng Sun (iv)	-	-	-	-	-
	99	77	36	17	229



9 DIRECTORS' EMOLUMENTS (continued)

Notes:

- (i) Mr. Bo Xiao, Mr. He Yang, Mr. Yaoyu Tan, Ms. Yani Gong, and Mr. Zhijiang Chen assume a role in CNMC and their emoluments for services rendered by them to the Group commencing from the date of their respective appointments have been borne by CNMC.
 - (ii) Mr. He Yang resigned as Chairman of the Board of Directors, Executive Director, the chairman of the Compliance Committee, member of the Nomination Committee, member of the Remuneration Committee and Authorized Representative with effect from 27 March 2025; and Mr. Bo Xiao was appointed to the same position with effect from the same date.
 - (iii) Mr. Yaoyu Tan has resigned from his positions as Non-Executive Director of the Company and member of the Audit Committee of the Board of Directors with effect from 28 October 2025 due to his other business commitments; and Mr. Zhijiang Chen was appointed to the same position with effect from the same date.
 - (iv) Mr. Dingfan QIU resigned as an independent non-executive director of the Company, the chairman of the Nomination Committee, and member of the Remuneration Committee and the Compliance Committee with effect from 21 March 2025, Mr. Yufeng SUN was appointed as an independent non-executive director on the same date.
- * Certain executive directors of the Company are entitled to bonus payments which are determined as a percentage of the profit after tax of the Group.

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

No Directors waived any emoluments in the year ended 31 December 2025 (2024: Nil).



10 INDIVIDUALS WITH HIGHEST EMOLUMENTS

There was no director who was the five highest paid employees of the Group during the year (2024: Nil). Details of the remuneration for the year of the five (2024: five) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2025 US\$'000	2024 <i>US\$'000</i>
Salaries, allowances and benefits in kind	811	812
Discretionary bonuses	611	449
Retirement scheme contributions	119	122
	1,541	1,383

The number of the highest paid employees who are neither directors nor chief executive of the Company whose remuneration fell within the following bands is as follows:

	2025 Number of employees	2024 <i>Number of</i> <i>employees</i>
HK\$1,500,001 to HK\$2,000,000	1	–
HK\$2,000,001 to HK\$2,500,000	2	5
HK\$2,500,001 to HK\$3,000,000	2	–

11 EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share for the year ended 31 December 2025 is calculated based on the profit attributable to equity shareholders of the Company of US\$404,311,000 (2024: US\$398,500,000) and the weighted average of 3,902,036,000 ordinary shares in issue during the year (2024: 3,855,274,000 ordinary shares).

(b) Diluted earnings per share

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12 PROPERTY, PLANT AND EQUIPMENT

	Mining properties <i>US\$'000</i>	Land and buildings <i>US\$'000</i>	Machinery and equipment <i>US\$'000</i>	Motor vehicles <i>US\$'000</i>	Construction in progress <i>US\$'000</i>	Total <i>US\$'000</i>
Cost:						
At 1 January 2024	1,012,343	941,293	1,296,506	117,168	89,970	3,457,280
Additions	14,137	561	5,351	1,945	125,799	147,793
Transfer from construction in progress	56,566	3,236	67,812	894	(128,508)	-
Disposals	(46,907)	(7,023)	(56,719)	(6,454)	-	(117,103)
Other adjustments:						
- Provision for restoration, rehabilitation and environmental costs	1,053	-	-	-	-	1,053
At 31 December 2024	1,037,192	938,067	1,312,950	113,553	87,261	3,489,023
Additions	25,482	955	26,929	2,422	206,781	262,569
Transfer from construction in progress	36,527	11,822	25,626	426	(74,401)	-
Disposals	(1,463)	(56)	(28,537)	(2,215)	(1,173)	(33,444)
Other adjustments:						
- Provision for restoration, rehabilitation and environmental costs	56,460	-	-	-	-	56,460
At 31 December 2025	1,154,198	950,788	1,336,968	114,186	218,468	3,774,608
Depreciation and impairment:						
At 1 January 2024	(529,435)	(418,145)	(883,882)	(107,697)	-	(1,939,159)
Depreciation	(46,553)	(58,008)	(82,892)	(8,108)	-	(195,561)
Disposals	46,907	6,371	55,148	6,398	-	114,824
At 31 December 2024	(529,081)	(469,782)	(911,626)	(109,407)	-	(2,019,896)
Depreciation	(42,951)	(57,112)	(94,607)	(3,573)	-	(198,243)
Disposals	1,251	659	25,304	1,826	-	29,040
At 31 December 2025	(570,781)	(526,235)	(980,929)	(111,154)	-	(2,189,099)
Carrying amount:						
At 31 December 2025	583,417	424,553	356,039	3,032	218,468	1,585,509
At 31 December 2024	508,111	468,285	401,324	4,146	87,261	1,469,127

As at 31 December 2025, NFCA pledged to secure a self-guarantee of environmental protection fund amounting to US\$11,286,000 (31 December 2024: US\$10,329,000) with property, plant and equipment with a net carrying amount of US\$8,703,000 (31 December 2024: US\$9,161,000).



12 PROPERTY, PLANT AND EQUIPMENT (continued)

As at 31 December 2025, owing to the increasing copper price above management's expectation set out in the prior years, management identified an indicator of reversal of the impairment loss recognised in prior years for NFCA's property, plant and equipment. The Group performed an impairment assessment on NFCA's property, plant and equipment with a carrying amount of US\$731,444,000 by determining the recoverable amount of the CGU to which NFCA's PPE were allocated ("NFCA CGU").

The recoverable amount of NFCA CGU has been determined based on the value in use of such CGU. The cash flows were determined based on cash flow projections which incorporate management's best estimates of mining plan, future copper prices, production cost and discount rates.

After the impairment assessment, the Directors determined no impairment loss reversal for NFCA CGU was needed as at 31 December 2025.

The significant estimation and inputs used in calculating the NFCA CGU's cash flows included future copper price as summarised below, a pre-tax discount rate of 42.87% (2024: 32.98%) per annum and mine reserves based on the most recent reserve report.

For the year ended 2025:

	2026-2030		Long-term average
	2026 US\$	Average US\$	
Copper price (per tonne)	9,600	9,360	9,020

For the year ended 2024:

	2025-2029		Long-term average
	2024 US\$	Average US\$	
Copper price (per tonne)	9,150	9,250	9,450

Future copper price has referred to the market estimation and the historical fluctuation of the copper price.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13 RIGHT-OF-USE ASSETS

	Leasehold properties	
	<i>US\$'000</i>	
Carrying amount:		
At 1 January 2024		189
Additions for the year		17,594
Charge for the year		(463)
At 31 December 2024		17,320
Additions for the year		51,202
Charge for the year		(2,772)
At 31 December 2025		65,750
	2025	2024
	<i>US\$'000</i>	<i>US\$'000</i>
Expense relating to short-term leases	1,524	1,113
Total cash outflow for leases	5,287	1,390

Notes:

- (i) Kambove Mining SAS executed a power purchasing contract that was essentially a lease agreement in 2025, with the lease term of 10 years.
- (ii) CNMC Huachin Mabende Mining SA ("CHM") executed a power purchasing contract that was essentially a lease agreement in 2024, with the lease term of 7 years. Other lease contracts are entered into for a fixed term of 3 years.

In determining the lease terms and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

14 MINING RIGHTS

	Mining rights
	<i>US\$'000</i>
Cost:	
At 1 January 2024, 31 December 2024 and 31 December 2025	154,108
Accumulated amortisation:	
At 1 January 2024	(54,627)
Charge for the year	(8,544)
At 31 December 2024	(63,171)
Charge for the year	(9,759)
At 31 December 2025	(72,930)
Net book value:	
At 31 December 2025	81,178
At 31 December 2024	90,937



15 INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group.

Name of subsidiary	Place of establishment/ incorporation and business	Particulars of registered/issued and paid-up capital	Proportion of ownership interest			Principal activities
			The Group's effective interest	Held by the Company	Held by subsidiaries	
CNMH	Ireland	Euro171,152,002	100%	100%	-	Investment holding
CNMHK	Hong Kong	US\$48,000,000	70%	70%	-	Investment holding
CNMHKI	Hong Kong	US\$20,000	100%	100%	-	Investment holding
NFCA	Zambia	US\$9,000,001	85%	-	85%	Exploration and mining of copper and production of copper concentrates
CCS	Zambia	US\$2,000	60%	-	60%	Production and sale of blister copper and copper anodes, copper-cobalt alloy and sulphuric acid
SML (Note (i))	Zambia	US\$1,000	67.75%	-	55% and 15%	Production and sale of copper cathodes
Luanshya	Zambia	US\$10,000,001	80%	-	80%	Exploration and mining of copper and production of copper concentrates and copper cathodes
Huachin Metal Leach SA	DRC	US\$10,000,000	43.75%	-	62.5%	Production and sale of copper cathodes
CHM	DRC	US\$10,000,000	39.9%	-	57%	Production and sale of copper cathodes
CCS Chinda Trade & Investment SARL ("CCT") (Note (ii))	DRC	US\$2,000	60%	-	100%	Sale of sulphuric acid
Sylver Back Resources SARL	DRC	CDF717,005,314	39.9%	-	95%	Exploration and mining of copper
Lualaba Copper Smelter SAS ("LCS")	DRC	US\$20,000	57%	-	57%	Production and sale of blister copper and sulphuric acid
Kambove Mining SAS	DRC	CDF14,000,000	55%	-	55%	Exploration and mining of copper and production of copper concentrates
Kingsail Limited	Hong Kong and Zambia	HK\$10,000	60%	-	60%	Sale of copper cathodes and copper Concentrates
CNMC Congo Luano Mining SASU	DRC	US\$10,000	70%	-	100%	Production and sale of copper cathodes
BENKALA (SINGAPORE) HOLDING PTE. LTD (Note (iii))	Singapore	SGD10,000	100%	100%	-	Investment holding



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15 INVESTMENTS IN SUBSIDIARIES (continued)

Notes:

- (i) 55% and 15% of the issued and paid-up ordinary share capital of SML are directly held by CNMH and NFCA.
- (ii) In January 2025, CCT completed liquidation and was deregistered.
- (iii) In March 2025, the Company established a wholly-owned subsidiary in Singapore.

Details of non-wholly owned subsidiaries that have material NCI.

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests ("NCI"):

Name of company	Place/country of operations and principal place of activities	Percentage of equity interest held by non-controlling interests		Profit allocated to non- controlling interests		Accumulated non-controlling interests	
		2025	2024	2025	2024	2025	2024
		%	%	US\$'000	US\$'000	US\$'000	US\$'000
CCS	Zambia	40	40	39,846	43,231	363,601	335,755
CHM	DRC	60.1	60.1	22,576	16,847	66,507	43,931
Subsidiaries with individually immaterial non-controlling interests						496,453	400,338
						926,561	780,024



15 INVESTMENTS IN SUBSIDIARIES (continued)

The following table lists out the information relating to CCS and CHM, subsidiaries of the Group which have a material NCI. The summarised financial information presented below represents the amounts before any inter-company elimination.

	CCS	
	2025	2024
	USD'000	<i>USD'000</i>
Current assets	774,136	737,236
Non-current assets	257,543	288,810
Current liabilities	(119,565)	(183,329)
Non-current liabilities	(3,112)	(3,329)
Equity attributable to owners of the Company	545,401	503,633
Non-controlling interests	363,601	335,755
Revenue	1,004,113	1,674,368
Expenses	(904,499)	(1,566,290)
Profit and total comprehensive income for the year	99,614	108,078
Profit and total comprehensive income to owners of the Company	59,768	64,847
Profit and total comprehensive income attributable to the NCI of the Company	39,846	43,231
Dividends paid to the non-controlling interests	(12,000)	–
Net cash inflow from operating activities	293,288	139,146
Net cash outflow used in investing activities	(7,193)	(4,380)
Net cash outflow used in financing activities	(85,370)	(22,726)
Effect of foreign exchange rate changes	(183)	(630)
Net cash inflow	200,542	111,410



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15 INVESTMENTS IN SUBSIDIARIES (continued)

	CHM	
	2025	2024
	USD'000	USD'000
Current assets	223,526	200,850
Non-current assets	152,651	174,274
Current liabilities	(247,361)	(283,056)
Non-current liabilities	(18,155)	(14,996)
Equity attributable to owners of the Company	44,154	33,141
Non-controlling interests	66,507	43,931
Revenue	243,394	191,939
Expenses	(209,803)	(162,382)
Profit and total comprehensive income for the year	33,591	29,557
Profit and total comprehensive income to owners of the Company	11,015	12,710
Profit and total comprehensive income attributable to the NCI of the Company	22,576	16,847
Dividends paid to the non-controlling interests	–	–
Net cash inflow from/(used in) operating activities	21,608	(14,295)
Net cash outflow used in investing activities	(2,736)	(3,936)
Net cash outflow used in financing activities	(13,970)	–
Effect of foreign exchange rate changes	(72)	(722)
Net cash outflow	4,830	(18,953)

None of the subsidiaries had issued any debt securities at the end of the year.

16 OTHER EQUITY INVESTMENTS

	At 31 December	At 31 December
	2025	2024
	US\$'000	US\$'000
Unlisted equity at FVTOCI (non-recycling) SM Minerals (Note)	16,764	–

The Group designated its unlisted equity investments in SM Minerals at FVTOCI (non-recycling), as the investments are held for strategic purposes.

Note:

SM Minerals is in Kazakhstan and owns certain of copper ore mining rights and exploration rights.

On 20 November 2024, 24 January 2025 and 25 April 2025, the Company, SM Minerals and the AM Shareholder entered into the Initial Agreement in relation to the transfer of 5,265 SM Minerals Shares (representing 5% of the issued share capital of SM Minerals) at the consideration of US\$5,000,000.

On 16 June 2025, the Company, SM Minerals and the AM Shareholder entered into the subscription agreement, in relation to the acquiring of 12,383 SM Minerals Shares by paying the subscription price of US\$11,763,850. With the execution of the subscription agreement, as at 31 December 2025, the Company hold an aggregate of 15% of the issued share capital of SM Minerals.



17 INVENTORIES

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Raw materials	489,295	555,241
Spare parts and consumables	113,396	127,500
Work in progress	86,422	108,578
Finished goods	47,979	56,835
	737,092	848,154

18 TRADE RECEIVABLES AT AMORTISED COST/TRADE RECEIVABLES AT FVTPL

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Trade receivables at amortised cost – contracts with customers	66,328	72,342
Less: Allowance for credit losses	(1,434)	(1,429)
	64,894	70,913
Trade receivables at FVTPL – contracts with customers	270,027	185,742

Ageing analysis

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

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
0 to 30 days	40,880	36,836
31 to 90 days	16,676	28,351
91 to 180 days	6,509	3,119
181 to 365 days	829	2,607
	64,894	70,913



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18 TRADE RECEIVABLES AT AMORTISED COST/TRADE RECEIVABLES AT FVTPL (continued)

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

	2025 US\$'000	2024 <i>US\$'000</i>
0 to 30 days	177,985	182,443
31 to 90 days	91,206	3,299
1 to 2 years	836	–
	270,027	185,742

Details of impairment assessment of trade receivables at amortised cost are set out in Note 32(c)(iv).

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

	2025 US\$'000	2024 <i>US\$'000</i>
Trade receivables at amortised cost:		
Fellow subsidiaries	331	1,584
A non-controlling shareholder of a subsidiary	4,509	3,347
	4,840	4,931
	2025 US\$'000	2024 <i>US\$'000</i>
Trade receivables at FVTPL:		
Fellow subsidiaries	140,191	101,330
A non-controlling shareholder of subsidiaries	93,519	61,328
	233,710	162,658

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



19 PREPAYMENTS AND OTHER RECEIVABLES

	2025 US\$'000	2024 US\$'000
Non-current:		
Prepayments for property, plant and equipment	1,908	4,273
Deposits in connection with the restoration and rehabilitation obligations (Note 29)	7,265	6,089
Long-term receivables (Note (i))	29,691	28,839
Input VAT receivables, net (Note (ii))	113,712	131,039
Others (Note (iii))	5,990	7,987
	158,566	178,227
Current:		
Prepayments for inventories and others	44,910	26,693
Input VAT receivables, net (Note (ii))	108,830	114,989
Deposits in futures margin accounts	82,211	71,466
Other receivables	107,251	43,351
Less: allowance for credit losses	(27,910)	(20,121)
	315,292	236,378
	473,858	414,605

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 received from SND starting from 1 March 2021.
- (ii) The gross carrying amount of input VAT receivables is US\$369,772,000 (31 December 2024: US\$372,187,000). 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 31 December 2025, an impairment provision amounting to US\$147,230,000 (31 December 2024: US\$126,159,000) 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19 PREPAYMENTS AND OTHER RECEIVABLES (continued)

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

	2025 US\$'000	2024 <i>US\$'000</i>
1 January	126,159	89,306
Impairment losses recognised	13,323	40,575
Effect of changes in exchange rates	7,748	(3,722)
	147,230	126,159

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

	2025 US\$'000	2024 <i>US\$'000</i>
A non-controlling shareholder of a subsidiary	598	4,708
Fellow subsidiaries	18,413	1,069
Non-controlling shareholders of subsidiaries	324	1,199
	19,335	6,976

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

As at 31 December 2025, 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\$147,230,000 (31 December 2024: US\$126,159,000), was US\$222,542,000 (31 December 2024: US\$246,028,000). For the year ended 31 December 2025, an impairment loss of US\$13,323,000 was recognised (2024: US\$40,575,000) in respect of input VAT receivables.

20 FINANCIAL ASSETS AT FVTPL

	2025 US\$'000	2024 <i>US\$'000</i>
Copper futures contracts	-	5,835

Details of the above futures contracts and the hedging policy of the Group are set out in Note 27.



21 RESTRICTED DEPOSITS, CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

- (a) The Group's restricted bank balances, time deposits and bank balances and cash are analysed as follows:

	2025 US\$'000	2024 US\$'000
Cash at bank, other financial institutions and on hand	1,479,456	1,027,171
Less: non-current restricted bank balances for the banks' letters of guarantee to secure future restoration costs as required by the government of Zambia (Note 29)	(1,505)	(1,505)
Less: current restricted bank balances for: Issuing letters of credit	(1,739)	(2,831)
Less: time deposits	-	(4,173)
Cash and cash equivalents in the consolidated statement of financial position and consolidated cash flow statement	1,476,212	1,018,662

Bank balances carry interest at market rates ranging from 0% to 4.58% (2024: 0% to 4.51%) per annum.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21 RESTRICTED DEPOSITS, CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (continued)

(b) Reconciliation of liabilities arising from financing activities

	Bank and other borrowings <i>US\$'000</i> <i>(Note 25)</i>	Dividends payable <i>US\$'000</i> <i>(Note 31(b))</i>	Lease liabilities <i>US\$'000</i> <i>(Note 26)</i>	Total <i>US\$'000</i>
At 1 January 2024	177,486	74,186	191	251,863
Changes from financing cash flows:				
Financing cash flows	(157,102)	(139,722)	(277)	(297,101)
Increase in lease liabilities from entering into new leases during the year	–	–	17,569	17,569
Interest on bank and other borrowings	9,792	–	114	9,906
Dividends declared	–	139,067	–	139,067
At 31 December 2024 and 1 January 2025	30,176	73,531	17,597	121,304
Changes from financing cash flows:				
Financing cash flows	(6,108)	(199,734)	(3,763)	(209,605)
Increase in lease liabilities from entering into new leases during the year	–	–	51,096	51,096
Interest on bank and other borrowings	448	–	903	1,351
Dividends declared	–	167,874	–	167,874
	24,516	41,671	65,833	132,020



22 TRADE PAYABLES AT AMORTISED COST/TRADE PAYABLES AT FVTPL

	2025 US\$'000	2024 US\$'000
Trade payables at amortised cost	242,784	216,259
Trade payables at FVTPL	242,595	224,207

Ageing analysis

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

	2025 US\$'000	2024 US\$'000
0 to 30 days	75,079	88,077
31 to 90 days	72,365	60,581
91 to 180 days	26,798	38,421
181 to 365 days	52,165	13,982
1 to 2 years	11,463	15,198
After 2 years	4,914	–
	242,784	216,259

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

	2025 US\$'000	2024 US\$'000
0 to 30 days	160,596	135,806
31 to 90 days	70,140	44,385
91 to 180 days	11,859	35,052
180 to 365 days	–	539
1 to 2 years	–	8,425
	242,595	224,207

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22 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:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Trade payables at amortised cost:		
Fellow subsidiaries	98,301	93,775
A non-controlling shareholder of a subsidiary	1,038	1,038
	99,339	94,813
Trade payables at FVTPL:		
Fellow subsidiaries	17,715	5,997
Subsidiaries of a non-controlling shareholder of subsidiaries	81,050	90,882
	98,765	96,879

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

23 OTHER PAYABLES AND ACCRUED EXPENSES

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Payables for properties, plant and equipment	68,384	26,264
Dividend payable to non-controlling shareholders of subsidiaries	41,630	73,489
Dividend payable to shareholders of the Company	41	41
Other tax payables	39,329	41,271
Payroll payables	37,922	31,781
Accrued expenses	79,192	44,375
	266,498	217,221



23 OTHER PAYABLES AND ACCRUED EXPENSES (continued)

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

	2025 US\$'000	2024 <i>US\$'000</i>
CNMC	8,608	7,444
Fellow subsidiaries	34,881	5,301
Shareholders of the Company	41	41
Non-controlling shareholders of subsidiaries	41,630	73,489
	85,160	86,275

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

24 CONTRACT LIABILITIES

	2025 US\$'000	2024 <i>US\$'000</i>
Advance from customers	10,213	6,727

During the year ended 31 December 2025, revenue of US\$6,727,000 (2024: US\$2,854,000) recognised was related to contract liabilities carried forward.

As at 31 December 2025, contract liabilities amounted to US\$10,213,000, which is expected to be recognised as revenue within one year.

Included in the Group's contract liabilities are balances with the following related parties:

	2025 US\$'000	2024 <i>US\$'000</i>
A non-controlling shareholder of subsidiaries	416	2,043



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25 BANK AND OTHER BORROWINGS

	2025 US\$'000	2024 <i>US\$'000</i>
Bank loans, unsecured (<i>Note (i)</i>)	–	20,000
Loan from fellow subsidiaries, unsecured (<i>Note (ii)</i>)	24,186	9,738
Interest payable	330	438
	24,516	30,176

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

	2025 US\$'000	2024 <i>US\$'000</i>
The carrying amounts of the above borrowings are repayable (<i>Note (i)</i>):		
Within one year or on demand	24,516	20,424
More than one year but not exceeding two years	–	9,752
	24,516	30,176

Notes:

- (i) The amounts due are based on scheduled repayment dates set out in the loan agreements.
- (ii) During the year ended 31 December 2025, the Group obtained new bank and other borrowings amounting to US\$14,227,000 carries a fixed interest rate of 2.30% per annum, and repaid bank and other borrowings amounting to US\$20,000,000.



26 LEASE LIABILITIES

At 31 December 2025, the lease liabilities were repayable as follows:

	2025 US\$'000	2024 US\$'000
Within 1 year	8,931	2,269
After 1 year but within 2 years	9,498	2,232
After 2 years but within 5 years	23,106	7,282
After 5 years	24,298	5,814
	56,902	15,328
Less: Amount due for settlement within 12 months shown under current liabilities	(8,931)	(2,269)
Amount due for settlement after 12 months shown under non-current liabilities	56,902	15,328

The weighted average incremental borrowing rate applied to lease liabilities is 6.92% per annum (2024: 7.45% per annum).

Included in the Group's lease liabilities are balances with the following related parties:

	2025 US\$'000	2024 US\$'000
Fellow subsidiaries	41,662	–



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27 FINANCIAL LIABILITIES

	2025	2024
	US\$'000	US\$'000
Copper futures contracts	37,352	632

The Group holds certain copper futures contracts to hedge its risk associated with the prices of its blister copper and copper anodes and copper cathodes sold. The net fair value loss of the above hedging instruments of the Group was US\$52,921,000 (2024: a loss of US\$3,676,000) (Note 6).

At the inception of the above hedging relationships in 2024 a subsidiary of the Group formally designated and documented the hedge relationship, risk management objective and strategy for undertaking the hedge. The fair value hedge mentioned above was assessed to be effective and hedge accounting is applied by the subsidiary. Details of the copper futures contracts designated as hedging instruments are analysed as follows:

	2025	2024
Number of contracts		
– Sales	108	152
Notional amount (in US\$'000)	29,101	35,066
Exercise price (in US\$)	12,485 – 12,585	8,693 – 8,754
	27 February 2026	28 January 2025
Maturity date	– 19 August 2026	– 29 March 2025

The subsidiaries of the Group entered into certain copper futures contracts and not designated as effective hedging instruments. Details of the futures contracts not designated as hedging instruments are analysed as follows:

	2025	2024
Number of contracts		
– Sales	709	401
Notional amount (in US\$'000)	195,035	93,366
Exercise price (in US\$)	12,418 – 12,585	8,694 – 8,757
	16 January 2026	28 January 2025
Maturity date	– 19 August 2026	– 24 March 2025



28 DEFERRED INCOME

	2025 US\$'000	2024 US\$'000
At beginning of year	11,170	11,672
Additions to the grants during the year	–	271
Recognised in profit or loss during the year	(1,116)	(773)
At end of year	10,054	11,170

The above balances mainly represented grants from the Ministry of Finance of the PRC to subsidise the Group's capital expenditure and interest incurred in its copper mine development activities in Zambia which were capitalised under mining properties. These grants are recognised in profit or loss on a systematic and rational basis over the available outputs of the related assets.

29 PROVISION FOR RESTORATION, REHABILITATION AND ENVIRONMENTAL COSTS

	2025 US\$'000	2024 US\$'000
Balance at beginning of year	51,594	50,679
Addition	56,435	–
Provisions revision	25	1,053
Unwinding of discount (Note 7(a))	3,930	1,440
Amount utilised during the year	(741)	(1,578)
	111,243	51,594

The Group's provision for restoration, rehabilitation and environmental costs is related to the Group's subsidiaries in Zambia and DRC which are involved in mining, leaching and smelting operations. The provision represents the accrued cost required to provide adequate restoration and rehabilitation measured by qualified professionals in Zambia and DRC, discounted at rates ranging from 4.7% to 18.9% (2024: 5.0% to 19.2%) per annum, upon the completion of their operations. These amounts will be settled when rehabilitation is undertaken, at the end of a project life, which ranges from 1 to 25 years.

The Group is required, under the prevailing regulations, to make an annual contribution over a period of five years beginning from the year of prospecting, exploration or mining operations being commissioned, at 5% to 20% of the estimated restoration costs into an Environmental Protection Fund which is administered by the Government of Zambia, amounting to US\$7,265,000 (31 December 2024: US\$6,089,000) (Note 19) as at 31 December 2025. The regulations also require that the balance of the estimated restoration costs be secured using letters of guarantee. Companies in Zambia of the Group have provided the relevant letters of guarantee as at 31 December 2025 amounting to US\$1,505,000 (31 December 2024: US\$1,505,000) (Note 21). As at 31 December 2025, NFCA pledged to a self-guarantee of environmental protection fund amounting to US\$11,286,000 (31 December 2024: US\$10,329,000) by way of property, plant and equipment.

The Directors opined that adequate provision has been made at the end of each reporting period.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30 DEFERRED TAX ASSETS/LIABILITIES

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

	2025 US\$'000	2024 <i>US\$'000</i>
Deferred tax assets	28,733	24,603
Deferred tax liabilities	(183,349)	(176,602)
	(154,616)	(151,999)

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

Deferred tax arising from:	Property, plant and equipment <i>US\$'000</i>	Undistributed profits of subsidiaries <i>US\$'000</i>	Leases and decommissioning obligations <i>US\$'000</i>	Total <i>US\$'000</i>
Balance at 1 January 2024	(74,094)	(39,032)	10,259	(102,867)
Charged to the consolidated statement of profit or loss (<i>Note 8(a)</i>)	(39,060)	(10,062)	(10)	(49,132)
Balance at 31 December 2024 and 1 January 2025	(113,154)	(49,094)	10,249	(151,999)
(Charged)/credited to the consolidated statement of profit or loss (<i>Note 8(a)</i>)	(12,553)	(11,563)	21,499	(2,617)
Balance at 31 December 2025	(125,707)	(60,657)	31,748	(154,616)

As at 31 December 2025, the Group has deductible temporary differences of US\$98,862,000 (31 December 2024: US\$109,034,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.



31 CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

	Retained profits <i>US\$'000</i>
Balance at 1 January 2024	158,401
Changes in equity for 2024:	
Profit for the year	399,829
Dividends	(115,898)
At 31 December 2024 and 1 January 2025	442,332
Changes in equity for 2025:	
Profit for the year	123,670
Dividends	(167,370)
At 31 December 2025	398,632

(b) Dividends

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Dividends recognised as distribution during the year:		
2025 Final, paid – US¢4.2893 per share	167,370	–
2024 Final, paid – US¢2.9702 per share	–	115,898

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2025 of US¢4.1446 (2024: US¢4.2893) per share, in an aggregate amount of US\$161,724,000 (2024: US\$167,370,000) has been proposed by the Directors and is subject to the approval of the shareholders of the Company in the forthcoming annual general meeting.



31 CAPITAL, RESERVES AND DIVIDENDS (continued)

(c) Share capital

Authorised and issued share capital:

	2025			2024		
	<i>Number of shares</i>			<i>Number of shares</i>		
	'000	HK\$'000	US\$'000	'000	HK\$'000	US\$'000
Issued and fully paid:						
At 1 January	3,902,036	6,732,289	864,199	3,739,036	5,760,689	740,119
Issuance of new shares by the way of placing (note (i))	-	-	-	163,000	978,000	124,891
Transaction costs attributable to issue of shares	-	-	-	-	(6,400)	(811)
At 31 December	3,902,036	6,732,289	864,199	3,902,036	6,732,289	864,199

Note:

- (i) Upon the completion of all conditions as stated in a placing and subscription agreement entered into by the Company, China Nonferrous Mining Development Limited ("CNMD"), the Company's immediate holding company, and a placing agent, a total of 163,000,000 shares of the Company held by CNMD were placed at HK\$6.00 per share to third parties and the same number of new shares of the Company were subscribed by CNMD at HK\$6.00 per share in April 2024. The new shares rank pari passu with the existing shares in all respects.

(d) 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 (Note 15).

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions. The capital management policy remained the same as that in the previous year.



31 CAPITAL, RESERVES AND DIVIDENDS (continued)

(e) Capital management (continued)

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, the Group defines adjusted net debt as total debt (which includes non-current and current bank and other borrowings), less restricted bank balances, a time deposit and bank balances and cash. Adjusted capital comprises share capital and reserves attributable to owners of the Company.

The Group's adjusted net debt-to-capital ratio at 31 December 2025 and 2024 was as follows:

	2025 US\$'000	2024 US\$'000
Bank and other loans	24,516	30,176
Total debt	24,516	30,176
Less: restricted bank balances, a time deposit and bank balances and cash	(1,479,456)	(1,027,171)
Adjusted net debt	(1,454,940)	(996,995)
Total equity and adjusted capital	2,486,009	2,249,068
Adjusted net debt-to-capital ratio	N/A	N/A

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.



32 FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2025 US\$'000	2024 US\$'000
Financial assets		
Trade receivables at FVTPL	270,027	185,742
Other equity investments	16,764	–
Financial assets	–	5,835
Financial assets at amortised cost	1,763,503	1,221,620
Financial liabilities		
Trade payables at FVTPL	242,595	224,207
Financial liabilities	37,352	632
Financial liabilities at amortised cost	522,380	390,605

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade receivables at amortised cost, trade receivables at FVTPL, other receivables, restricted bank balances, a time deposit, bank balances and cash, trade payables, trade payables designated at FVTPL, other payables, bank and other borrowings, and financial liabilities designated at FVTPL. Details of the financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and commodity price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The Directors manage and monitor these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Market risk

(i) *Currency risk*

The Group's significant operations are in Zambia and DRC and most of its sales and purchases were denominated in US\$, which is the functional currency of the companies comprising the Group. However certain sales and purchases were mainly settled in Zambian Kwacha ("ZMK"), Congolese Franc ("CDF") and Renminbi ("RMB") other than the functional currency of these group entities, which expose the Group to foreign currency risk.



32 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(i) Currency risk (continued)

The carrying amounts of the Group's ZMK, CDF and RMB denominated monetary assets (including financial assets and input VAT receivables) and liabilities (including financial liabilities and tax payables) which expose the Group to foreign currency risk are as follows:

	2025 US\$'000	2024 US\$'000
ZMK denominated monetary assets	259,100	274,905
ZMK denominated monetary liabilities	(76,238)	(73,223)
CDF denominated monetary assets	214,796	126,548
CDF denominated monetary liabilities	(162,230)	(106,491)
RMB denominated monetary assets	13,397	9,084
RMB denominated monetary liabilities	(26,804)	(13,922)

The Group currently does not have a foreign exchange hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arise.

The sensitivity analysis below has been determined based on the exposure to exchange rates of ZMK, CDF and RMB against US\$. For a 5%, a 10%, and a 15% weakening of ZMK, CDF and RMB against US\$ and all other variables being held constant, there would be no material impact on the Group's total equity apart from the retained profits and the effect on the Group's profit after tax is as follows:

	2025 US\$'000	2024 US\$'000
ZMK against US\$		
Weaking		
– 5%	(6,095)	(7,078)
– 10%	(11,637)	(13,513)
– 15%	(16,696)	(19,388)
CDF against US\$		
Weaking		
– 5%	(1,799)	(758)
– 10%	(3,435)	(1,448)
– 15%	(4,929)	(2,077)
RMB against US\$		
Weaking		
– 5%	496	202
– 10%	947	385
– 15%	1,359	552

For a 5%, a 10%, and a 15% strengthening of ZMK, CDF and RMB against US\$, there would be an equal and opposite impact on the profit after tax.



32 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(ii) *Interest rate risk*

Apart from the fixed rate loan from a fellow subsidiary and lease liabilities that expose the Group to fair value interest rate risk, the Group is also exposed to cash flow interest rate risk through the impact of rate changes on interest-bearing financial assets and liabilities, mainly interest-bearing restricted bank balances, a time deposit and bank balances, and bank and other borrowings at variable interest rates. The Group currently does not have an interest rate hedging policy. However, the Directors will consider hedging significant interest rate risk should the need arise.

The sensitivity analysis below has been determined based on the exposure to variable rate bank and other borrowings at the end of each reporting period, with the assumption that the amount of liabilities outstanding at the end of each reporting period was outstanding for the whole year. The effect on restricted bank balances, a time deposit and bank balances, however, has been ignored as most of them bore interest at a minimal rate at the end of each reporting period.

If interest rates on bank and other borrowings had changed by 100 basis points (“BPs”) and all other variables were held constant, there would have been no material impact on the Group’s total equity apart from retained profits and the potential effect on profit after tax is as follows:

	2025	2024
	US\$'000	US\$'000
(Decrease)/increase in profit for the year		
– as the result of increase in interest rate	–	(147)
– as the result of decrease in interest rate	–	147



32 FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

(iii) *Commodity risk*

The Group's commodity price risk is mainly the exposure to fluctuations in the prevailing market price of copper which are the major commodities purchased, produced and sold by the Group. To minimise this risk, the Group enters into copper futures contracts and provisional price arrangements to manage the Group's exposure in relation to forecasted sales of copper products, forecasted purchases of copper concentrates, inventories and firm commitments to sell the Group's copper products.

Financial assets and liabilities of the Group whose fair values change in line with the fluctuations in the prevailing market price of copper mainly comprise copper futures contracts and provisional price arrangements. If all prices of copper futures had been increased by 10% and all other variables were held constant, there would be no material impact on the Group's total equity apart from retained profits and the potential effect on profit after tax is as follows:

	2025 US\$'000	2024 US\$'000
(Decrease)/increase in profit after tax for the year	(2,413)	5,725

There would be an equal and opposite impact on the profit after tax for the year if there had been 10% a decrease in all prices of copper futures.

(c) Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to trade receivables at amortised cost and trade receivables at FVTPL, other receivables, deposits in futures margin accounts, restricted bank balances, a time deposit and bank balances. In order to minimise the credit risk, the Group's management continuously monitors the level of exposure to ensure that follow up action is taken to recover overdue debts.

Except for trade receivables at FVTPL, the Group performed impairment assessment for financial assets and other items under ECL model individually. The Directors consider that the Group's credit risk is insignificant.



32 FINANCIAL INSTRUMENTS (continued)

(c) Credit risk and impairment assessment (continued)

(i) Trade receivables at FVTPL

As at 31 December 2025, the Group's trade receivables at FVTPL were debtors with an aggregate amount of US\$270,027,000 (31 December 2024: US\$185,742,000).

The Group has concentration of credit risk as 87% (2024: 88%) of the total trade receivables at FVTPL was due from the Group's two (2024: two) largest customers. Sales to these two largest customers accounted for 73% (2024: 79%) of the Group's sales of copper products and these customers are large and reputable in the market. They have been trading with the Group with good settlement history.

Other than the above, the Group does not have other significant concentration of credit risk.

(ii) Trade receivables at amortised cost

As at 31 December 2025, included in the Group's trade receivables at amortised cost balance were debtors with an aggregate amount of US\$66,328,000 (31 December 2024: US\$72,342,000) and were assessed for impairment individually. As at 31 December 2025, impairment allowance of US\$1,434,000 (31 December 2024: US\$1,429,000) was made on these debtors.

The Group has concentration of credit risk 51% (2024: 68%) of the total trade receivables at amortised cost was due from the Group's four (2024: four) largest customers. Sales to the four largest customers accounted for 45% (2024: 36%) of the Group's sales of goods other than copper products and these customers are large and reputable in the market. They have been trading with the Group with good settlement history.

Other than the above, the Group does not have other significant concentration of credit risk.

For trade receivables at amortised cost, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime. The Group determines the expected credit losses on these items individually.



32 FINANCIAL INSTRUMENTS (continued)

(c) Credit risk and impairment assessment (continued)

(iii) *Bank balances, the time deposit and restricted bank balances*

Credit risk on bank balances, the time deposit and restricted bank balances is limited because the counterparty banks and financial institutions are with good reputation. Thus, the Directors considered that the probability of default is negligible for the bank balances, the time deposit and restricted bank balances of the Group and no expected credit loss was recognised as at 31 December 2025 and 2024.

For all other financial assets including other receivables, long-term receivables and deposits in futures margin account, the Group measures the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition where the Group recognises lifetime ECL. The Group has assessed and concluded that the risk of default rate for the aforementioned other financial assets is steady based on the Group's assessment of the financial health of the counterparties, except for the receivable from a third party amounting to US\$27,910,000 as at 31 December 2025 (31 December 2024: US\$20,121,000), which was credit impaired and assessed individually, and the impairment allowance of US\$27,910,000 (31 December 2024: US\$20,121,000) was recognised in the consolidated financial statements.

(iv) *Movements in the loss allowance all of which are relating to trade receivables at amortised cost is as follows:*

	2025 US\$'000	2024 US\$'000
1 January	1,429	4,132
Impairment recognised/(reversed)	5	(2,381)
Transfer to other receivables	-	(98)
Amount written off as uncollectible	-	(224)
31 December	1,434	1,429

Movements in the loss allowance all of which are relating to other receivables at amortised cost is as follows:

	2025 US\$'000	2024 US\$'000
1 January	20,121	19,893
Impairment recognised	7,789	130
Transfer from trade receivables	-	98
31 December	27,910	20,121



32 FINANCIAL INSTRUMENTS (continued)

(c) Credit risk and impairment assessment (continued)

(iv) *Movements in the loss allowance all of which are relating to trade receivables at amortised cost is as follows: (continued)*

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

	Notes	12-month or lifetime ECL	Gross carrying amount 2025 US\$'000	2024 US\$'000
Financial assets at amortised cost				
Trade receivables at amortised cost	18	Lifetime ECL Credit impaired	64,894 1,434	70,913 1,429
			66,328	72,342
Other receivables	19	12-month ECL Credit impaired	79,341 27,910	23,230 20,121
			107,251	43,351
Long-term receivables	19	12-month ECL	29,691	28,839
Deposits in futures margin accounts	19	12-month ECL	82,211	71,466
Bank balances	21	12-month ECL	1,476,212	1,018,662
Time deposit	21	12-month ECL	-	4,173
Restricted bank balances	21	12-month ECL	3,244	4,336

(d) Liquidity risk

The Directors have built an appropriate liquidity risk management framework for the management of the Group's short, medium, and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining banking facilities and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of its financial assets and liabilities.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates are based on the agreed repayment dates.

The table includes both interest and principal cash flows. The interest payments are computed using contractual rates or if variable, based on the prevailing market rate at the end of each reporting period. For derivatives settled on a net basis, the table has been drawn up based on undiscounted contractual net cash flows.



32 FINANCIAL INSTRUMENTS (continued)

(d) Liquidity risk (continued)

	Weighted average interest rate %	On demand or less than 6 months US\$'000	Over 6 months but not more than 1 year US\$'000	1 to 5 years US\$'000	More than 5 years US\$'000	Total undiscounted cash flows US\$'000	Carrying amounts US\$'000
31 December 2025							
Non-derivative financial liabilities							
Trade and other payables		432,031	-	-	-	432,031	432,031
Bank borrowings	2.07	330	24,186	-	-	24,516	24,516
Trade payables designated at FVTPL		242,595	-	-	-	242,595	242,595
		674,956	24,186	-	-	699,142	699,142
Lease liabilities	6.92	4,465	4,617	40,888	36,293	86,263	65,833
Financial liabilities designed at FVTPL							
Copper futures contracts	-	37,352	-	-	-	37,352	37,352
31 December 2024							
Non-derivative financial liabilities							
Trade and other payables		360,429	-	-	-	360,429	360,429
Bank borrowings	5.64	20,720	-	10,079	-	30,799	30,176
Trade payables designated at FVTPL		224,207	-	-	-	224,207	224,207
		605,356	-	10,079	-	615,435	614,812
Lease liabilities	7.45	128	3,314	13,075	6,716	23,233	17,597
Financial liabilities designed at FVTPL							
Copper futures contracts	-	632	-	-	-	632	632



32 FINANCIAL INSTRUMENTS (continued)

(e) 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.

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
31 December 2025				
Financial liabilities – Copper future contracts (<i>Note (i)</i>)	(37,352)	–	–	(37,352)
Trade receivables at FVTPL (<i>Note (ii)</i>)	–	270,027	–	270,027
Trade payables designated at FVTPL (<i>Note (ii)</i>)	–	(242,595)	–	(242,595)
31 December 2024				
Financial assets – Copper future contracts (<i>Note (i)</i>)	5,835	–	–	5,835
Financial liabilities – Copper future contracts (<i>Note (i)</i>)	(632)	–	–	(632)
Trade receivables at FVTPL (<i>Note (iii)</i>)	–	185,742	–	185,742
Trade payables designated at FVTPL (<i>Note (ii)</i>)	–	(224,207)	–	(224,207)

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 year.

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.



33 COMMITMENTS

Commitments outstanding at 31 December 2025 not provided for in the financial statements were as follows:

	2025 US\$'000	2024 US\$'000
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	102,813	57,671
Capital expenditure in respect of the acquisition of property, plant and equipment authorised but not contracted for	568,785	45,994
	671,598	103,665

34 RETIREMENT BENEFIT SCHEMES

The Group participates in various defined contribution retirement benefit schemes administered by the Zambia government and DRC government, respectively. Certain employees of the Group are members of the state-managed retirement benefit scheme operated by the PRC government.

Under these schemes, the Group is required to contribute a certain percentage of the employees' salaries to the social security funds, subject to statutory salary caps. The employees are also required to make contributions at statutory rates.

The Group has no further payment obligations once the contributions have been paid. The employees' retirement benefits are paid directly by the social security funds, and the Group does not bear any actuarial risks in respect of these benefits. Contributions to the schemes are remitted on a monthly basis, and there are no forfeited contributions available for the Group to reduce its existing level of contributions.

35 MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in Note 9 and certain of the highest paid employees as disclosed in Note 10, is as follows:

	2025 US\$'000	2024 US\$'000
Short-term benefits	1,652	1,403
Post-employment benefits	137	102
	1,789	1,505

Total remuneration is included in "staff costs" (see Note 7(b)).



35 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 state-owned company established in the PRC.

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

Relationships	Notes	Nature of transactions	2025 US\$'000	2024 US\$'000
Fellow subsidiaries	(i) (ii)	Sales of blister copper and copper anodes	1,144,690	1,281,480
	(i) (iii)	Sales of copper cathodes	824,448	700,161
	(i)	Sales of sulphuric acid	9,128	11,558
	(i)	Sales of other materials	–	5,273
	(i)	Services income	118	123
	(i)	Purchases of plant and equipment	(4,284)	(4,208)
	(i) (iv)	Purchases of copper concentrate	(68,843)	(50,080)
	(i)	Purchases of materials	(174,343)	(175,643)
	(i)	Purchases of electricity	(47,852)	(45,728)
	(i)	Purchases of services	(161,022)	(137,115)
	(i)	Purchases of right-of-use assets	(41,622)	–
	(i)	Interest income from deposit	17,576	–
	(i)	Interest expenses on borrowings	(712)	(6,499)
	(i)	Interest expenses on lease liabilities	–	(1)
	(i)	Purchase of freight and transportation	(20,116)	(22,206)
	(i)	Expense relating to leases	(219)	(164)
	(i)	Average daily deposit balance	385,720	12,619

Notes:

- (i) These transactions were conducted in accordance with the terms of the relevant agreements.
- (ii) Included in the sales amount of blister copper and copper anodes are gains of US\$23,744,000 (2024: losses of US\$9,054,000) arising from a provisional pricing arrangement.
- (iii) Included in the sales amount of copper cathodes are gains of US\$26,433,000 (2024: losses of US\$5,199,000) arising from a provisional pricing arrangement.
- (iv) Included in the purchase amount of copper concentrate are losses of US\$4,343,000 (2024: gains of US\$1,220,000) arising from a provisional pricing arrangement.

In addition to the above, the Group also had the following transactions with CNMC and its subsidiaries:



35 MATERIAL RELATED PARTY TRANSACTIONS (continued)

(b) Transactions with related parties: (continued)

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

On 1 July 2009, a subsidiary of the Company, CCS entered into an agreement with Fifteen MCC Africa Construction & Trade Ltd. ("Fifteen MCC Africa"), a fellow subsidiary, (the "Fifteen MCC Africa Agreement"). According to the Fifteen MCC Africa Agreement, Fifteen MCC Africa provides construction as well as equipment repair and maintenance services to CCS on an ongoing basis which were included in the purchase of services as stated in Note (i). In addition, pursuant to the Fifteen MCC Africa Agreement, it requires accommodation for staff of Fifteen MCC Africa based in Zambia, and that subsidiary agreed to provide certain living quarters to Fifteen MCC Africa on a free-of-charge basis. Fifteen MCC Africa shall pay for the use of water and electricity and other expenses such as repair expense and any applicable tax in Zambia.

On 1 July 2017, CCS entered into a rental agreement with Zambia-China Economic and Trade Cooperation Zone ("ZCCZ"), a fellow subsidiary, (the "ZCCZ Agreement"), pursuant to which ZCCZ rented related properties to CCS. On 31 December 2019, the Group entered into a lease modification agreement for the use of properties with ZCCZ for 4 years. As at 31 December 2025, the related right-of-use assets and lease liabilities were US\$Nil (31 December 2024: US\$Nil) and US\$Nil (31 December 2024: US\$Nil), respectively.

On 22 December 2023, the Company entered into the Financial Services Agreement with Nonferrous Metal Mining Group Finance Co., Ltd. ("CNMC Finance"), pursuant to which CNMC Finance provides Deposit Services and Miscellaneous Financial Services to the Group's representative entities in mainland China for a term from 25 December 2023 to 24 December 2026.

On 27 May 2024, the agreement of 2023 CNMC Finance was terminated, and the Company entered into the new Financial Services Framework Agreement with CNMC Finance, pursuant to which CNMC Finance provides Deposit Services and Miscellaneous Financial Services to the Group for a term from 27 May 2024 to 31 December 2026.

(ii) Transactions with other state-owned enterprises

Relationships	Notes	Nature of transactions	2025 US\$'000	2024 US\$'000
Subsidiaries of a noncontrolling shareholder of subsidiaries	(i) (ii)	Sales of blister copper and copper anodes	356,653	789,800
	(i)	Purchases of services	-	-

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\$11,923,000 (2024: gains of US\$1,366,000) arising from a provisional pricing arrangement.



35 MATERIAL RELATED PARTY TRANSACTIONS (continued)

(b) Transactions with related parties: (continued)

(ii) Transactions with other state-owned enterprises (continued)

In addition to the above, the Group has entered into various transactions, including amongst others, deposit placements, borrowings and other bank facilities, with certain banks and financial institutions which are state-owned entities in its ordinary course of business. In view of the nature of these transactions, the Directors opined that separate disclosures would not be meaningful.

(iii) Transactions with certain subsidiaries of a non-controlling shareholder of subsidiaries

Relationships	Notes	Nature of transactions	2025 US\$'000	2024 US\$'000
Subsidiaries of a noncontrolling shareholder of subsidiaries	(i) (ii)	Sales of copper cathodes	122,135	111,164
	(i) (iii)	Services income	24,404	13,001
	(i) (ii)	Purchase of copper cathodes	(55,691)	–
	(i)	Purchase of material	(103,598)	(85,803)
	(i)	Purchases of services	(3,000)	(3,000)
	(i)	Royalty fee	(8,807)	(8,163)

As at 31 December 2022 and for the year then ended, La Generale des Carrieres et des Mines SA (“GCM”) is a non-controlling shareholder of Kambove Mining. GCM has become a connected person of the Company at the subsidiary level under the Listing Rules.

Notes:

- (i) These transactions were conducted in accordance with terms of the relevant agreements.
- (ii) Included in the sales amount of copper cathodes are gains of US\$378,000 (2024: losses of US\$71,000) arising from a provisional pricing arrangement.

Included in the purchase amount of copper cathodes are losses of US\$1,265,000 (2024: nil) 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.



35 MATERIAL RELATED PARTY TRANSACTIONS (continued)

(c) Applicability of the Listing Rules relating to connected transactions

Certain of the abovementioned related party transactions constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules. The disclosures required by Chapter 14A of the Listing Rules are provided in section “Connected Transactions” of the Report of the Directors.

36 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION

	2025 US\$'000	2024 US\$'000
Non-current assets		
Equipment	29	29
Investment in subsidiaries	515,671	515,663
Loans to subsidiaries	212,841	346,126
Other equity investments	16,764	–
Right-of-use assets	338	593
	745,643	862,411
Current assets		
Other receivables	66,351	1,236
Loans to a subsidiary	86,565	208,409
Cash and cash equivalents	430,525	307,129
	583,441	516,774
Total assets	1,329,084	1,379,185
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Share capital	864,199	864,199
Retained profits	398,632	442,332
Total equity	1,262,831	1,306,531



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION (continued)

	2025 US\$'000	2024 US\$'000
Non-current liabilities		
Amount due to a subsidiary	–	63,000
Lease liabilities	157	332
	157	63,332
Current liabilities		
Accrued expenses	9,285	8,318
Dividends payable	41	41
Bank and other borrowings – due within one year	56,588	707
Lease liabilities	182	256
	66,096	9,322
Total liabilities	66,253	72,654
TOTAL EQUITY AND LIABILITIES	1,329,084	1,379,185

The Company's statement of financial position was approved and authorised for issue by the board of directors on 24 March 2026 and is signed on its behalf by:

Bo XIAO
Director

Zhijiang CHEN
Director



37 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Declaration of final dividend

After the end of the reporting period, the Directors recommended to distribute a final dividend. Further details are disclosed in Note 31(b).

The resumption of production of NFCA

In June 2025, an object falling incident occurred at the shaft of the Southeast Ore Body of NFCA Chambishi Mine, resulting in the fatality of a subcontractor's employee. Following the incident, NFCA immediately and voluntarily suspended the operations of the shaft, and engaged external experts to carry out safety assessment and inspection. To address safety hazards and ensure long-term operation safety of the Southeast Ore Body, NFCA undertook systematic rehabilitation and remediation of the shafts, including reinforcement of the damaged sections of both the main and auxiliary shafts, and prepared graded restoration plans tailored to the extent of the damage. The rehabilitation and remediation works have been completed and have passed a dedicated assessment for compliance with technical standards and safety requirements. Upon implementing the required corrective measures and ensuring all local regulatory requirements were met, the Southeast Ore Body of NFCA Chambishi Mine resumed operations on 1 January 2026.

38 CONTINGENT LIABILITIES

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.

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 upon the phased progress already achieved SML continues to advance the implementation of these recommendations.

As of the date these financial statements were approved, SML is involved as a defendant 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 31 December 2025.



39 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2025

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

*Effective for
accounting periods
beginning on or after*

Amendments to HKFRS 9, <i>Financial instruments and HKFRS 7, Financial instruments: disclosures – Contracts referencing nature-dependent electricity</i>	1 January 2026
Amendments to HKFRS 9, <i>Financial instruments and HKFRS 7, Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments</i>	1 January 2026
Annual improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18, <i>Presentation and disclosure in financial statements</i>	1 January 2027
HKFRS 19, <i>Subsidiaries without public accountability: disclosures</i>	1 January 2027

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

HKFRS 18, Presentation and disclosure in financial statements

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

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

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

FIVE YEARS FINANCIAL SUMMARY

A summary of selected items of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements is set out below.

RESULTS

	2025 US\$'000	Year ended 31 December			
		2024 US\$'000	2023 US\$'000	2022 US\$'000 (Restated)	2021 US\$'000 (Note)
Revenue	3,420,059	3,816,472	3,606,421	4,094,716	4,050,588
Gross profit	1,062,538	1,049,147	877,458	807,221	1,085,035
Profit before tax	812,874	775,416	558,620	552,506	807,036
Net profit	583,212	557,476	381,443	385,139	515,395
Profit attributable to owners of the Company	404,311	398,500	277,645	266,270	357,121

ASSETS, LIABILITIES, NON-CONTROLLING INTERESTS AND EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY

	2025 US\$'000	At 31 December			
		2024 US\$'000	2023 US\$'000	2022 US\$'000 (Restated)	2021 US\$'000 (Note)
Non-current assets	1,938,005	1,781,719	1,691,731	1,776,581	1,920,140
Current assets	2,865,256	2,372,688	2,127,782	2,246,078	2,243,844
Total assets	4,803,261	4,154,407	3,819,513	4,022,659	4,163,984
Current liabilities	1,029,143	860,869	1,140,041	1,123,813	944,843
Net current assets	1,836,113	1,511,819	987,741	1,122,265	1,299,001
Non-current liabilities	361,548	264,446	192,869	555,262	1,047,257
Equity attributable to owners of the Company	2,486,009	2,249,068	1,842,386	1,671,333	1,542,202
Non-controlling interests	926,561	780,024	644,217	672,251	629,682

Note: The Group adopted the amendments to HKAS 12 in 2023 and comparative figures for the year 2022 have been restated accordingly. Summary of selected items of the results and of the assets, liabilities and non-controlling interests of the Group in 2021 are extracted from the published audited financial statements which were stated in accordance with the policies applicable in those years.



DEFINITIONS

In this annual 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 27 April 2012
“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 of the PRC Region 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

DEFINITIONS (CONTINUED)

“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



DEFINITIONS (CONTINUED)

“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
“Kingsail”	Kingsail Limited (香港鑫晟有限公司), 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”	16 April 2026, being the latest practicable date prior to the printing of this annual 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

DEFINITIONS (CONTINUED)



“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
“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



DEFINITIONS (CONTINUED)

“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares 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
“Year”	year ended 31 December 2025
“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