洛陽欒川鉬業集團股份有限公司
CMOC Group Limited*

(A joint stock limited company incorporated in the People's Republic of China)
Stock Code: 603993.SH 03993.HK

2024

CMOC Group Limited*
ANNUAL REPORT

Cherishing Natural Resources
A Responsible Mining Enterprise for A Better World

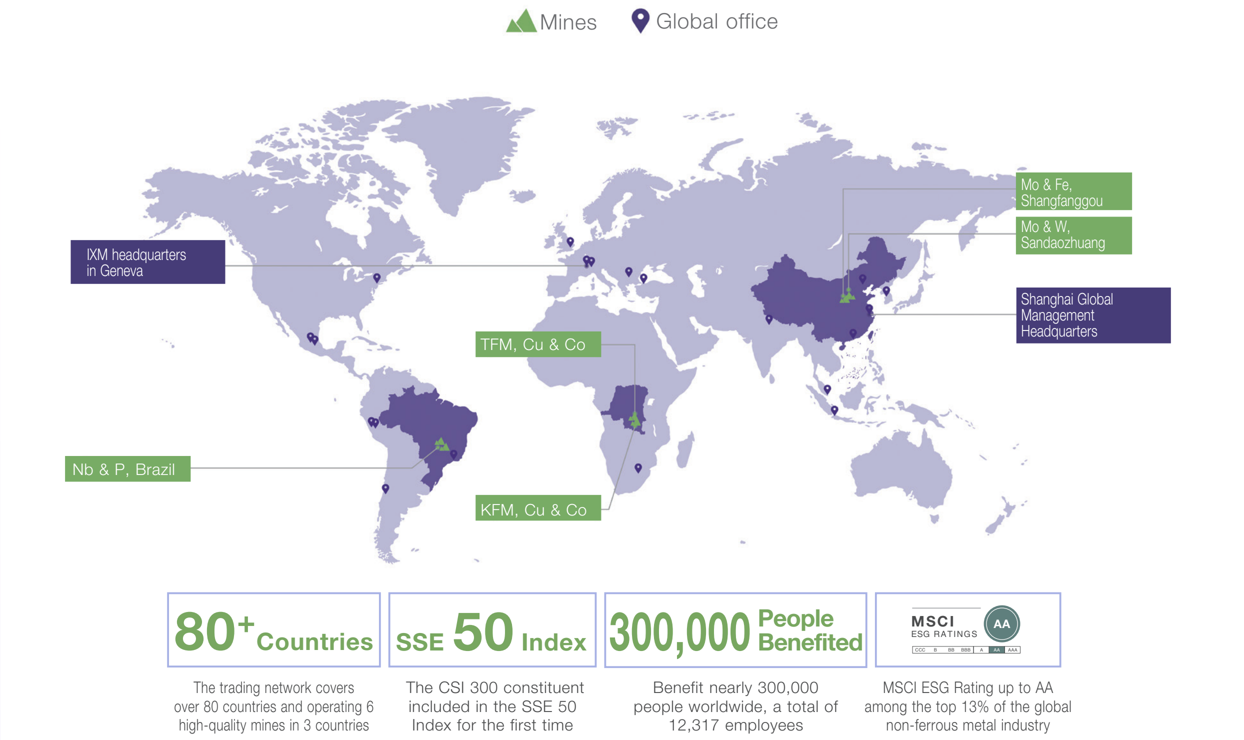
* For identification purposes only

Contents

COMPANY PROFILE

CMOC Group Limited (hereinafter referred to as "**CMOC**" or the "**Company**", and together with its subsidiaries, the "**Group**") is a joint stock company established in the People's Republic of China (the "**PRC**" or "**China**") on 25 August 2006. The Company was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 26 April 2007 and the Shanghai Stock Exchange (the "**SSE**") on 9 October 2012.

The Company engages in the non-ferrous metal industry, mainly the mining and processing business, which includes mining, beneficiation, smelting and refining of base and rare metals, and mineral trading business. With its main business located over Asia, Africa, South America, Oceania and Europe, the Company is the world's leading producer of copper, cobalt, molybdenum, tungsten and niobium. It is also a leading producer of phosphate fertilizer in Brazil. In terms of trading business, the Company is one of the leading base metal traders in the world. The Company ranks 145 in 2024 Fortune China 500, 621 in 2024 Forbes Global 2000 and 19 among the top 50 of the world's most valuable mining companies in 2024.



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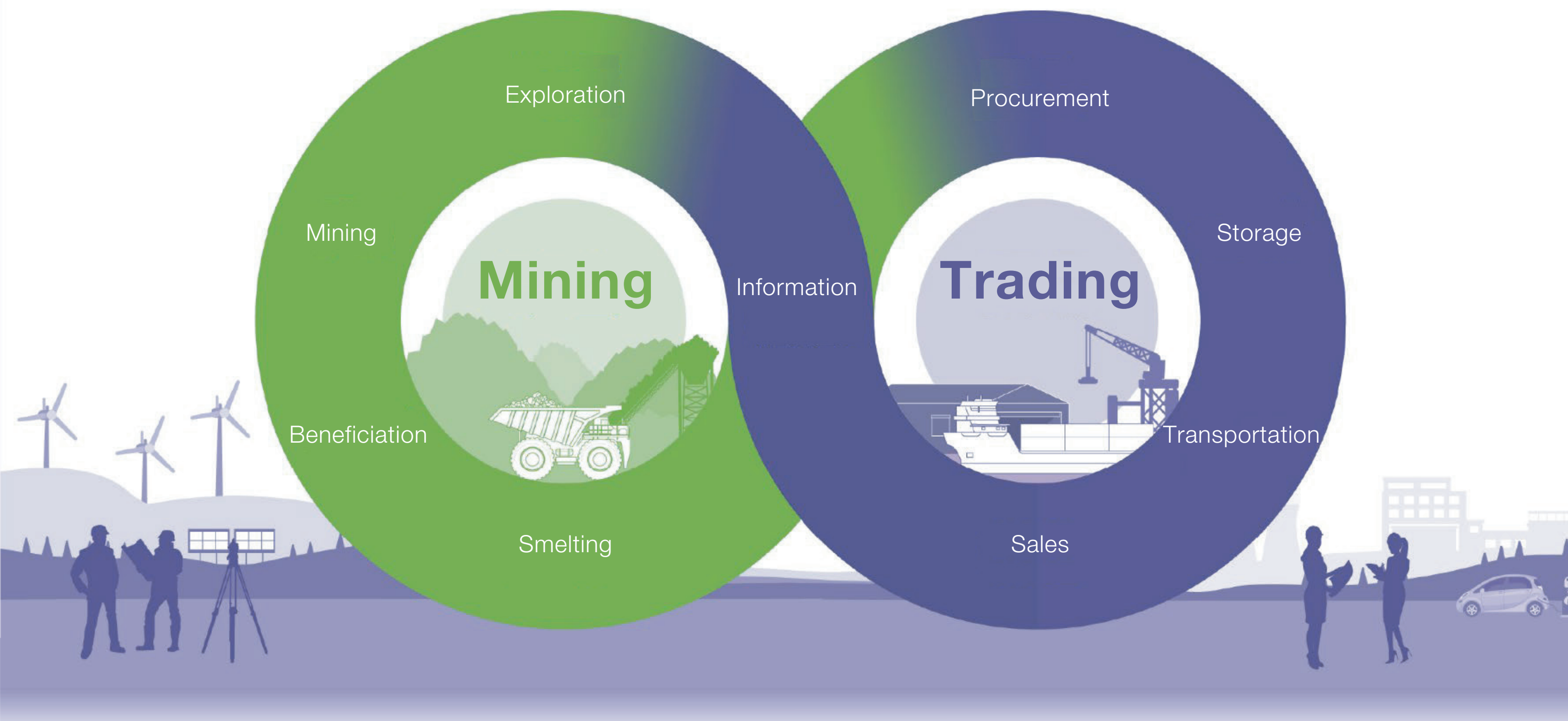
REPORT SUMMARY

BUSINESS MODEL

The Company adopts a **"mining + trading" model**.

For mining sector, the Company covers "**exploration-mining-beneficiation-smelting**" 4 steps. The Company produces new energy metals such as copper and cobalt, as well as strategic metals including molybdenum, tungsten, niobium and phosphate fertilizers. The Company boasts high-quality resource endowments, a diverse product portfolio, a well-established production process, as well as an ancillary management, technology, talent, and service system to support its operations.

For trading sector, IXM operates in over 80 countries across Asia, Europe, South America and North America, establishing a global metals trading network. This network is supported by an advanced warehousing and logistics system, integrating 5 steps – **procurement, storage, transportation, sales and information** – to achieve strategic synergy between its trading and mining segments.



- In recent years, as resource advantages have translated into production volume and efficiency advantages, the Company has grown into a **global mining enterprise**. IXM has also made significant strides, becoming **one of** the world's **essential copper and cobalt traders**. The Company's major products are sold externally through IXM, while simultaneously leveraging IXM's latest market insights to inform decisions on feasibility merger and acquisitions, exploration expansion and production planning.

REPORT SUMMARY

- IXM leverages its outstanding **research strengths** and **market intelligence capabilities** to not only drive its own spot and proprietary trading business but also actively assist the Group in formulating effective **product marketing strategies and ancillary operational mechanism**. By capitalizing on its **transaction execution capabilities** and **risk control mechanism**, IXM enhances operational efficiency through its global sales network and solid partnerships. It also optimizes the Company's product sales regions and customer base, strengthening market positioning and brand influence.

- Mining areas worldwide and IXM are committed to promoting responsible production practices across the metal value chain, **supporting the transition to green energy**. In 2024, IXM established a partnership with The Copper Mark, an industry-leading ESG framework that recognizes responsible production practices in the copper, molybdenum, nickel and zinc value chains.

2024

THE COMPANY PURSUES PROFITABLE REVENUE, PROFIT WITH CASH FLOW

Operating revenue **stepped into the RMB200 billion threshold for the first time**: **RMB213** billion, YoY up **14**% Net profit attributable to the parent company **surpassed the RMB10 billion mark for the first time**: **RMB13.5** billion, YoY up **64**%

Operating cash flow was **outstanding and strong**: **RMB32.4** billion, YoY **108**%

Operating revenue RMB**213**
(overall) billion

YoY up **14**%

EBITDA RMB**35.3**
(overall) billion

YoY up **75**%

Gearing ratio
(overall) **49.52**%

YoY dropped **8.88** percentage points

REPORT SUMMARY

ESG PERFORMANCE LEADS THE MINING INDUSTRY

In parallel with performance growth, the Company upheld high ESG standards globally in 2024, achieving new breakthroughs.

- External ESG assurance achieved **100% coverage** across the Group for the first time

- Achieved **world-leading environmental performance**: copper product carbon emission intensity is lower than **70%** of mining companies globally, renewable energy accounts for **36%** worldwide, and recycled water usage reaches **81%**

- Launched the Scope 3 greenhouse gas accounting project, **disclosed Scope 3 data for the first time**; conducted financial quantification for climate-related financial disclosures (TCFD) and published a **comprehensive TCFD report**

- Global community program funding reached RMB**292 million**, involving education, healthcare, economic development, infrastructure construction

- The global direct economic contribution in 2024 totaled approximately RMB**191.0 billion**

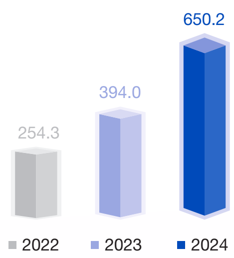
REPORT SUMMARY

COPPER AND COBALT

The Company operates two world-class mines, TFM and KFM, in the DRC. TFM has **5** production lines and an annual copper production capacity of **over 450kt**; KFM has **1** production line and an annual copper production capacity of **over 150kt**. In 2024, DRC segment enhanced organizational and management efficiency, optimized processes and tackled challenges, achieving operating revenue of RMB**50.6 billion**, an **80.71% increase** YoY, with operating costs of RMB26.563 billion.

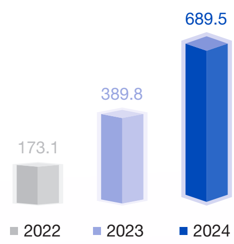
Copper production volume **650.2kt**

YoY up **65.02**%



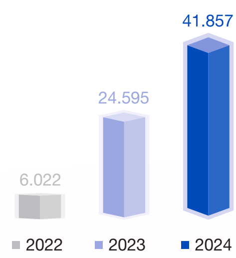
Sales volume **689.5kt**

YoY up **76.89**%



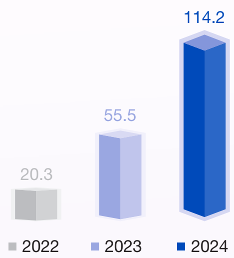
Operating revenue **RMB41.857 billion**

YoY up **70.18**%



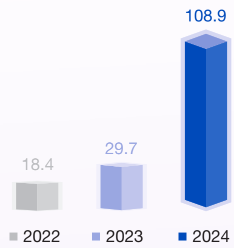
Cobalt production volume **114.2kt**

YoY up **105.61**%



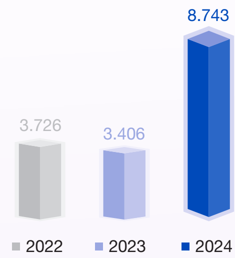
Sales volume **108.9kt**

YoY up **266.23**%



Operating revenue **RMB8.743 billion**

YoY up **156.71**%



Operation Highlights

- Mixed ore project of TFM **met** their comprehensive **production goals and standards** as scheduled
- Through technological transformation, process adjustment and lean management, KFM successfully **reduced production costs**, improved equipment **utilization rate** and increased copper and cobalt **recovery rates**
- **Implementing high-standard ESG principles**. TFM passed the Responsible Minerals Initiative (RMI) audits, KFM passed the external examination on ISO 9001 Quality, ISO 14001 Environmental and ISO 45001 Occupational Health and Safety Management System certification and RMI audit

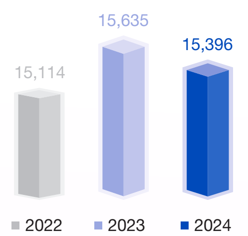
REPORT SUMMARY

MOLYBDENUM AND TUNGSTEN

The Company operates the Sandaozhuang Molybdenum and Tungsten Mine and Shangfanggou Molybdenum and Tungsten Mine in China, their production covering the entire process of mining, beneficiation and smelting. Although both grade and molybdenum prices have declined, this segment has focused on cost reduction and efficiency enhancement, refined its operations, leveraged technological advantages, upheld the spirit of craftsmanship and seized opportunities in the tungsten market. In 2024, it achieved operating revenue of RMB**8.119 billion**, with operating costs of RMB4.724 billion.

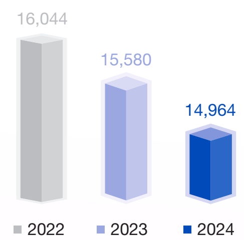
Copper production volume 15,396t

YoY dropped **1.53**%



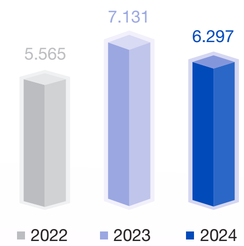
Sales volume 14,964t

YoY dropped **3.95**%



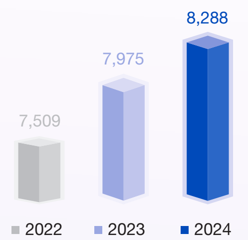
Operating revenue RMB6.297 billion

YoY dropped **11.69**%



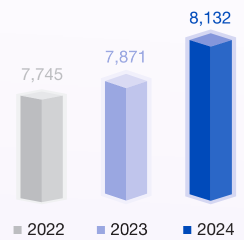
Tungsten production volume 8,288t

YoY up **3.92**%



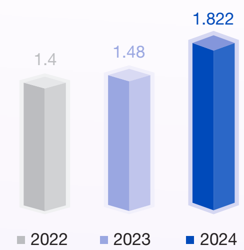
Sales volume 8,132t

YoY up **3.32**%



Operating revenue RMB1.822 billion

YoY up **23.09**%



Operation Highlights

- Process technology breakthroughs overcame bottlenecks, with the tungsten **recovery rate** at Sandaozhuang, molybdenum **recovery rate** at Shangfanggou and molybdenum oxide **recovery rate** at the smelting plant **reaching historic highs**

- **Tailings comprehensive recovery achieved further breakthroughs**: actively launched the **sulfur recovery project**, with an annual production of 25.3kt of sulfur concentrate; **the alkaline leaching slag resource utilization project** has been implemented, and the research and development results for full-grade recovery of tailings are expected soon

- **Operation leaps towards digital intelligence**: Sandaozhuang Mine has deeply integrated the ore blending plan with production scheduling, while Shangfanggou Mine intelligent scheduling system has achieved precise control in different time periods. The large-scale production operation model is beginning to take shape

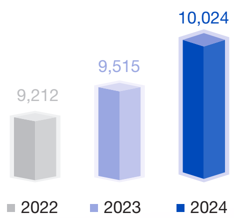
REPORT SUMMARY

NIOBIUM AND PHOSPHORUS

CMOC Brazil, a wholly-owned subsidiary of the Company, operates two high-quality mines in Brazil. In 2024, CMOC Brazil advanced organizational and management reforms, set production targets and achieved a historic high in production volume. The Company achieved operating revenue of **RMB6.541 billion**, a **3.42% increase** year-on-year, with operating costs of RMB4.517 billion.

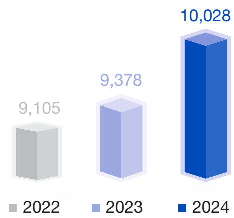
Niobium production volume **10,024t**

YoY up **5.35**%



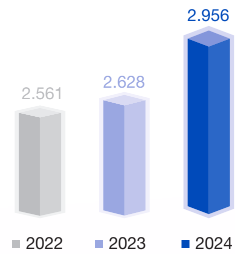
Sales volume **10,028t**

YoY up **6.93**%



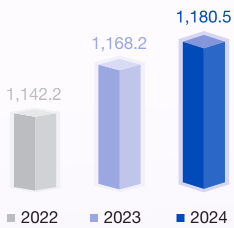
Operating revenue **RMB2.956 billion**

YoY up **12.46**%



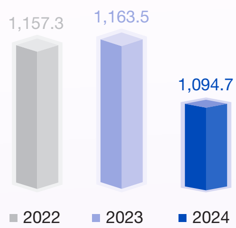
Phosphorus production volume **1,180.5kt**

YoY up **1.05**%



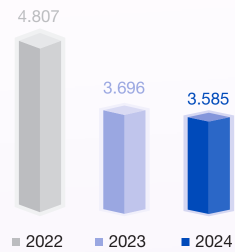
Sales volume **1,094.7kt**

YoY dropped **5.91**%



Operating revenue **RMB3.585 billion**

YoY dropped **3**%



Operation Highlights

- Niobium production and sales volume **"both exceeded 10kt"**, while phosphorus product production and sales volume **surpassed the budgeted targets**

- **Implementing cost reduction and efficiency enhancement**: Through technologies such as photoelectric beneficiation tests, new process flows and the optimization and substitution of raw materials, recovery rates and grinding processing capacity were increased, achieving a year-on-year decrease in the production costs of niobium and phosphorus fertilizers

- Improving HSE and ESG management standards: In 2024, the TRIFR (Total Recordable Injury Frequency Rate) was **29% lower than the global mining industry average**; the niobium segment received a **five-star certification** from NOSA (National Occupational Safety Association of South Africa) following an audit

REPORT SUMMARY

IXM

IXM is primarily engaged in the trading of bulk commodities such as copper, lead, zinc concentrates and refined metals, with years of experience in the metals trading industry. In 2024, IXM achieved stable volume and profit growth and **continued to record-high** net profit attributable to the parent company, reaching RMB**1.353 billion**.

Futures and spot trading combination

In the upward cycle of the spot market, profits from the spot trading side under the business model that combines futures and spot trading offset losses from the futures business side, while in the downturn of the spot market, profits from the futures business side under the business model that combines futures and spot trading offset losses from the spot business side. This business model reduces the risk of industry cyclicality and price fluctuations, and creates stable and sustainable profits for enterprises.

Risk Management and Control

The trading business exposes risks related to price volatility, foreign exchange, counterparty credit and liquidity. IXM employs an integrated risk management framework to achieve its governance strategy goals and create sustainable long-term value. IXM actively manages price and foreign exchange risks, enforces strict monitoring of counterparty credit and ensures sufficient cash in order to reduce its liquidity risk. IXM makes a corresponding provision for its unrealized gains and receivables with counterparties that are deemed at risk. IXM will continuously update Risk Register with contributions from all key functional departments and updates are discussed with the executive management team. The Company conducts periodic assessments of various functions and processes with a focus on the corresponding policies, implementation, and monitoring controls in place.

Trade volume of major products

Products (Concentrate+ Refined metal)	2024 (0'000 tonnes)	2023 (0'000 tonnes)	YoY
Copper	339.81	280.34	+21.21%
Lead and zinc	106.37	109.17	-2.56%
Nickel	66.64	33.64	+98.10%

FINANCIAL HIGHLIGHTS

I. SUMMARIZED FINANCIAL INFORMATION

Unit: Yuan Currency: RMB

Major accounting information	**2024**	2023	Increase or decrease as compared to last year *(%)*	2022
Operating revenue	**213,028,664,834.79**	186,268,971,920.54	14.37	172,990,857,221.36
Net profit attributable to shareholders of listed company	**13,532,035,002.94**	8,249,711,872.51	64.03	6,066,946,564.19
Net profit after deduction of non-recurring profits or losses attributable to shareholders of listed company	**13,118,825,942.69**	6,232,811,345.95	110.48	6,066,908,349.50
Net cash flow from operating activities	**32,386,655,541.72**	15,542,003,495.74	108.38	15,453,761,072.68

	At the end of 2024	At the end of 2023	Increase or decrease as compared to last year *(%)*	At the end of 2022
Net assets attributable to shareholders of listed company	**71,022,993,716.51**	59,540,269,707.03	19.29	51,698,562,059.68
Total assets	**170,236,431,691.82**	172,974,530,702.61	-1.58	165,019,219,538.77

FINANCIAL HIGHLIGHTS

II. MAJOR FINANCIAL INDICATORS

Major financial indicators	2024	2023	Increase or decrease as compared to last year *(%)*	2022
Basic earnings per share *(RMB/share)*	**0.63**	0.38	65.79	0.28
Diluted earnings per share *(RMB/share)*	**0.63**	0.38	65.79	0.28
Basic earnings per share after deduction of non-recurring profits or losses *(RMB/share)*	**0.61**	0.29	110.34	0.28
Weighted average return on net assets *(%)*	**20.96**	15.00	Increased by 5.96 percentage points	13.41
Weighted average return on net assets after deduction of non-recurring profits or losses *(%)*	**20.32**	11.31	Increased by 9.01 percentage points	13.41

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

Unit: Yuan Currency: RMB

Items of non-recurring profits or losses	2024	2023	2022
Profits or losses from disposal of non-current assets, including write-off of provision for asset impairment	**66,475,010.13**	2,123,555,131.49	29,128,043.33
Government grants included in profit and loss for the Current Period, except for those closely relevant to the Company's normal business and in compliance with national policies and regulations and granted according to the determined criteria or have a continuous impact on the Company's profit or loss	**140,600,398.46**	104,751,583.26	85,350,604.54
Profit and loss of changes in fair value arising from holding of financial assets and financial liabilities by non-financial institutions and the profit and loss arising from disposal financial assets and financial liabilities, except for effective hedging activities associated with normal business operations of the Company	**365,184,697.34**	355,074,065.85	-1,684,640,006.66
Capital utilization fess received from non-financial institutions included in profit or loss for the Current Period	**24,528,009.79**	24,077,394.94	23,307,175.31
Other non-operating income and expenses other than the above items	**-141,997,189.58**	-80,014,863.12	-84,589,768.19
Other profit or loss items falling within the definition of non-recurring profit or loss	**-16,889,178.25**	22,699,579.14	1,697,549,933.24
Less: Income tax effects	**35,638,318.23**	535,326,970.56	66,688,586.86
Effects attributable to minority interests (after tax)	**-10,945,630.59**	-2,084,605.56	-620,819.98
Total	**413,209,060.25**	2,016,900,526.56	38,214.69

FINANCIAL HIGHLIGHTS

IV. CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Balance Sheet

Unit: Yuan Currency: RMB

Item	31 December 2024	31 December 2023	Increase (decrease)
Current assets:			
Cash and bank balances	**30,427,258,389.26**	30,716,077,208.96	-0.94%
Held-for-trading financial assets	**6,509,905,551.61**	8,284,638,370.17	-21.42%
Derivative financial assets	**1,393,127,738.63**	2,213,551,710.77	-37.06%
Accounts receivables	**647,879,043.30**	1,132,003,814.45	-42.77%
Financing receivables	**80,435,196.69**	260,311,068.16	-69.10%
Prepayments	**1,114,395,541.39**	1,181,770,447.66	-5.70%
Other receivables	**5,524,864,547.38**	4,252,138,393.05	29.93%
Including: Interests receivable	**277,967,881.17**	263,164,810.93	5.63%
Dividends receivable	**210,000,000.00**	13,108,902.07	1,501.96%
Inventories	**29,878,326,307.04**	31,430,496,020.23	-4.94%
Non-current assets due within one year	**669,085,195.47**	1,092,589,539.03	-38.76%
Other current assets	**2,929,115,294.46**	3,084,006,776.18	-5.02%
Total current assets	**79,174,392,805.23**	83,647,583,348.66	-5.35%
Non-current assets:			
Long-term equity investment	**3,282,859,126.21**	2,228,736,782.08	47.30%
Other investments in equity instruments	**7,139,182.24**	7,729,190.40	-7.63%
Other non-current financial assets	**2,804,861,188.55**	3,199,384,854.99	-12.33%
Fixed assets	**44,422,262,703.20**	35,603,658,029.61	24.77%
Construction in progress	**4,054,550,381.26**	10,621,107,850.33	-61.83%
Inventories	**7,224,831,357.59**	7,136,659,350.36	1.24%
Right-of-use assets	**257,985,962.59**	345,706,233.11	-25.37%
Intangible assets	**21,651,283,345.49**	22,960,384,817.88	-5.70%
Goodwill	**436,560,432.61**	430,141,140.73	1.49%
Long-term prepaid expenses	**279,914,912.55**	227,766,417.14	22.90%
Deferred tax assets	**1,592,961,821.67**	1,665,443,079.84	-4.35%
Other non-current assets	**5,046,828,472.63**	4,900,229,607.48	2.99%
Total non-current assets	**91,062,038,886.59**	89,326,947,353.95	1.94%
Total assets	**170,236,431,691.82**	172,974,530,702.61	-1.58%

FINANCIAL HIGHLIGHTS

Item	31 December 2024	31 December 2023	Increase (decrease)
Current liabilities:			
Short-term borrowings	13,960,237,085.28	24,954,249,917.03	-44.06%
Held-for-trading financing liabilities	2,835,872,062.19	2,948,580,363.16	-3.82%
Derivative financial liabilities	1,454,738,253.36	1,108,796,282.04	31.20%
Notes payable	606,310,041.05	1,142,025,881.71	-46.91%
Accounts payable	4,807,065,051.51	3,556,152,616.98	35.18%
Contract liabilities	2,621,355,529.29	2,515,301,405.33	4.22%
Employee benefits payable	1,443,108,200.73	1,472,512,919.45	-2.00%
Taxes payable	5,529,776,168.33	2,118,205,384.20	161.06%
Other payables	5,160,820,314.05	4,773,801,730.98	8.11%
Including: Dividends payable	34,063,210.06	27,885,796.67	22.15%
Non-current liabilities due within one year	6,210,958,935.89	3,769,999,779.97	64.75%
Other current liabilities	830,355,325.34	620,646,123.74	33.79%
Total current liabilities	45,460,596,967.02	48,980,272,404.59	-7.19%
Non-current liabilities:			
Long-term borrowings	9,333,840,115.73	18,767,717,544.93	-50.27%
Bonds payable	–	2,000,000,000.00	-100.00%
Lease liabilities	136,870,676.80	230,938,527.58	-40.73%
Long-term employee benefits payable	530,656,320.26	471,660,892.08	12.51%
Provisions	2,830,531,195.69	2,837,087,652.97	-0.23%
Deferred income	53,993,446.58	38,532,783.50	40.12%
Deferred tax liabilities	6,572,753,970.55	5,991,178,925.91	9.71%
Other non-current liabilities	19,374,952,854.42	21,694,967,763.74	-10.69%
Total non-current liabilities	38,833,598,580.03	52,032,084,090.71	-25.37%
Total liabilities	84,294,195,547.05	101,012,356,495.30	-16.55%

FINANCIAL HIGHLIGHTS

Item	31 December 2024	31 December 2023	Increase (decrease)
Owners' equity (or Shareholders' equity):			
Share capital	**4,319,848,116.60**	4,319,848,116.60	0.00%
Other equity instruments	**1,000,000,000.00**	1,000,000,000.00	0.00%
Including: Perpetual bonds	**1,000,000,000.00**	1,000,000,000.00	0.00%
Capital reserve	**27,708,934,206.93**	27,694,825,276.01	0.05%
Less: Treasury shares	**1,266,543,810.15**	1,266,543,810.15	0.00%
Other comprehensive income	**2,739,929,808.22**	1,574,263,722.33	74.05%
Special reserve	**267,497,082.63**	140,310,748.25	90.65%
Surplus reserve	**2,159,924,058.30**	2,099,837,960.76	2.86%
Retained profits	**34,093,404,253.98**	23,977,727,693.23	42.19%
Total equity attributable to shareholders of the parent company	**71,022,993,716.51**	59,540,269,707.03	19.29%
Minority interests	**14,919,242,428.26**	12,421,904,500.28	20.10%
Total owners' equity (or shareholders' equity)	**85,942,236,144.77**	71,962,174,207.31	19.43%
Total liabilities and owners' equity (or shareholders' equity)	**170,236,431,691.82**	172,974,530,702.61	-1.58%

FINANCIAL HIGHLIGHTS

Consolidated Income Statement

Unit: Yuan Currency: RMB

Item	2024	2023	Increase (decrease)
I. Total operating revenue	**213,028,664,834.79**	186,268,971,920.54	14.37%
Including: Operating revenue	**213,028,664,834.79**	186,268,971,920.54	14.37%
II. Total operating costs	**187,362,391,592.61**	177,115,447,407.40	5.79%
Including: Operating costs	**177,773,986,291.91**	168,158,197,786.94	5.72%
Taxes and levies	**4,135,200,944.74**	3,084,375,433.21	34.07%
Selling expenses	**92,832,652.76**	155,415,623.44	-40.27%
Administrative expenses	**2,127,537,139.53**	2,386,530,147.14	-10.85%
Research and development expenses	**353,973,998.59**	327,085,170.70	8.22%
Financial expenses	**2,878,860,565.08**	3,003,843,245.97	-4.16%
Including: Interest expenses	**4,043,301,643.47**	4,138,052,209.88	-2.29%
Interest income	**1,649,638,853.86**	1,643,253,592.10	0.39%
Add: Other income	**151,001,935.38**	112,142,038.86	34.65%
Investment income (losses are indicated by "-")	**958,805,198.08**	2,483,302,857.88	-61.39%
Including: Income from investments in associates and joint ventures	**788,496,777.95**	374,876,198.04	110.34%
Gains from changes in fair value (losses are indicated by "-")	**-1,375,599,138.49**	1,680,503,555.45	-181.86%
Gains from credit impairment (losses are indicated by "-")	**-5,862,679.45**	-3,664,369.40	-59.99%
Gains from impairment of assets (losses are indicated by "-")	**-195,059,147.51**	-140,665,034.28	-38.67%
Gains from disposal of assets (losses are indicated by "-")	**66,475,010.13**	2,834,594.73	2,245.13%
III. Operating profit (loss is indicated by "-")	**25,266,034,420.32**	13,287,978,156.38	90.14%
Add: Non-operating income	**36,682,538.06**	25,173,020.39	45.72%
Less: Non-operating expenses	**178,679,727.63**	105,187,883.51	69.87%
IV. Total profit (total loss is indicated by "-")	**25,124,037,230.75**	13,207,963,293.26	90.22%
Less: Income tax expenses	**9,664,594,740.80**	4,677,340,664.42	106.63%

FINANCIAL HIGHLIGHTS

Item	2024	2023	Increase (decrease)
V. Net profit (net loss is indicated by "-")	**15,459,442,489.95**	8,530,622,628.84	81.22%
(I) Classified by operation continuity:			
1. Net profit from continuing operations (net loss is indicated by "-")	**15,407,519,425.13**	6,756,372,961.63	128.04%
2. Net profit from discontinued operations (net loss is indicated by "-")	**51,923,064.82**	1,774,249,667.21	-97.07%
(II) Classified by ownership:			
1. Net profit attributable to shareholders of the parent company (net loss is indicated by "-")	**13,532,035,002.94**	8,249,711,872.51	64.03%
2. Profit or loss attributable to minority interests (net loss is indicated by "-")	**1,927,407,487.01**	280,910,756.33	586.13%
VI. Other comprehensive income, net of tax	**1,357,882,699.56**	1,447,456,637.93	-6.19%
Other comprehensive income attributable to shareholders of the parent company, net of tax	**1,165,666,085.89**	1,279,384,013.59	-8.89%
(I) Other comprehensive income that cannot be reclassified to profit or loss	**-3,402,604.48**	-4,443,560.37	23.43%
1. Remeasurement of changes in defined benefit plans	**-2,960,098.36**	880,215.69	-436.29%
2. Changes in fair value of other equity instrument investments	**-442,506.12**	-5,323,776.06	91.69%
(II) Other comprehensive income that will be reclassified to profit or loss	**1,169,068,690.37**	1,283,827,573.96	-8.94%
1. Cash flow hedge reserve	**142,767,145.51**	311,627,988.37	-54.19%
2. Foreign exchange differences from translation of financial statements	**1,026,301,544.86**	972,199,585.59	5.56%
Other comprehensive income, net of tax attributable to minority shareholders	**192,216,613.67**	168,072,624.34	14.37%
VII. Total comprehensive income	**16,817,325,189.51**	9,978,079,266.77	68.54%
Attributable to shareholders of the parent company	**14,697,701,088.83**	9,529,095,886.10	54.24%
Attributable to minority shareholders	**2,119,624,100.68**	448,983,380.67	372.09%
VIII. Earnings per share:			
(I) Basic earnings per share *(RMB/share)*	**0.63**	0.38	65.79%
(II) Diluted earnings per share *(RMB/share)*	**0.63**	0.38	65.79%

FINANCIAL HIGHLIGHTS

Consolidated Statement of Cash Flow

Unit: Yuan Currency: RMB

Item	2024	2023	Increase (decrease)
I. Cash flows from operating activities:			
Cash received from sales of goods and rendering labour services	**215,036,974,344.06**	188,702,400,717.88	13.96%
Cash received from tax refund	**331,124,682.80**	220,971,353.25	49.85%
Cash received from other operating activities	**1,300,657,590.79**	3,543,808,317.28	-63.30%
Sub-total of cash inflows from operating activities	**216,668,756,617.65**	192,467,180,388.41	12.57%
Cash paid for purchasing goods and receiving labour services	**165,625,149,489.09**	162,817,147,360.25	1.72%
Cash paid to employees and paid for employees	**3,816,732,704.87**	3,466,771,675.00	10.09%
Taxes and fees paid	**13,879,306,093.67**	9,781,686,371.45	41.89%
Cash paid for other operating activities	**960,912,788.30**	859,571,485.97	11.79%
Sub-total of cash outflow from operating activities	**184,282,101,075.93**	176,925,176,892.67	4.16%
Net cash flow from operating activities	**32,386,655,541.72**	15,542,003,495.74	108.38%
II. Cash flows from investing activities:			
Cash received from investment contribution	**14,198,699,630.44**	4,012,517,610.49	253.86%
Cash received from investment income	**1,467,950,005.50**	2,467,269,032.47	-40.50%
Net cash received from disposals of fixed assets, intangible assets and other long-term assets	**187,179,607.90**	397,535,162.96	-52.91%
Net cash received from disposals of subsidiaries and other operating units	**156,982,100.00**	1,010,846,451.20	-84.47%
Cash received from other investing activities	**887,890,907.81**	596,070,181.89	48.96%
Sub-total of cash inflows from investing activities	**16,898,702,251.65**	8,484,238,439.01	99.18%
Cash paid for acquiring or construction of fixed assets, intangible assets and other long-term assets	**4,901,319,114.82**	12,924,398,131.61	-62.08%
Cash paid for acquiring investments	**12,935,217,955.37**	5,645,523,061.67	129.12%
Net cash paid for acquiring subsidiaries and other operating units	**4,985,788.54**	–	100.00%
Cash paid for other investing activities	**216,829,433.06**	573,003,513.95	-62.16%
Sub-total of cash outflow from investing activities	**18,058,352,291.79**	19,142,924,707.23	-5.67%
Net cash flows from investing activities	**-1,159,650,040.14**	-10,658,686,268.22	89.12%

FINANCIAL HIGHLIGHTS

Item	2024	2023	Increase (decrease)
III. Cash flows from financing activities:			
Cash received from borrowings	**63,524,319,615.13**	71,744,175,889.11	-11.46%
Cash received from other financing activities	**1,725,000,000.00**	3,150,518,801.15	-45.25%
Sub-total of cash inflows from financing activities	**65,249,319,615.13**	74,894,694,690.26	-12.88%
Cash repayments of borrowings	**82,883,436,443.69**	73,908,354,465.49	12.14%
Cash payments for distribution of dividends or profits or settlement of interest expenses	**7,527,012,034.65**	6,762,255,256.09	11.31%
Including: Dividends paid by subsidiaries to minority shareholders	**633,055,010.00**	491,655,500.00	28.76%
Cash paid for other financing activities	**5,410,594,515.54**	2,830,552,523.09	91.15%
Sub-total of cash outflow from financing activities	**95,821,042,993.88**	83,501,162,244.67	14.75%
Net cash flow from financing activities	**-30,571,723,378.75**	-8,606,467,554.41	-255.22%
IV. Effect of exchange rate changes on cash and cash equivalents	**506,671,598.46**	796,365,652.48	-36.38%
V. Net increase (decrease) in cash and cash equivalents	**1,161,953,721.29**	-2,926,784,674.41	139.70%
Add: Balance of cash and cash equivalents at the beginning of the year	**26,118,763,976.52**	29,045,548,650.93	-10.08%
VI. Balance of cash and cash equivalents at the end of the year	**27,280,717,697.81**	26,118,763,976.52	4.45%

LETTER FROM THE BOARD

To our valued investors and friends,

In 2024, we remained committed to the principles of "improving quality, reducing costs, and enhancing efficiency", and delivered exceptional results, achieving operating revenue of RMB213 billion, up 14% YoY, net profit attributable to shareholders of the parent company of RMB13.5 billion, up 64% YoY, both at record highs. We ranked among the world's top 10 by copper production and top 20 of the most valuable mining companies. This could not have been done without the relentless efforts of all CMOC employees, and the steadfast trust of our shareholders. We would like to extend our gratitude to all investors, partners, employees and stakeholders for your support.

We have been focusing on converting resources to production and have achieved significant progress on increasing production and enhancing efficiency. Looking back, we are keenly aware that such success stems from seizing the strategic opportunities for mergers and acquisitions and the market window for expansion and could only happen by doing the right things at the right time.

Yet we should not be complacent. History taught us that major reforms were usually forced by major crisis. However, being proactive in initiating reforms based on strong crisis consciousness is what it needs to be a market leader. What we want to share now is not about success and history, but about consciousness and resolution of change towards the future. We are still behind in resources reserves, profitability, operational excellence and people development as compared to industry leaders and to our vision of growing into a respected, modern and world-class resources company. To remain competitive in the future, our organization needs to be stronger and be further reformed and evolved.

The world's business environment is undergoing dramatic changes driven by more complicated externalities, restructured value chain and supply chain, and emergence of new business sectors including AI. It becomes very necessary for mining companies to navigate the risks and challenges facing international operations and the relationship of various stakeholders. It is never the changing environment that holds us back, but our wisdom and courage. What we need to deal with risks are not only clear direction, unwavering belief, and optimism, but also the courage of introspection and to face challenges head-on.

We need to stay firm in our resolve no matter how complicated the environment becomes. Mining industry at its core is about cost, which is determined by nature of resources, management efficiency, and technical expertise. How to be prepared to acquire quality resources at the right point of cycle amid all the market turbulence? How to strengthen our cost competitiveness by reshaping traditional mining industry with lean management? How to embrace AI and achieve better cost and efficiency using digital tools? These are both challenges and opportunities. Only with modern practices, innovative thinking, and lean management executed through digitalization and policy tools will we be able to upgrade our organization.

Corporate management is about people. Top performance could only be achieved by top-performing teams. In 2025, we will bring in best experts in mining, processing, and metallurgy and best managers from manufacturing industry who excel in cost management, while such excellence in cost management on the contrary is the most scarce in the resources sector. We will redesign our processes and organizational structure with clearly defined accountability and measurable and traceable KPIs.

LETTER FROM THE BOARD

To ensure the effectiveness of the new management framework, on one hand, we will further improve our mandate and incentive system to ensure that the capable are trusted with power and are properly incentivized. On the other hand, we will enhance our two-way supervision system to enable transparency firm-wide.

Culture is the unifying force. Our corporate culture keeps evolving, from one that inherits the pragmatism of the Chinese nation and integrates the visionary rigor and truth-seeking culture of our major shareholder, to one that reflects the nature of the industry and the strengths of CMOC and that adapts to our blueprint of international development. But this is not only rhetoric. We need to act on it.

Cost will be the centerpiece of all our operational efforts throughout the year. It is where our competitiveness lies and how our reform is evaluated. We need creative thinking to identify and unlock the potential of cost reduction and holistic approach based on the Company's overall business goals.

A mining company's success is defined by its full-cycle resilience. Amid commodity volatility in recent years, we adhered to independent thinking and our disciplines and remained patient despite all the market noises. We will be prepared and even better positioned for important opportunities as the market window emerges.

We will maintain global leadership in ESG and top ESG practices in China, make real investment, and handle stakeholder relationship with sincerity. We will remain committed to the land and people of the places where we operate and join hands with them for a better future.

Change, though painful, is what it takes to make a company great. CMOC started from a remote valley in China and grew to an international company with major presence along the Congo river. Geographic locations have changed, but our commitment to "responsible mining for a better world" remains. Change will solidify our defense, and reform will light up the beacon leading us through fog.

We still have a long way to go, but we are not alone. Let's join hands and start afresh towards a brighter future and greater successes.

The Board of CMOC
21 March 2025
Shanghai, China

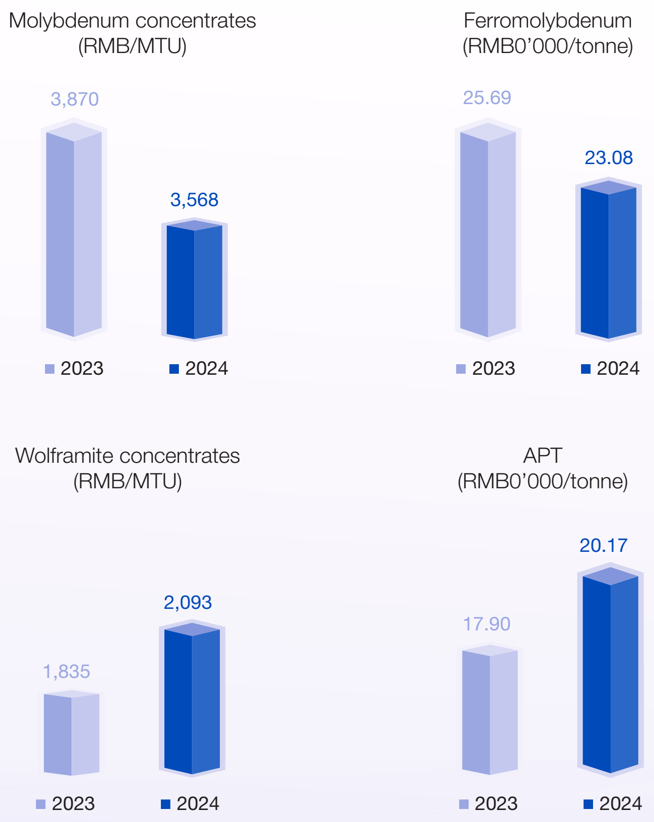
MARKET REVIEW AND PROSPECTS

1. PRICE COMPARISON OF METAL PRODUCTS RELATED TO THE MAJOR PRODUCTS OF THE COMPANY IN 2024 OVER THE SAME PERIOD

Domestic market price of the relevant products of the Company

Products	2024	2023	Increase/ decrease on a year-on-year basis (%)
Molybdenum concentrates *(RMB/metric tonne unit)*	**3,568**	3,870	-7.80
Ferromolybdenum *(RMB0'000/tonne)*	**23.08**	25.69	-10.16
Wolframite concentrates *(RMB/metric tonne unit)*	**2,093**	1,835	14.06
APT *(RMB0'000/tonne)*	**20.17**	17.90	12.68

Note: Data from the average prices quoted on the website of Comelan (product standard: 47.5% for molybdenum concentrate, 60% for ferromolybdenum, grade I for wolframite concentrate, APT GB-0)

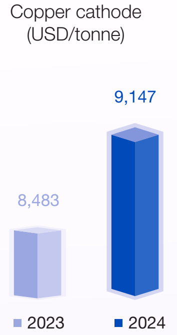


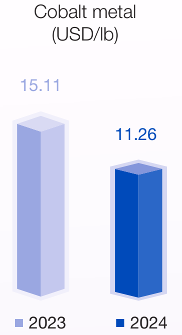
MARKET REVIEW AND PROSPECTS

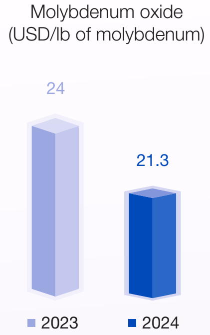
International market price of relevant products of the Company

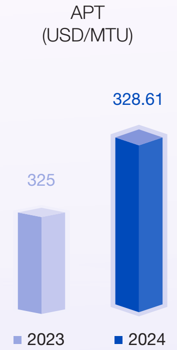
Products	**2024**	2023	Increase/ decrease on a year-on-year basis (%)
Copper cathode *(USD/tonne)*	**9,147**	8,483	7.83
Cobalt metal *(USD/lb)*	**11.26**	15.11	-25.48
Molybdenum oxide *(USD/lb of molybdenumm)*	**21.30**	24.00	-11.25
APT *(USD/metric tonne unit)*	**328.61**	325.00	1.11
Ferroniobium *(USD/kg of niobium)*	**46.00**	47.00	-2.13
MAP *(USD/tonne)*	**603**	556	8.45

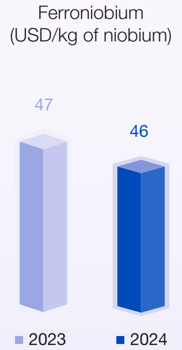
Note: The copper price is the spot average on LME (London Metal Exchange); cobalt price is the average low of Fastmarkets MB standard grade cobalt; the price of molybdenum oxide is the average price quoted on the MW (Metals Week); the price of APT is the average price quoted on Fastmarkets; ferroniobium price is from Asian Metal website; phosphate fertilizer price is from Argus Media.

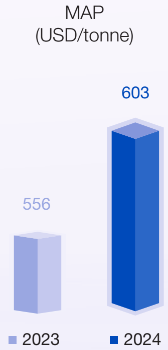












MARKET REVIEW AND PROSPECTS

2. MARKET REVIEW ON EACH METAL SEGMENT IN 2024

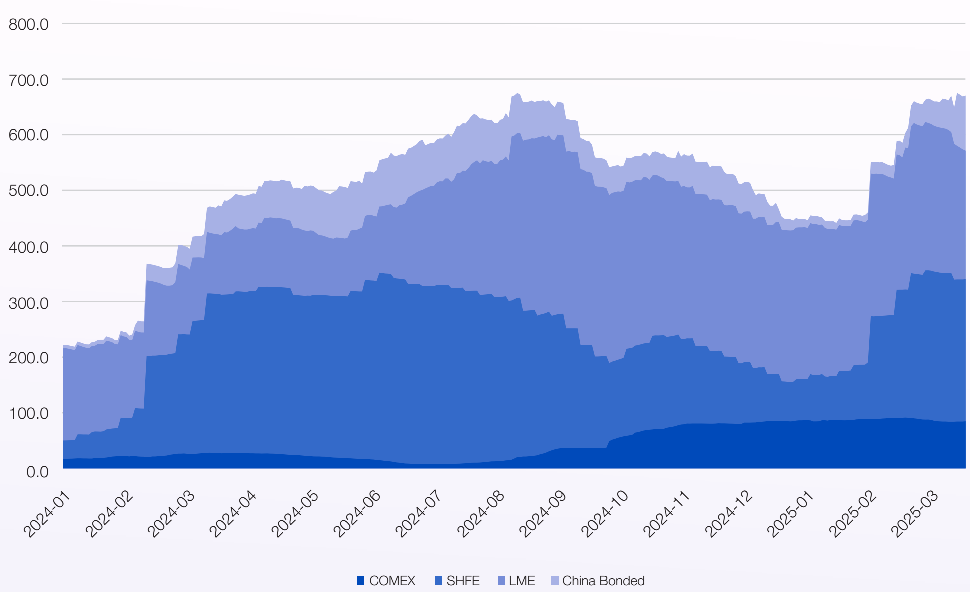
1. Copper

In 2024, the copper market had a modest surplus. Global refined copper supply increased by over 800kt to approximately 26.6 million tonnes in 2024, representing growth of 3.1% year-on-year. Mine supply continued to increase, but the growth was not as expected due to mine interruptions and declining ore grade. Refined production was strong and was under pressure given the lower-than-expected mine supply. Scrap supply was strongly incentivized by high flat price and policy support.

Global refined copper demand reached 26.4 million tonnes in 2024, representing year-on-year growth of 3.0%. Demand was strong in major copper consumption areas. Energy transition related sectors, including new energy vehicles, renewables and energy storage systems, continued to experience rapid growth. White goods, especially the air conditioning sector, also showed remarkable growth because of improved household spending and trade-in policies.

By the end of 2024, global visible inventory of refined copper increased by 226kt to 448kt compared with the end of 2023, of which the COMEX copper inventory increased by 67kt to 85kt, the LME copper inventory increased by 106kt to 271kt, the SHFE copper inventory increased by 43kt to 74kt, and the China bonded copper inventory increased by 11kt to 18kt.

Global Visible Inventory of Refined Copper (thousand tonnes)



Source: Wind

MARKET REVIEW AND PROSPECTS

The overall copper price has shown a strong performance during the Reporting Period. In 2024, the average of the LME copper cash settlement price was USD9,147 per tonne, representing an increase of 7.83% year-on-year.

LME Copper price (USD/tonne)

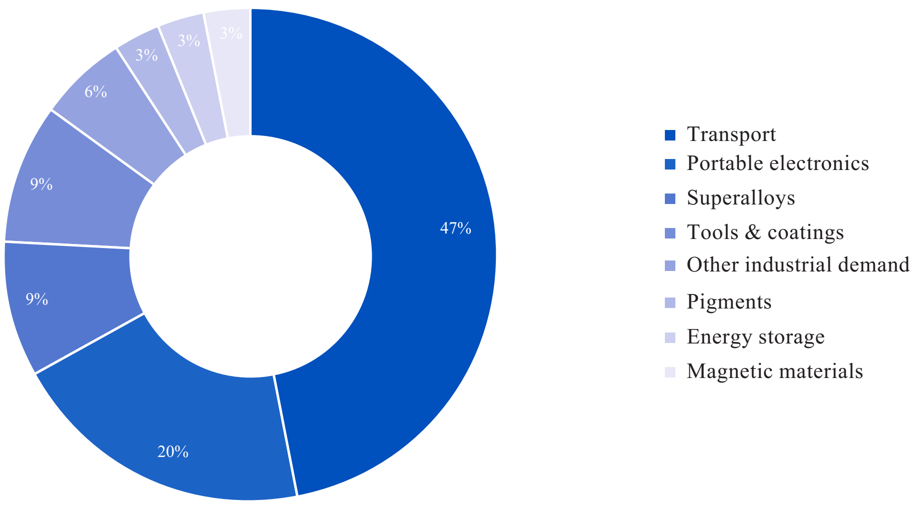
Source: LME

2. Cobalt

In 2024, the cobalt market saw an oversupply driven by sustained high output from the DRC, fueled by elevated copper prices as well as ramps in Indonesian MHP (Mixed Hydroxide Precipitate) production. On demand side, 70% of cobalt demand in 2024 came from the battery sector. The combination of subsidies for trade-ins and the launch of new models with additional AI features led to a steady increase in the demand for consumer batteries, while movement of demand from cathode material sector weighed on cobalt price and payable.

MARKET REVIEW AND PROSPECTS

2024 Global Consumption Distribution of Refined Cobalt



Source: CRU

The average price of MB cobalt metal was USD11.26 per lb in 2024, representing a year-on-year decrease of 25.48%. In 2024, the average value of MB cobalt hydroxide payable ratio was 57.45%, representing an increase of 2.03 percentage points to compensate for the metal price decrease.

MB cobalt price (USD/lb)

Source: MB

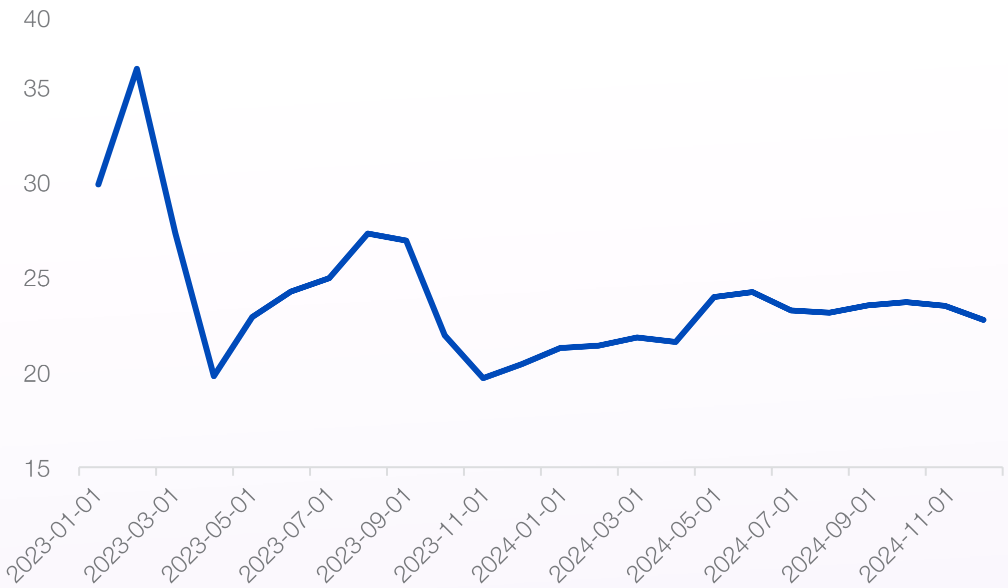
MARKET REVIEW AND PROSPECTS

3. Molybdenum

In 2024, molybdenum market is in modest deficit. Supply side was in general stable with no new incremental mine capacity in China and limited mine expansion offset by reduced production of aging large mines. Demand side remained robust with increasing molybdenum consumption from superalloy and wind power materials. Steel mills chose to produce molybdenum-containing steel for higher added value to enhance their market competitiveness, driving significant growth of molybdenum consumption in China to a record high.

The significant supply gap in China's market was subsequently filled by a large influx of international raw materials, driving molybdenum price to drop from highs in previous year. According to Comelan, average FeMo price in 2024 was RMB230,800/tonne, down 10.16% year-on-year.

FeMo price (RMB0'000/t)



Source: Comelan

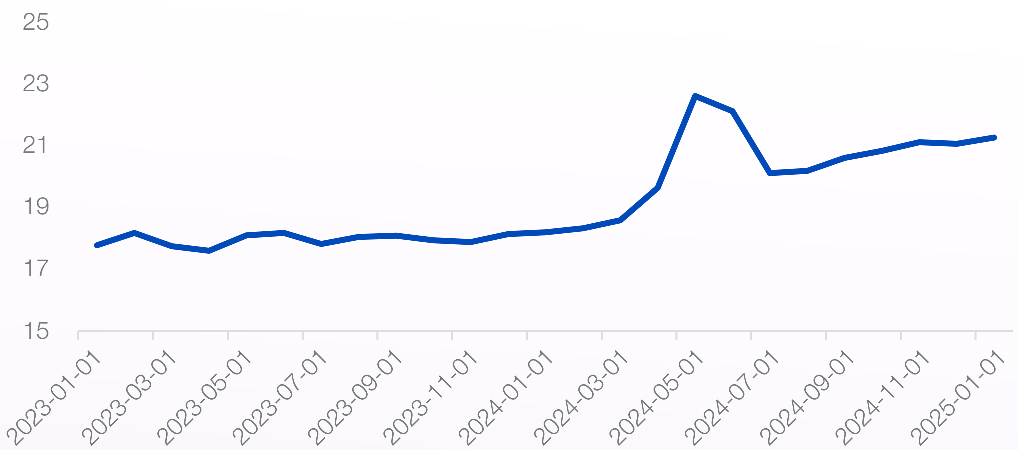
MARKET REVIEW AND PROSPECTS

4. Tungsten

In 2024, tungsten market was in tight balance. Supply side was curbed by multiple factors including control of total mining production and declining ore grade. On demand side, there were steady growth across major sectors including better demand from traditional areas including automobile, consumer electronics, and engineering machinery and robust growth of demand of tungsten in emerging sectors. Photovoltaic tungsten consumption developed rapidly, driving the accelerated replacement of carbon steel wire by photovoltaic tungsten wire. High-end consumption of tungsten from various sectors including new energy also increased.

During the Reporting Period, tungsten price remained in the high price range and hit 10-year high in the second quarter. Though decline afterwards, price was supported and range-bound with price bottom gradually elevated due to mining challenges and high cost faced by upstream mining companies. According to Comelan, average APT price in 2024 was RMB201,700 per tonnes, up 12.68% year-on-year.

APT price (RMB0'000/t)



Source: Comelan

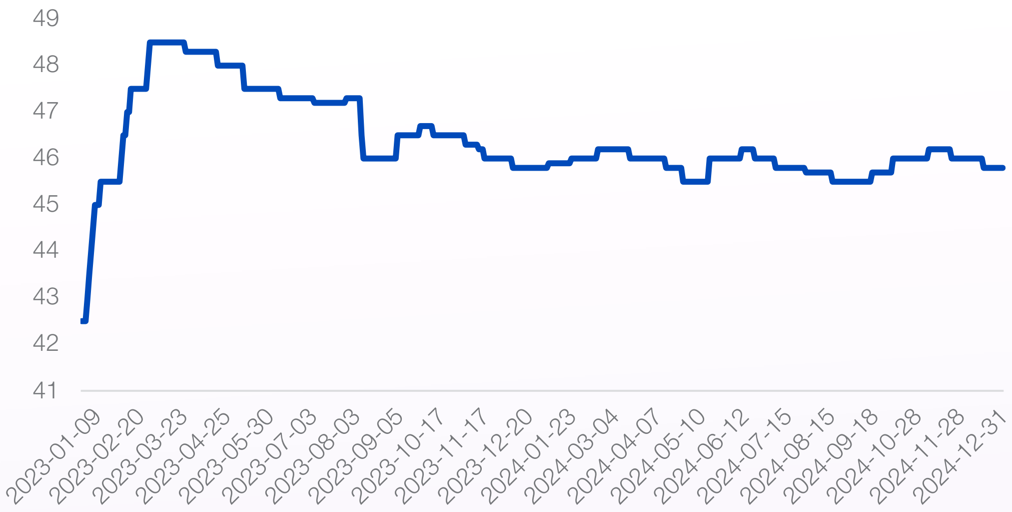
MARKET REVIEW AND PROSPECTS

5. **Niobium**

Niobium oxide products and its downstream applications faced a tight market due to a lack of concentrate supply following the banning of artisanal mining in Brazil in September 2023. The consumption of niobium-bearing steel grades in the energy and automotive sectors increased in China and India, also the demand of niobium was supported by strong organic growth in steel production in India. Europe started 2024 with a stable FeNb consumption but was impacted by a sharp decline starting in early Q3, mostly related to competition from imported carbon steel into Europe, mostly coming from China, India and other Asian countries.

Prices of niobium were stable in 2024 in China but suffered a decline of around 2.7% year-on-year ex-China region in the fourth quarter of the year. According to Asian Metal, average FeNb price in 2024 was USD46/kg niobium, down 2.13% year-on-year.

FeNb price (USD/kgNb)



Source: Asian Metal

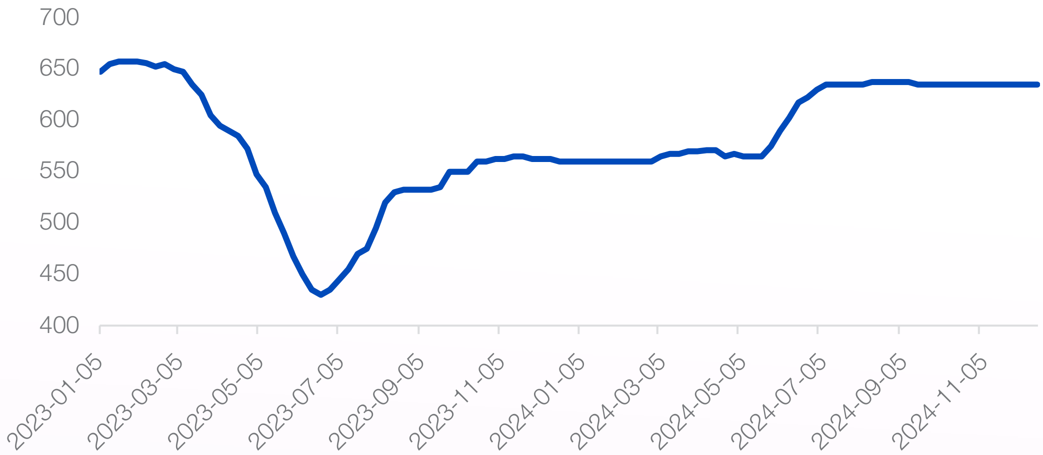
MARKET REVIEW AND PROSPECTS

6. Phosphate

Brazil is mostly an importing country of phosphate fertilizers, with around 80% of local consumption met by imported products, mainly from countries such as Morocco, Russia, China and Egypt. In 2024, China kept limiting production capacity expansion and output, leading to a gap of import volume from China to Brazil.

According to Argus Media, the average delivery price of MAP (monoammonium phosphate) in Brazil in 2024 is USD603 per tonne, representing an increase of 8.45% year-on-year.

MAP price (USD/t)



Source: Argus Media

MARKET REVIEW AND PROSPECTS

MARKET PROSPECTS OF MAJOR METALS FOR 2025

(1) Copper market

In 2025, copper fundamentals are expected to remain tight. The outlook for copper supply remains uncertain and is exposed to several risks, especially but not limited to regional policy uncertainties and mine operations interruptions. Meanwhile, copper demand is expected to still see robust growth from energy transition sectors in particular grid and power infrastructure and stable performance of traditional sectors. The stimulus policies of China should continue to support solid consumption of copper. Despite global macro headwinds, refined copper supply should remain sufficient with robust to healthy market fundamentals.

(2) Cobalt market

In 2025, global cobalt demand is expected to maintain growth. Battery industry remains the major source of incremental demand with robust growth from NEV and storage sectors. Traditional areas of cobalt consumption including superalloy and magnetic materials are expected to remain robust. As demand continues to grow, the oversupply situation is expected to ease.

(3) Molybdenum market

In 2025, China's mine supply is expected to remain stable as there is no new capacity expected and limited expansion from mine supply. In primary processing, metallurgical-grade molybdenum oxide roasting capacity has expanded significantly. Deep-processing sectors, particularly molybdenum chemicals for advanced industrial applications, will continue operating at high utilization rates. The mid-stream is expected to consume more raw materials and drive shortness in supply even further. Demand-side drivers remain robust. Steel industry consumption is poised for steady growth, supported by accelerating adoption of wind/solar energy infrastructure, shipbuilding projects, and oil-gas pipeline development. Given these trends, molybdenum market is forecast to maintain stable fundamentals in 2025 with price strongly supported.

MARKET REVIEW AND PROSPECTS

(4) Tungsten market

In 2025, tight balance in the tungsten market is expected to continue with price being stable. On the supply side, China mine supply is limited by factors such as grade, cost, environmental protection, etc., and there are few new projects overseas, but as the recycling of tungsten scrap is expected to accelerate and the import of raw materials increase, concentrate import may remain high. On the demand side, factors such as upgrade of the manufacturing industry and photovoltaic development, combined with policy support, will promote the growth of demand for tungsten products such as cemented carbide. In terms of policy, China's total volume control ensures sustainable development, the US tariffs have a short-term impact but are conducive to long-term competitiveness, and China also promotes the development of recycled tungsten and helps expand the international market.

(5) Niobium market

In 2025, the demand for FeNb is optimistic. The continuous improvement of safety and environmental standards will sustain the use of niobium to enhance carbon steel properties in the automotive and energy sectors. The oxides market supply-demand will be balanced by the expansions of CBMM and domestic niobium smelter output, both completed in 2024, matching the demand of the oil & gas, optical and electronic sectors.

(6) Phosphate market

In 2025, it is expected to end with prices above historical average as supply-demand tends to be balanced by utilization rates, both for MAP and phosphoric acid. In Brazil, demand is expected to be slightly above 2024 levels due to new planting areas. In phosphates, higher demand is expected for low analysis products due to high MAP/TSP prices. SSP demand will continue at good levels as high MAP prices are pushing SSP demand. Chinese exports are expected to remain restricted until mid-year, which will be an important factor in reducing the downward pressure on high grade phosphate prices during the period of low demand. Better premiums are also expected on Brazilian grains, granting more affordability for fertilizers.

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BUSINESS REVIEW AND PROSPECTS

2024 BUSINESS REVIEW OF EACH METAL SEGMENT

Major products	Unit	**Production volume of 2024**	Production volume of 2023	YoY change (%)
Copper metal	tonne	**650,161**	419,537	55
Cobalt metal	tonne	**114,165**	55,526	106
Molybdenum metal	tonne	**15,396**	15,635	-2
Tungsten metal	tonne	**8,288**	7,975	4
Niobium metal	tonne	**10,024**	9,515	5
Phosphate fertilizer	0'000 tonnes	**118**	117	1
Physical trade volume	0'000 tonnes	**554**	591	-6

2024 OPERATION REVIEW

1. The Company attained another record high in operating indicators and achieved improvement in both development scale and quality

   Giving full play to its advantage in production capacity, the Company strengthened its lean management and effectively coordinated with its mining and trading sectors, thereby attaining profitable revenue and profit with cashflows as well as achieving another record high in operating performance. In 2024, the Company's revenue amounted to RMB213.029 billion, up 14.37% YoY; net profit attributable to the parent company was RMB13.532 billion, up 64.03% YoY; operating net cashflow amounted to RMB32.387 billion, up 108.38% YoY; and gearing ratio dropped to 49.52%, down 8.88 percentage points YoY.

2. The Company ranked among the top ten copper producers in the world, with its production volume of major products surging to a record high

   In 2024, the Company's production volume of all products exceeded the respective medians of production guidance, with copper, cobalt, niobium and phosphate all reaching record-high production levels. In particular, the Company produced 650.2kt of copper, up 55% YoY, ranking among the top ten copper producers in the world for the first time and becoming the company that attained the largest growth in production volume of copper in the world in 2024; cobalt production volume reached 114.2kt, up 106% YoY; production volume of niobium of 10.024kt, which exceeded 10kt for the first time, up 5% YoY; and production volume of phosphate of 1,180kt, up 1% YoY. Besides, during the year, the Company produced 8,288 tonnes of tungsten, up 4% YoY, and 15,396 tonnes of molybdenum, representing a completion rate of 103%.

BUSINESS REVIEW AND PROSPECTS

3. Major construction projects reached full capacity as scheduled, and prepared for a new round of production expansion plan

In the first half of 2024, three production lines of the mixed ore project of TFM successfully met their production goals and standards, as a result, TFM had five production lines with annual copper production capacity of 450kt. Together with KFM's annual copper production capacity of 150kt, the Company has six production lines with annual copper production capacity of more than 600kt in the DRC. TFM and KFM achieved staged results for their deep exploration work and actively prepared for a new round of production expansion and transformation projects. The contract of the hydropower station project of Heshima with a generation capacity of 200MW in the DRC was signed and the project has been implemented successfully, achieving a breakthrough for the construction of ancillary power facilities.

4. The Company maintained its leading position in the industry in terms of ESG performance, supporting its sustainable development

In 2024, the Company continued to attain the rating of AA in MSCI ESG performance, ranking at the forefront in the global non-ferrous metals industry, and was included in the FTSE Russell's Socially Responsible Indexes for the first time. With the carbon emission intensity of its copper products being lower than that of 70% of the mining companies in the world, the Company disclosed data of carbon emissions of Scope 3 for the first time. In 2024, the Company contributed RMB191.0 billion to the global economy and invested RMB0.292 billion in the global community.

Our member companies achieved breakthroughs in various aspects of ESG practices: KFM was certified for the first time for ISO 9001 Quality Management System, ISO 14001 Environmental Management System and ISO 45001 Occupational Health and Safety Management System; IXM continued to attain a gold medal in Ecovadis's Sustainability Ratings and ranked in the top 4% of all industries in the world; TFM, KFM and CMOC China tungsten operation passed the Responsible Minerals Initiative (RMI) audits; and the niobium segment of CMOC Brazil was awarded five stars in the NOSA audit.

5. The Company promoted organizational upgrading and further enhanced global governance capability

Adopting an innovative management mode, the Company took the lead in exploring the mode of combining the vertical control by the headquarters with on-site management for the mining area in Africa, and achieved initial results in the vertical management of various lines including sales, supply chain, bidding, supervision and audit, laying the foundation for the establishment of an efficient global governance system. The Company maintained sound corporate governance, completed the change of term for the new session of the Board, enhanced the independence and professionalism of decision-making, and obtained the rating of A from the SSE for its information disclosure performance. Digitalization projects such as Mylink Global Collaboration Platform and SRM Supplier Management System were successfully completed, further enhancing its capability of digital intelligence. With effective domestic and overseas communications, the Company's brand image and market influence was further improved, gaining greater recognition from the capital market.

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BUSINESS REVIEW AND PROSPECTS

2025 BUSINESS PROSPECT

1. Based on future economic and market dynamics, the production guidance set by the Company are as follows:

Major products	Production guidance for 2025 *(0'000 tonnes)*
Copper metal	60-66
Cobalt metal	10-12
Molybdenum metal	1.2-1.5
Tungsten metal	0.65-0.75
Niobium metal	0.95-1.05
Phosphate fertilizer	105-125
Physical trade volume	400-450

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

The above production plans do not constitute substantive commitments to investors, and investors shall exercise caution about investment risk.

2. Priorities of the Company for 2025:

In 2025, we will comprehensively achieve operational, HSE and business targets through organizational upgrades, innovative management concepts and refined management thinking, laying a solid foundation for the Company's new round of development.

(1) Continuously driving organizational upgrades and management enhancements

By leveraging modern management approaches, innovative management concepts and refined management thinking, empowered by digitalization and intelligence, the Company aims to inspire the positive aspects of human nature while counteracting its weaknesses through effective institutional arrangements.

The Company will continue organizational upgrades by introducing outstanding talents with relevant industry backgrounds for building a world-class management team for the global mining industry; strengthen the systematic construction of the human resources system, optimizing human resource structure with the best cost efficiency, most suitable position skills and the most effective performance. The Company will deepen organizational process reforms by establishing a comprehensive three-tier approval matrix, promoting vertical management from the headquarters to all mining sectors and clarifying a structure in which the mine is responsible for safe production operations while the headquarters oversees line management. The Company will strengthen the

BUSINESS REVIEW AND PROSPECTS

construction of the integrity supervision mechanism, establishing a complete supervisory system that combines top-down and bottom-up approaches; implement a comprehensive risk prevention and control mechanism to further enhance the ability to respond to complex situations. The Company will strengthen the construction of its corporate culture by carrying forward the spirit of CMOC, with "Challenge the Impossible" at its core, while also encouraging openness and transparency and refining the CMOC culture to align with the new era. The Company will continue to advance international communication, shape a global brand image that matches the Company's strength, enhance information release and interpretation, so as to enhance the investors' knowledge, understanding and support for the Company and to realize the market value.

(2) Taking cost reduction and efficiency improvement as the focus, and strengthening the refined management of production and operations

The essence of competition in the mining industry lies in cost competition. The Company needs to learn from the refined management experience of the manufacturing industry and achieve cost reduction and efficiency enhancement through various aspects, including system and process optimization, technological innovation, refined management and procurement management.

Copper and cobalt segment will continue to deepen reform and improve management effectiveness and operational efficiency. TFM will leverage technological transformation projects such as the optimization of the 10K and 15K beneficiation and smelting processes in the central region and the process adjustment of 17K in the eastern region to further increase production capacity and reduce costs; TFM will enhance its HSE management system and measures to upgrade safety management standards; KFM will accelerate to push forward the special activities to improve the product process; conduct thorough demonstrations and discussions to determine new production expansion projects; step up the exploration efforts to increase the resource reserves; accelerate power development projects such as the Heshima hydropower station in the DRC, so as to provide sufficient power for the new round of production capacity expansion.

Molybdenum and tungsten segment will focus on technological innovation to build the Group's refined management demonstration base and talent training base; continue to promote the upgrading and speeding up of the construction of the intelligent mines and continue to carry out the deep prospecting project; consolidate the innovative achievements of Sandaozhuang sulfur recovery and realize the full coverage of sulfur recovery; leverage the innovation studios of CMOC craftsmen and Heluo craftsmen to undertake 11 key technical technologies upgrading and improve technical indicators.

Niobium and phosphate segment will strengthen cooperation with research institutions to advance multiple process experiments and further improve the niobium-phosphate recovery rate, while maintaining ferroniobium output of more than 10,000 tons; phosphate fertilizer products will closely align with market structures to achieve production based on sales for maximizing added value; focus on existing resources for seeking resource development cooperation opportunities and establishing long-term development plans; ensure that newly constructed spoil dumps and tailing storage facilities are put into use according to schedule.

BUSINESS REVIEW AND PROSPECTS

The Company will further promote information technology construction, upgrade production digital intelligence with CMOC China operations as a pilot project, for building a digital platform for the entire production process, from ore flow, information flow, to value flow; promote the construction of global logistics systems (TMS), master data systems, material warehousing systems (MWE), etc., to enhance the digitalization level in the Africa region, and achieve control over global business segments through information tools.

(3) Increasing and accelerating the deployment of resources, striving to cultivate new profit growth points

The Company will strengthen its investment and research while leveraging on the abundant investment and research resources and leading industry position of the two major shareholders and giving full play to IXM's sales network and network advantages; attract composite talents in the mining field and country-specific experts and geological survey experts, reserve a project pool to formulate medium- and long-term plans for project development. Relying on the Company's existing layout in Africa, South America and Southeast Asia and focusing on new energy metals and other key metals where we have advantage in, the Company will proactively reserve high-quality projects and conduct counter-cyclical mergers and acquisitions in due course, with an emphasis on resources related to the new energy industry.

(4) Firmly integrating "Mining + Trading" to enhance IXM's competitiveness in global trading

The trading segment and the mining segment will deepen their integration, while strengthening the internal sales system within the Group to ensure that IXM achieves full coverage of sales for all products across the Group; coordinate logistics management and strengthen the collaboration between product logistics and on-site logistics; IXM will focus on its key product lines, explore new sales opportunities and target a trading volume of 4,000kt to 4,500kt, all while enhancing profitability through strict operational risk control; accelerate the construction of information technology in IXM.

(5) Further benchmarking against international standards and consolidating the global industry leading position in terms of ESG

The Company will further improve the ESG governance system, clarify the international standards applicable to the entire Group, strengthen the professional teams at all levels, and continue to promote third-party independent certification and auditing of key mining areas in accordance with international ESG standards; improve the information disclosure and KPI system in accordance with the new disclosure requirements of the stock exchanges of the two places and the GRI2024 mining standard, so as to further satisfy the demands of stakeholders; complete the update of the carbon neutral strategy and KPIs according to the latest situation, implement the carbon neutral plan, continuously fulfil the commitments of the United Nations Compact Organization, and maintain the status of a world-class ESG mining company; strengthen the ESG capacity building of the Group's headquarter and the establishment of systematic trainings; and release the 2030 Social Impact Strategy and the performance targets, so as to build the unique ESG brand of CMOC.

MANAGEMENT DISCUSSION AND ANALYSIS

(1) MAJOR BUSINESS BY INDUSTRIES, PRODUCTS, REGIONS

Unit: Yuan Currency: RMB

Major business by industries						
By industries	Operating income	Operating cost	Gross profit margin *(%)*	Increase/ decrease in operating income compared with last year *(%)*	Increase/ decrease in operating cost compared with last year *(%)*	Increase/ decrease in gross profit margin compared with last year *(%)*
Mining and processing (Note 1)	65,259,591,178.28	35,803,727,757.58	45.14	46.59	35.18	Increased by 4.64 percentage points
Mineral trading (Note 2)	188,355,740,226.46	183,414,802,447.65	2.62	12.06	10.48	Increased by 1.40 percentage points
Others	440,592.86	407,135.60	7.59	345.45	342.60	Increased by 0.59 percentage point
Offset by intra-group transactions	-40,769,358,607.20	-41,528,556,665.67				

MANAGEMENT DISCUSSION AND ANALYSIS

Major business by products

By products	Operating income	Operating cost	Gross profit margin (%)	Increase/ decrease in operating income compared with last year (%)	Increase/ decrease in operating cost compared with last year (%)	Increase/ decrease in gross profit margin compared with last year (%)
Mining and processing (Note 1)						
Copper	41,856,694,567.41	20,819,626,495.38	50.26	70.18	54.75	Increased 4.96 percentage points
Cobalt	8,742,978,101.54	5,742,966,772.89	34.31	156.71	167.68	Decreased 2.70 percentage points
Molybdenum	6,297,174,970.45	4,088,852,273.38	35.07	-11.69	-4.04	Decreased 5.17 percentage points
Tungsten	1,822,125,915.11	635,226,980.23	65.14	23.09	6.07	Increased 5.60 percentage points
Niobium	2,955,651,268.32	1,848,690,354.00	37.45	12.46	6.57	Increased 3.45 percentage points
Phosphorus	3,584,966,355.45	2,668,364,881.70	25.57	-3.00	-12.43	Increased 8.01 percentage points
Mineral trading (Note 2)						
Concentrate products	64,627,956,322.98	61,205,023,496.33	5.30	45.96	40.54	Increased 3.65 percentage points
Refined metal products	123,727,783,903.48	122,209,778,951.32	1.23	-0.06	-0.22	Increased 0.16 percentage point
Others	440,592.86	407,135.60	7.59	345.45	342.60	Increased 0.59 percentage point
Offset by intra-group transactions	-40,769,358,607.20	-41,528,556,665.67				

MANAGEMENT DISCUSSION AND ANALYSIS

Major business by regions

By regions	Operating income	Operating cost	Gross profit margin (%)	Increase/ decrease in operating income compared with last year (%)	Increase/ decrease in operating cost compared with last year (%)	Increase/ decrease in gross profit margin compared with last year (%)
Mining and processing (Note 1)						
China	8,119,300,885.56	4,724,079,253.61	41.82	-5.71	-2.80	Decreased 1.74 percentage points
Congo (DRC)	50,599,672,668.95	26,562,593,268.27	47.50	80.71	70.29	Increased 3.21 percentage points
Brazil	6,540,617,623.77	4,517,055,235.70	30.94	3.42	-5.53	Increased 6.55 percentage points
Mineral trading (Note 2)						
China	57,643,762,423.77	56,959,506,909.53	1.19	13.96	13.72	Increased 0.22 percentage point
Outside China	130,711,977,802.69	126,455,295,538.12	3.26	11.25	9.08	Increased 1.93 percentage points
Others						
China	440,592.86	407,135.60	7.59	345.45	342.60	Increased 0.59 percentage point
Offset by intra-group transactions	-40,769,358,607.20	-41,528,556,665.67				

Description of major business by industries, products or regions

Note 1: The figures for the same period last year do not include the disposed copper and gold business.

Note 2: While IXM conducts spot trading of non-ferrous metals, it also holds net-settled futures contracts of the same metals. Taking advantage of the strong correlation between spot trading and futures trading, through the business model that combines futures and spot trading, in the upward cycle of the spot market, profits from the spot trading side under the business model that combines futures and spot trading offset losses from the futures business side, while in the downturn of the spot market, profits from the futures business side under the business model that combines futures and spot trading offset losses from the spot business side. This business model reduces the risk of industry cyclicality and price fluctuations, and creates stable and sustainable profits for enterprises. In the international accounting standards, the operating costs from the futures and spot trading business models also include the profit or loss on the futures side.

The Group only included the corresponding cost of the spot commodities in accordance with the requirements of the Accounting Standards for Enterprises when calculating the operating cost of the metal trading; the profit and loss related to the futures business is reported in gains from changes in fair value. The gross profit margin for the period for IXM trading business under International Accounting Standards was 2.08%.

MANAGEMENT DISCUSSION AND ANALYSIS

(2) ANALYSIS OF PRODUCTION AND SALES VOLUME

Principal products	Unit	Production volume	Sales volume	Inventory volume	Increase or decrease in production volume as compared to last year *(%)*	Increase or decrease in sales volume as compared to last year *(%)*	Increase or decrease in inventory volume as compared to the end of last year *(%)*
Mining and processing (Note 1)							
Copper	Tonne	650,161	689,521	100,409	54.97	66.28	-28.16
Cobalt (Note 2)	Tonne	114,165	108,892	42,384	105.61	266.23	14.21
Molybdenum	Tonne	15,396	14,964	1,247	-1.53	-3.95	53.01
Tungsten	Tonne	8,288	8,132	1,230	3.92	3.32	14.53
Niobium	Tonne	10,024	10,028	827	5.35	6.93	-0.48
Phosphate fertilizer (HA+LA) (Note 3)	Tonne	1,180,492	1,094,743	193,890	1.05	-5.91	74.59

	Unit	Purchase volume	Sales volume	Inventory volume	Increase or decrease in purchase volume as compared to last year *(%)*	Increase or decrease in sales volume as compared to last year *(%)*	Increase or decrease in inventory volume as compared to the end of last year *(%)*
Mineral trading							
Concentrate products (Note 4)	Tonne	3,232,200	3,398,533	185,878	17.77	24.49	-47.23
Refined metal products (Note 5)	Tonne	1,840,341	2,146,073	141,109	-41.09	-32.56	-68.42

Description of production and sales volume:

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

Note 2: Disclosure are provided based on converted tonnes of metal.

Note 3: The production volume of phosphate fertilizer includes the final products for sale and the primary products for the next stage of reproduction.

Note 4: Primary products of metal minerals, mainly concentrates.

Note 5: Metal mineral smelting and chemical products.

MANAGEMENT DISCUSSION AND ANALYSIS

(3) COST ANALYSIS

Unit: Thousand Yuan Currency: RMB

By industry

By industry	Component of cost	Amount for the current year	Percentage over total cost for the current year (%)	Amount for last year	Percentage over total cost for last year (%)	Percentage of changes in amount as compared to last year (%)	Explanation
Mining and processing	Materials	17,072,834	50.18	11,706,294	50.54	45.84	
	Labour	2,875,001	8.45	2,164,717	9.35	32.81	
	Depreciation and amortization	5,338,431	15.69	3,611,285	15.59	47.83	
	Energy	2,690,785	7.91	1,588,285	6.86	69.41	
	Manufacturing fees	6,048,387	17.77	4,091,632	17.66	47.82	
Mineral trading	Purchase cost	184,424,105	100.00	166,816,967	100.00	10.55	

By product

By product	Component of cost	Amount for the current year	Percentage over total cost for the current year (%)	Amount for last year	Percentage over total cost for last year (%)	Percentage of changes in amount as compared to last year (%)	Explanation
Mining and processing							
Molybdenum related products	Materials	1,330,880	45.49	914,653	34.89	45.51	The purchase amount of certain externally purchased raw materials increased.
	Labour	380,468	13.00	377,597	14.40	0.76	
	Depreciation and amortization	300,785	10.28	301,343	11.49	-0.19	
	Energy	320,336	10.95	324,168	12.36	-1.18	
	Manufacturing fees	593,398	20.28	703,958	26.86	-15.71	
Tungsten related products	Materials	199,973	45.05	228,429	49.68	-12.46	
	Labour	92,688	20.88	91,165	19.83	1.67	
	Depreciation and amortization	40,958	9.23	37,648	8.19	8.79	
	Energy	54,974	12.39	55,784	12.13	-1.45	
	Manufacturing fees	55,252	12.45	46,745	10.17	18.20	

MANAGEMENT DISCUSSION AND ANALYSIS

By product

By product	Component of cost	Amount for the current year	Percentage over total cost for the current year (%)	Amount for last year	Percentage over total cost for last year (%)	Percentage of changes in amount as compared to last year (%)	Explanation
Copper related products	Materials	11,078,800	50.73	7,403,475	56.03	49.64	Since the Company's copper and cobalt mine project in the DRC has been put in production since the first half of 2023, it has undergone key stages such as process optimization, equipment debugging and personnel deployment, and achieved full production in the first half of 2024. As production capacity is gradually released, the cost structure stabilizes.
	Labour	1,707,416	7.82	1,022,722	7.74	66.95	
	Depreciation and amortization	3,843,905	17.60	2,310,553	17.49	66.36	
	Energy	1,974,688	9.04	950,651	7.19	107.72	
	Manufacturing fees	3,232,019	14.81	1,526,078	11.55	111.79	
Cobalt related products	Materials	3,115,599	70.35	1,615,472	74.93	92.86	
	Labour	136,383	3.08	84,115	3.90	62.14	
	Depreciation and amortization	339,752	7.67	206,637	9.58	64.42	
	Energy	233,040	5.26	122,900	5.70	89.62	
	Manufacturing fees	604,217	13.64	126,780	5.89	376.59	
Niobium related products	Materials	485,879	26.88	508,391	28.81	-4.43	
	Labour	175,306	9.70	191,940	10.88	-8.67	
	Depreciation and amortization	443,633	24.54	413,242	23.42	7.35	
	Energy	42,167	2.33	51,361	2.91	-17.90	
	Manufacturing fees	660,693	36.55	599,423	33.98	10.22	
Phosphate related products	Materials	861,703	33.37	1,035,873	35.15	-16.81	
	Labour	382,741	14.82	397,178	13.48	-3.63	
	Depreciation and amortization	369,398	14.31	341,861	11.60	8.06	
	Energy	65,581	2.54	83,421	2.83	-21.39	
	Manufacturing fees	902,808	34.96	1,088,649	36.94	-17.07	
Mineral trading							
Concentrate products	Purchase cost	61,205,024	33.19	43,548,982	26.11	40.54	
Refined metal products	Purchase cost	123,219,082	66.81	123,267,985	73.89	-0.04	

Note: The figures for the same period last year do not include the disposed copper and gold business.

MANAGEMENT DISCUSSION AND ANALYSIS

Selling Expenses

For the year ended 31 December 2024, the selling expenses of the Group amounted to approximately RMB92.83 million, representing a decrease of approximately RMB62.59 million or 40.27% from approximately RMB155.42 million for the same period in 2023, mainly due to a year-on-year decrease in market consulting fees during the Period.

Taxes and Levies

For the year ended 31 December 2024, the taxes and levies of the Group amounted to approximately RMB4,135.20 million, representing an increase of approximately RMB1,050.82 million or 34.07% from approximately RMB3,084.38 million for the same period in 2023, mainly due to a year-on-year increase in resource taxes and mining rights royalties due to the increase in the production and sales volume of major products and the price increase during the Period.

Investment Income

For the year ended 31 December 2024, the investment income of the Group amounted to approximately RMB958.81 million, representing a decrease of approximately RMB1,524.49 million or 61.39% from approximately RMB2,483.30 million for the same period in 2023, mainly due to fact that there was an investment income from the disposal of Australian business in the last period while there was no such income in the current period.

Gains from Changes in Fair Value

For the year ended 31 December 2024, gains from changes in fair value of the Group amounted to approximately RMB-1,375.60 million, representing a decrease of approximately RMB3,056.10 million or 181.86% from approximately RMB1,680.50 million for the same period in 2023, mainly due to a year-on-year decrease in gains from changes in fair value of derivative instruments of the base metal trading business during the Period.

Income Tax Expenses

For the year ended 31 December 2024, the income tax expenses of the Group amounted to approximately RMB9,664.59 million, representing an increase of approximately RMB4,987.25 million or 106.63% from approximately RMB4,677.34 million for the same period in 2023, mainly due to a year-on-year increase in income tax expenses of the copper and cobalt business during the Period.

Financial Position

As at 31 December 2024, the total assets of the Group amounted to approximately RMB170,236.43 million, comprising non-current assets of approximately RMB91,062.04 million and current assets of approximately RMB79,174.39 million. Equity attributable to shareholders of the parent company increased by approximately RMB11,482.72 million or 19.29% to approximately RMB71,022.99 million as at 31 December 2024 from approximately RMB59,540.27 million as at 31 December 2023.

MANAGEMENT DISCUSSION AND ANALYSIS

Current Assets

The current assets of the Group decreased by approximately RMB4,473.19 million or 5.35% to approximately RMB79,174.39 million as at 31 December 2024 from approximately RMB83,647.58 million as at 31 December 2023.

Non-current Assets

The non-current assets of the Group increased by approximately RMB1,735.09 million or 1.94% to approximately RMB91,062.04 million as at 31 December 2024 from approximately RMB89,326.95 million as at 31 December 2023.

Current Liabilities

The current liabilities of the Group decreased by approximately RMB3,519.67 million or 7.19% to approximately RMB45,460.60 million as at 31 December 2024 from approximately RMB48,980.27 million as at 31 December 2023.

Non-current Liabilities

The non-current liabilities of the Group decreased by approximately RMB13,198.48 million or 25.37% to approximately RMB38,833.60 million as at 31 December 2024 from approximately RMB52,032.08 million as at 31 December 2023.

FINANCIAL INDICATORS OF MAJOR SUBSIDIARIES DURING THE REPORTING PERIOD

Unit: Thousand Yuan Currency: RMB

Company name	Main business	Shareholding method	Interests held	Operating income	Total assets	Net assets
TF Holdings Limited	Copper and cobalt mine assets/business	Indirect	80%	29,195,726	75,624,234	42,376,028
KFM Holding Limited	Copper and cobalt mine assets/business	Indirect	71.25%	16,764,538	23,797,401	11,157,781
CMOC Brasil	Niobium and phosphate mine assets/business	Indirect	100%	6,493,249	12,404,171	9,053,464
IXM	Trading business	Indirect	100%	189,938,531	25,643,981	9,103,640

MANAGEMENT DISCUSSION AND ANALYSIS

EXPLANATION TO THE BALANCE SHEET ITEMS

Unit: Thousand Yuan Currency: RMB

Items	Balance as at the end of the current period	Balance as at the end of the current period as a percentage of total assets (%)	Balance as at the end of the corresponding period of last year	Balance as at the end of the corresponding period of last year as a percentage of total asset (%)	Change in balance as at the end of the current period as compared with balance as at the end of the corresponding period of last year (%)	Explanation
Derivative financial assets	**1,393,128**	**0.82**	2,213,552	1.28	-37.06	Decrease in fair value of derivatives of base metal trading business during the current period
Trade receivables	**647,879**	**0.38**	1,132,004	0.65	-42.77	Increase in the trade receivables of the mining segments during the current period
Other receivables	**5,524,865**	**3.25**	4,252,138	2.46	29.93	Increase in VAT refund receivable of copper-cobalt business during the current period
Long-term equity investments	**3,282,859**	**1.93**	2,228,737	1.29	47.30	Increase in investments in associates and joint venture and equity method gains during the current period
Construction in progress	**4,054,550**	**2.38**	10,621,108	6.14	-61.83	Projects under construction in the copper and cobalt business reclassified to fixed assets during the current period
Derivative financial liabilities	**1,454,738**	**0.85**	1,108,796	0.64	31.20	Decrease in fair value of derivatives in base metal trading business during the current period
Notes payable	**606,310**	**0.36**	1,142,026	0.66	-46.91	Increase in payment of bills payable due for base metal trading business during the current period
Accounts payable	**4,807,065**	**2.82**	3,556,153	2.06	35.18	Increase in payment for copper and cobalt business during the current period
Taxes payable	**5,529,776**	**3.25**	2,118,205	1.22	161.06	Increase in corporate income tax payable for copper and cobalt business during the current period
Long-term borrowings	**9,333,840**	**5.48**	18,767,718	10.85	-50.27	Increase in repayment of loans during the current period
Bonds payable	**-**	**-**	2,000,000	1.16	-100	Medium-term notes due within one year reclassified to current liabilities during the current period

MANAGEMENT DISCUSSION AND ANALYSIS

CONTINGENCIES

1) Pending litigations

Copper-Cobalt business of the Group in Congo (DRC)

The Group's Copper-Cobalt business in Congo (DRC) may have some lawsuits, claims and liability claims in the daily operation. The management believes that the results of such contingencies will not have a material adverse effect on the financial position, operating results or cash flows of the business based on the information currently available.

Niobium-Phosphorus business of the Group in Brazil

The Group's Niobium-Phosphorus business in Brazil may involve various litigations in its daily operation. The management determines the possibility of losing the litigations and consequent economic benefits outflow in accordance with the information available and the professional advice of external legal experts. If the possibility of economic benefits outflow is low, the management would determine them as contingencies. The results of such contingencies will not have a material adverse effect on the financial position, operating results or cash flows of the business.

GEARING RATIO

The gearing ratio (total liabilities divided by total assets) of the Group decreased to 49.52% as at 31 December 2024 from 58.40% as at 31 December 2023.

CASH FLOW

As at 31 December 2024, cash and cash equivalents of the Group increased by approximately RMB1,161.96 million or 4.45% to approximately RMB27,280.72 million from approximately RMB26,118.76 million as at 31 December 2023. For the year ended 31 December 2024, net cash inflow generated from operating activities of the Group was approximately RMB32,386.66 million; net cash outflow from investment activities was approximately RMB1,159.65 million; and net cash outflow generated from financing activities was approximately RMB30,571.72 million.

MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the cash flow position of the Group:

Unit: Thousand Yuan Currency: RMB

Item	Amount of the current year	Amount of last year	Change	Percentage of Change *(%)*	Explanation
Net cash flow from operating activities	**32,386,656**	**15,542,003**	16,844,653	108.38	Benefiting from the improvement in operating efficiency, operating profit for the current period increased and operating cash flow increased more than the same period of the previous year, mainly due to the following reasons: the increase in direct sales at the mine end during the period effectively shortened the payback period and the inventory turnover days, and accelerated the recognition of income and the return of cash flow; In addition, the trading segment adjusted its product structure and strengthened its cash flow management to reduce the proportion of inventory capital.
Net cash flow from investment activities	**-1,159,650**	**-10,658,686**	9,499,036	89.12	A year-on-year decrease in expenditure on acquisition and construction of fixed assets of copper and cobalt business during the current period, resulting in a year-on-year decrease in net cash outflow from investing activities.
Net cash flow from financing activities	**-30,571,723**	**-8,606,468**	-21,965,255	-255.22	The decrease in net cash flows from financing activities during the current period was mainly attributable to the optimization of the Group's financing structure and the strengthening of cash flow management. The Group dynamically adjusted the structure and scale of funds and debts to effectively reduce the overall cost of financing. The decrease in the scale of new borrowings and the increase in repayment borrowings during the current period resulted in a higher net cash outflow from financing activities as compared with the corresponding period of the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL STRUCTURE

The Group maintains sound capital structure and credit rating by equity and debt financing to ensure normal production and operating activities. The Group might make adjustments to the capital structure in due course in light of changes in the economic environment by way of borrowing new debts or issuing new shares.

As at 31 December 2024, the equity interests of shareholders of the Company amounted to approximately RMB85.942 billion, among which the equity attributable to shareholders of the parent company was approximately RMB71.023 billion. There was no change in the capital of the Company during 2024.

As at 31 December 2024, the Company issued 21,599,240,583 shares, comprising 17,665,772,583 A shares and 3,933,466,000 H shares.

Details of borrowings and issuance of bonds by the Group as at 31 December 2024 are set out in note (V).23, note (V).32, note (V).34 and note (V).35 to the financial statements.

FINANCIAL INSTRUMENTS

The Group's major financial instruments include cash and bank balances, held-for-trading financial assets, derivative financial assets, financing receivables and accounts receivable, other receivables, non-current assets due within one year, other current assets, other equity instrument investment, other non-current financial assets, other non-current assets, held-for-trading financial liabilities, derivative financial liabilities, notes and accounts payable, other payables, borrowings, other current liabilities, non-current liabilities due within one year, bonds payable, and other non-current liabilities, etc. Details of these financial instruments are disclosed in Note (V) to the financial statements set forth in this report.

SHORT-TERM BORROWINGS

Details of the short-term borrowings are disclosed in Note (V).23 to the financial statements set forth in this report.

LONG-TERM BORROWINGS

Details of the long-term borrowings are disclosed in Note (V).34 to the financial statements set forth in this report.

BONDS PAYABLE

Details of the bonds payable are disclosed in Note (V).35 to the financial statements set forth in this report.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

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

MANAGEMENT DISCUSSION AND ANALYSIS

SUBSEQUENT EVENTS

Congo (DRC) government has promulgated a temporary policy banning exports

On 21 February 2025, Congo (DRC) government promulgated a temporary policy to suspend cobalt exports for 4 months, which became effective on 22 February 2025. The Group will continue to follow up on the progress of the above matter and as of the date of this annual report, the Group does not expect the above matter to have a material impact on the Group's operations.

RESOURCES AND RESERVES

1. BASIC INFORMATION OF PROPRIETARY MINES

Name of mine	Main Category	Resources Ore *(mt)*	Resources Grade *(%)*	Resources Metal *(0'000 tonnes)*	Reserves Ore *(mt)*	Reserves Grade *(%)*	Reserves Metal *(0'000 tonnes)*	Ore throughput for the year *(mt)*	Remaining years of mining life for the resources *(years)*	Validity period of the Ore license/ mining right
TFM Copper and Cobalt Mine in the DRC	Copper	1,342.74	2.24	3,013.94	244.74	2.85	696.84	20.3	12.1	1.5/10 years
	Cobalt	1,342.74	0.25	331.32	244.74	0.29	71.43			
KFM Copper and Cobalt Mine in the DRC	Copper	228.87	1.88	430.51	55.13	2.68	147.72	5.4	10.2	22 years
	Cobalt	228.87	0.91	208.76	55.13	1.02	56.22			
Brazil Mine area I	Niobium	148.9	1.02	152.32	37.20	0.99	36.89	2.4	15.5	Long-term
Brazil Mine area II	Niobium	156.6	0.34	52.51	31.33	0.42	13.23	6.6	27.3	Long-term
	Phosphate	768.5	10.42	8,004.98	180.32	12.46	2,246.71			
Sandaozhuang Molybdenum and Tungsten Mine	Molybdenum	273.15	0.087	23.86	82.82	0.084	6.96	8.4	9.9	10.5 years
	Tungsten	62.20	0.171	10.63	17.3	0.104	1.8			
Shangfanggou Molybdenum Mine	Molybdenum	431.04	0.140	60.17	16.28	0.238	3.87	5.1	3.2	9 years
	Iron	15.95	20.48	325.36	1.30	30.12	39.20			

Notes:

1. The Company has established an effective monitoring and management mechanism for the mining licenses in each mining area; there is no situation where the mining license has not been renewed or cannot be renewed after expiration.

2. In 2024, after the Phase I deep sulfide ores geological exploration at the KFM Mine, the inferred resource was further confirmed and upgraded, resulting in an increase in resources.

3. According to the relevant requirements under the Brazilian Mining Law, mining concessions do not have an expiration date. Therefore, the mining rights for the Brazilian niobium-phosphate mining area remain valid indefinitely. In 2024, in Brazil subsidiary adjusted the geological grade and industrial grade indicators of resources and reserves based on market factors, leading to certain changes in the reserves.

4. Annual ore throughput of Sandaozhuang Mine refers to the throughput of industrial ores in Chinese standards, excluding low-grade ores. The Shangfanggou Molybdenum Mine is owned by Fuchuan Mining, a joint venture of the Company. With the approval of the general meeting of Fuchuan Mining, its operation was entrusted to CMOC.

5. The Company is committed to strengthening geological exploration planning, resource upgrading, and conversion at all mines to further extend their service life.

6. The above information has been confirmed by the Company's relevant experts.

RESOURCES AND RESERVES

2. EXPLORATION, DEVELOPMENT AND MINING ACTIVITIES

(1) Exploration

① Copper and Cobalt Mine in the DRC

TFM Copper and Cobalt Mine: During the Reporting Period, supplementary drilling and deep sidetrack drilling for ore searching were carried out mainly around FGME88, TENK, MKDC, FGVI (including the southern extension of FGVI) and the Pumpi mine section of the West Zone, with a total of 68.9 thousand meters of diamond drilling footage, which has achieved the expected effect of resource upgrading.

KFM Copper and Cobalt Mine: During the Reporting Period, it mainly carried out supplementary exploration for deep sulphide ore (Phase I) and peripheral geological exploration, with a total drilling footage of 20.4 thousand meters and 56 drill holes completed in 2024. Supplementary exploration for deep sulphide ore (Phase I) has been completed to provide geological basis for the development and utilization of sulphide ore in further, of which 14 drill holes were constructed with a drilling footage of 4,362 meters for peripheral geological exploration, which also achieved the expected results.

② Niobium and Phosphate Mine in Brazil

Niobium Mine: In order to reduce the loss and dilution and upgrade the resources, a total of 411 RC holes were constructed during the Peporting Period, with a total footage of 15,165 meters; geotechnical exploration and hydrogeological exploration were carried out at the same time, 24 DDH holes were constructed with a total footage of 4,709 meters; geophysical explorations were carried out and aerial surveys of 12.5 square kilometers were carried out. In the brownfield geophysical survey project of the Catalan Phase II, 1,251 RTK survey points, 1,234 gravimetric survey points, 3,778 gamma spectrum survey points and 3,941 magnetic survey points have been completed to date.

Phosphate Mine: During the Reporting Period, 28 DDH holes were constructed in the Chapadao mining area, with a total footage of 2,569 meters.

RESOURCES AND RESERVES

③ *Mines in the PRC*

Sandaozhuang Molybdenum and Tungsten Mine: During the Reporting Period, deep geological exploration was carried out within the mining area, and the construction of 25 drilling holes have been completed with a total footage of 15,899 meters. Goaf detection was carried out in the northern and southern areas of the mine pit, and 52 detection holes have been completed with a total footage of 2,260 meters.

Shangfanggou Molybdenum Mine: During the Reporting Period, production and exploration projects were carried out in the key production areas of the mine, with a total of 57 drilling holes have been completed with a total footage of 5,455 meters; in-depth exploration has been carried out at standard height of 1,520 meters to 885 meters in mine areas, with a total of 4 drilling holes have been completed with a total footage of 2,248 meters; in order to ensure production safety, mined-out area exploration was carried out in the horizontal mined-out area 1,154 meters to 1,342 meters deep, a cumulative total of 61 exploration holes for mined-out areas were completed, with a total footage of 5,289 meters, including 1,284 meters of footage of exploration holes in single-layered mined-out areas and 4,006 meters of footage for exploration holes in multi-layered mined-out areas. All of the above exploration works have achieved the expected effects.

(2) Development

① *Copper and Cobalt Mine in the DRC*

TFM Copper and Cobalt Mine: During the Reporting Period, mine expansion and surface clearance works for several mines have been completed. Construction of two ore transportation roads have been completed which have greatly shortened the distance for ore transportation. Earthwork construction of side gutters and floor gutters for railway relocation have been completed, including 17.6 thousand cubic meters of rubble and mortar works, 10.8 thousand cubic meters of horizontal gutter excavation and dry masonry, transportation of 8.5 thousand tonnes of washed-out sand, 10.0 thousand tonnes of coarse aggregate and 1.6 thousand tonnes of ballasts.

KFM Copper and Cobalt Mine: During the Reporting Period, a joint drainage system based primarily on mining pits and secondarily on dredging wells the mine was gradually developed. Measures such as district governance, segment retention and platform lags were adopted during the rainy season and 1,170 horizontal primary pumping stations and 1,230 horizontal secondary pumping stations were set up in the primary mining area. Manned monitoring points in the mining areas and dumps were gradually improved, 10 sets of GNSS monitoring points were adjusted and installed internally in the mining area and one set of Reutech real-aperture radar system from South Africa was introduced so that the "manned + GNSS + radar" tripartite all-weather side-slope monitoring model was established within the mining area. Additional temporary transportation roads were built to improve ore and gangue transportation system and reduce the production cost of stripping.

RESOURCES AND RESERVES

② *Niobium and Phosphate Mine in Brazil*

Nobium Mine: During the Reporting Period, construction of the northeastern dumping site has completed vegetation removal and surface clearance works. The mine expansion works and the project of underground drainage pumping system of the mine continued implementation. Preliminary work for the construction of the drainage system project of the BVFR and BVO abrasion systems were being prepared.

Phosphate Mine: During the Reporting Period, construction of No. 3A dump started, the plan has been modified and improved according to the requirements of the local environmental authority. The Environmental Bureau has granted consent to the construction of 2# plateau area and the contractors are entering. At the 1# plateau area, 64% of surface excavation and 44% of reclamation works have been completed.

③ *Mines in the PRC*

Sandaozhuang Molybdenum and Tungsten Mine: During the Reporting Period, ecological restoration work was enhanced according to the national requirements of green mine construction, with an ecological restoration area of 50.3 thousand square meters and a dump site ecological restoration area of 32.8 thousand square meters at the mine. The mainframe engineering works of the accommodation at the newly built gangue dumping site have been completed, approval has been granted for the design of safety facilities and the woodland procedures have been completed.

Shangfanggou Molybdenum Mine: During the Reporting Period, ecological restoration work was further strengthened according to the national requirements of green mine construction, with an ecological restoration area of 39.5 thousand square meters in the mine; 21.0 thousand square meters of slope were reclaimed, 7,380 square meters of roads were hardened, 3,950 meters of concrete ditches were repaired and built and 3,500 meters of temporary ditches were repaired and built.

RESOURCES AND RESERVES

(3) Mining Activities

Unit: 0'000 tonnes

Domestic mining activities (0'000 tonnes)	
Mining volume of Sandaozhuang Molybdenum and Tungsten Mine[1]	842.29
Mining volume of Shangfanggou Molybdenum Mine	518.67
Overseas mining activities (0'000 tonnes)	
Mining volume of TFM Copper and Cobalt Mine in the DRC	2,043.31
Mining volume of KFM Copper and Cobalt Mine in the DRC	699.65
Mining volume of Niobium Mine in Brazil	364.06
Mining volume of Phosphate Mine in Brazil	560.86

Note: The mining volume of Sandaozhuang Molybdenum and Tungsten Mine represents the volume of industrial ores (Chinese standard), which does not include low-grade ores.

(4) Costs of Exploration, Development and Mining

Projects	Mining costs	Exploration costs	Development costs
Domestic mines *(RMB0'000)*			
Sandaozhuang Molybdenum and Tungsten Mine	48,472.89	837.99	5,431.89
Shangfanggou Molybdenum Mine	26,223.35	450.45	1,085.42
Overseas mines *(USD million)*			
TFM Copper and Cobalt Mine in the DRC	787.63	14.52	6.66
KFM Copper and Cobalt Mine in the DRC	519.33	2.91	2.12
Niobium Mine in Brazil	35.82	2.60	5.12
Phosphate Mine in Brazil	13.72	0.70	1.28

MATERIAL EVENTS

I. MATERIAL EVENTS

TFM mixed ore project in DRC reached production

The Company completed the construction of the three production lines of TFM mixed ore in the central zone, oxide ore and mixed ore in the eastern zone in the DRC in October 2023 and reached full production in the first quarter of 2024, achieving an annual production capacity of 450kt of copper and 37kt of cobalt.

For details, please refer to relevant announcements published by the Company on the Company's website, designated media and the websites of the Shanghai Stock Exchange (the "**SSE**") and The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**").

II. DOMESTIC AND FOREIGN INDUSTRIAL POLICIES

On 15 April 2024, the Ministry of Natural Resources, the Ministry of Ecology and Environment and other ministries and commissions jointly issued the Notice on Further Strengthening the Construction of Green Mines (《關於進一步加強綠色礦山建設的通知》), which requires accelerating the green and low-carbon transformation and development of the mining industry and comprehensively promoting the construction of green mines.

On 16 May 2024, the Ministry of Natural Resources issued the Measures for the Management of Exploration and Mining Information of Mineral Right Holders (《礦業權人勘查開採信息管理辦法》) to further regulate the supervision of mining right holders during and after the exploration and mining activities, promote the integrity and self-discipline of mining right holders, and create a fair and competitive market environment.

On 8 November 2024, the SCNPC issued the amendment to the Mineral Resources Law (《礦產資源法》), which will come into effect from 1 July 2025 onwards. It is of great significance in promoting the rational development and utilization of mineral resources, strengthening the protection of mineral resources and ecological environment, safeguarding the rights and interests of the state owners of mineral resources and the legitimate rights and interests of the mining right holders, promoting the high-quality development of the mining industry, and guaranteeing the security of national mineral resources.

On 8 November 2024, the SCNPC voted to adopt the Energy Law of the People's Republic of China (《中華人民共和國能源法》), which came into effect from 1 January 2025. It is of great significance and far-reaching significance for further consolidating the foundation of the rule of law in the field of energy, safeguarding national energy security and promoting green and low-carbon transformation.

On 22 February 2025, ARECOMS (剛果(金)戰略礦物市場監管局) published the announcement that it would suspend cobalt exports for four months starting from 22 February 2025. The measure will be reassessed after three months, and a new decision to modify or terminate the measure may be made if necessary after the reassessment.

RISK WARNING

(I) MINING BUSINESS

1. Risks Related to Price Fluctuations of Principal Products

The profit of the Company primarily generates from the Company's principal products, including copper, cobalt, molybdenum, tungsten, niobium and phosphate. Significant fluctuations in the prices of related mineral products in future may put greater pressure on the Company's operating results.

The Company consolidates the competitiveness of low cost and improves the production capacity, production volume and efficiency of the projects in production through the continuous cost reduction and efficiency improvement and technological upgrading. Meanwhile, the Company strengthens the market research, and uses the financial derivative instruments in a reasonable and prudent manner to mitigate the risk of price fluctuations.

2. Risks Related to Geopolitics and Policies

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

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

3. Risks Related to Interest Rate

The interest rate risk exposure of the Company comes from changes in bank borrowing rates. The risk of changes in cash flows of financial instruments arising from change in interest rate is mainly related to bank borrowings with floating rates. Combined with market judgment, the Company has flexibly adopted interest rate swaps to hedge against interest rate fluctuations on US$-denominated loans, therefore coping with interest rate hikes risks resulting from higher United States interest rates.

4. Risks Related to Exchange Rate

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

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

RISK WARNING

5. Risks Related to Safety and Environmental Protection and Natural Disasters

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

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

(II) TRADING BUSINESS

Trading companies use multiple financial instruments and subject to multiple risks, including price fluctuations, foreign currency, counterparty credit and liquidity risks. An integrated risk management framework is an instrumental part of IXM's governance strategy and objective to achieve sustainable long-term value creation. In addition to managing price and foreign currency risk, IXM implemented a strong monitoring of counterparty credit and ensured the availability of sufficient cash in order to reduce its liquidity risk. In accordance with IXM's risk policy, the Company makes a corresponding provision for its unrealized gains and receivables with counterparties that are deemed at risk.

IXM will continuously update Risk Register with contributions from all key functional departments and updates are discussed with the executive management team. The Company conducts periodic assessments of various functions and processes with a focus on the corresponding policies, implementation, and monitoring controls in place.

1. Market Risks

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

Market risk exposure is classified into either trading or non-trading activities. IXM manages market risk for trading activities by diversifying risks, controlling position natures, sizes and maturities, performing stress testing, monitoring risk limits under the supervision of its Risk Committee. Risk limits are based on a daily measure of market risk exposure referred to as value at risk (VaR). The VaR is a model-based estimate grounded upon various assumptions with a confidence level of 95%. The VaR model undergoes regular backtesting to test the validity of its underlying assumptions. To complement the use of VaR, IXM also applies various other controls like metal concentration limits, nominal volume limits in some illiquid markets, and frequent stress testing of investment portfolio.

RISK WARNING

2. Liquidity Risks

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

Management of the liquidity profile is designed to ensure that the Group has access to the funds necessary to cover maturing liabilities in a timely manner. Sources of funds include interest-bearing and non-interest-bearing deposits, bank notes, trading account liabilities, repurchase agreements, long term debt, borrowing arrangements and financial advances from related parties.

3. Credit Risks

IXM is engaged in the business of trading a diversified portfolio of commodities. Accordingly, a substantial portion of lending exposure (trade receivables and prepayments) alongside (current and potential future) counterparty MtM exposure is with companies across several different industries within the commodity sector.

IXM has implemented risk management procedures to monitor its risk exposures and to minimize counterparty risk. These procedures include initial credit and limit approvals, credit insurance, bank discounting, margin requirements, netting arrangements, letters of credit, other guarantees, and covenants.

The credit quality of financial and other current assets is assessed by reference to credit ratings, historical information about counterparty default rates, risk mitigation tools in place, existing market conditions, market-based ("**systematic**") risk factors and loan-specific ("**idiosyncratic**") risk factors. The rating methodology incorporates several financial metrics, specific financial ratio equivalencies for each credit rating, ESG metrics, operational and industry risk metrics, parent/group support and country risk.

4. Compliance

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

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

CORPORATE GOVERNANCE REPORT

The Board hereby presents this Corporate Governance Report in the Group's annual report for the year ended 31 December 2024.

CORPORATE GOVERNANCE PRACTICES OF THE COMPANY

The Group always strives to uphold high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability for the Group.

The Company has applied the principles and code provisions as set out in the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Hong Kong Listing Rules**").

In the opinion of the Board, the Company has adopted and complied with all applicable code provisions as set out in the Corporate Governance Code throughout the year ended 31 December 2024.

The Company reviews its corporate governance practices regularly to ensure compliance with the Corporate Governance Code.

THE BOARD

During the year ended 31 December 2024, the Board held 7 Board meetings in total for reviewing and approving the financial affairs and usual course of business, considering and approving the annual budgets and the overall strategies and policies of the Company, and considering and approving relevant matters in relation to the continuing connected transaction agreements and external disposal of assets of the Company.

RESPONSIBILITIES

The Board is responsible for the leadership and control of the Group, overseeing the Group's businesses, strategic decisions and performances. The Group's senior management is delegated the authority and responsibilities by the Board to manage the day-to-day management and operations of the Group. In addition, the Board has also established Board committees and has delegated to these Board committees' various responsibilities (including corporate governance functions) set out in their terms of reference respectively.

Every Director carries out his duty in good faith and in compliance with the standards of applicable laws and regulations, and acts in the interests of the Company and its shareholders at all times.

The Company has arranged for appropriate liability insurance which covers legal litigation arising from corporate activities against its Directors and senior management.

BOARD COMPOSITION

The Board currently comprises eight members, including two executive Directors, three non-executive Directors and three independent non-executive Directors. The list of all Directors is set out under "Corporate Information" on page 349 of this annual report and the independent non-executive Directors are expressly identified in all corporate communications pursuant to the Hong Kong Listing Rules. As at the date of this report, the Board comprises the following Directors:

CORPORATE GOVERNANCE REPORT

Executive Directors

Sun Ruiwen, CEO
Li Chaochun, Vice Chairman

Non-Executive Directors

Yuan Honglin, Chairman
Lin Jiuxin, Vice Chairman
Jiang Li

Independent Non-Executive Directors

Wang Kaiguo (elected on 7 June 2024)
Gu Hongyu (elected on 7 June 2024)
Cheng Gordon (elected on 7 June 2024)
Wang Gerry Yougui (retired upon expiry of term of office on 7 June 2024)
Yan Ye (retired upon expiry of term of office on 7 June 2024)
Li Shuhua (retired upon expiry of term of office on 7 June 2024)

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Hong Kong Listing Rules. There is no relationship among members of the Board (including financial, business, family or other material or relevant relationships).

During the year ended 31 December 2024, the Board, at all times, met the requirements of the Hong Kong Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board, with at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received an annual confirmation from each independent non-executive Director of his/her independence pursuant to the requirements of the Hong Kong Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines set out in Rule 3.13 of the Hong Kong Listing Rules.

Non-executive Directors (including independent non-executive Directors) bring a wide range of business and financial expertise, experience and independent judgment to the Board. Through active participation in Board meetings or meetings of Board committees, supervising management issues involving potential conflict of interests and serving on Board committees, all non-executive Directors (including independent non-executive Directors) make various contributions towards the direction of the Company.

All independent non-executive Directors are not involved in day-to-day management. Independent non-executive Directors also express independent opinions on the Board's deliberation to ensure high standards of corporate governance and financial integrity. Taking into account factors such as the proportion and selection of independent non-executive Directors and the frequency with which independent non-executive Directors attend Board meetings, the Company believes that the Board can effectively obtain independent views and opinions. The Board reviews the implementation and effectiveness of this mechanism on an annual basis.

CORPORATE GOVERNANCE REPORT

CHAIRMAN AND CEO

The roles and duties of the Chairman and the CEO are carried out by different individuals and their respective responsibilities have been clearly specified in writing.

The Chairman, Mr. Yuan Honglin, provides leadership for the Board and is also responsible for chairing the meetings, leading the operations of the Board and ensuring that all major and appropriate issues are discussed by the Board in a timely and constructive manner.

The CEO, Mr. Sun Ruiwen, is responsible for running the Company's business operations and implementing the Group's strategic plans and business goals.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

In accordance with the Company's articles of association (the "**Articles of Association**"), all Directors of the Company (including non-executive Directors) are subject to retirement by rotation at least once every three years and any new Director appointed by the Board to fill a casual vacancy or as an addition to the Board shall submit himself/herself for election by shareholders at the first annual general meeting after appointment.

Each Director of the Company is appointed for a term commencing from the date on which the resolution regarding his/her appointment/re-election is passed until the conclusion of the annual general meeting of the Company held in 2024, at which, they have retired and been re-elected. On 7 June 2024, the Company held annual general meeting and elected the next session of the Board. The seventh session of the Board is comprised of Mr. Sun Ruiwen and Mr. Li Chaochun as executive Directors, Mr. Yuan Honglin, Mr. Lin Jiuxin and Mr. Jiang Li as non-executive Directors, and Mr. Wang Kaiguo, Ms. Gu Hongyu and Mr. Cheng Gordon as independent non-executive Directors. The term of office of the seventh session of the Board commenced from the date of conclusion of the 2023 annual general meeting and expire at the end of the 2026 annual general meeting.

According to the detailed working rules for Independent Directors adopted on 9 October 2012, the term of office for independent non-executive Directors shall be the same as that of other Directors of the Company, and they may stand for re-election upon expiry of their term, but the re-appointment shall not exceed six years. The Board proposed a special resolution at the annual general meeting of the Company held in 2015 regarding the amendment to the Articles of Association, fixing the number of the Board members at 7 to 11 so that the number and composition of the Board are in compliance with the requirements under the Company Law and the Hong Kong Listing Rules.

The Nomination and Governance Committee and the Board selected candidates of Directors with reference to substantial shareholders' recommendations and certain criteria and procedures. The relevant criteria mainly include the candidate's professional background, especially his or her experience in the industry where the Group operates, his or her financial and past track record with other similar companies and the recommendations from management and other knowledgeable individuals. The procedures and process of appointment, re-election and removal of Directors are laid down in the Articles of Association. The Nomination and Governance Committee is responsible for reviewing the Board composition, monitoring the appointment, nomination and succession plan of Directors and assessing the independence of independent non-executive Directors.

CORPORATE GOVERNANCE REPORT

TRAINING AND CONTINUING PROFESSIONAL DEVELOPMENT FOR DIRECTORS

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

The Directors are regularly updated with legal and regulatory developments as well as business and market changes to facilitate the discharge of their responsibilities. Briefings and continual professional development schemes for Directors will be arranged whenever necessary.

The Company encourages all Directors to participate in continuous professional development to develop and refresh their knowledge and skills in order to ensure that their contribution to the Board remains fully informed and relevant. During the year ended 31 December 2024, all Directors attended the training courses organized by the Company on corporate governance and regulatory development and obtained and read relevant materials presented to them by the Board Office of the Company, including updates of laws and regulations. According to the details provided, the summary of the continuing professional development for Directors in 2024 is as follows:

	Scope		
Name of Directors	**Laws, Regulations and Corporate Governance**	**Business of the Group**	**Role, Function and Duty of Directors**
Executive Directors			
Mr. Sun Ruiwen	✓	✓	✓
Mr. Li Chaochun	✓	✓	✓
Non-Executive Directors			
Mr. Yuan Honglin	✓	✓	✓
Mr. Lin Jiuxin	✓	✓	✓
Mr. Jiang Li	✓	✓	✓
Independent Non-Executive Directors			
Mr. Wang Kaiguo	✓	✓	✓
Ms Gu Hongyu	✓	✓	✓
Mr. Cheng Gordon	✓	✓	✓
Mr. Wang Gerry Yougui (retired)	✓	✓	✓
Ms Yan Ye (retired)	✓	✓	✓
Mr. Li Shuhua (retired)	✓	✓	✓

Mr. Wang Kaiguo, Ms. Gu Hongyu and Mr. Cheng Gordon had obtained the legal advice under Rule 3.09D of the Listing Rules from the Company's legal advisor on 7 June 2024 and have each confirmed he/she understood his/her obligations as a Director.

CORPORATE GOVERNANCE REPORT

BOARD MEETINGS

Practices and Conduct of Board Meetings

Meeting schedules and draft agendas for each meeting are normally made available to Directors in advance.

Notices of regular Board meetings are served to all Directors at least 14 days before the meetings. For other Board and committee meetings, notice is generally given pursuant to the Articles of Association and the respective terms of reference and detailed working rules of the committees.

The agenda of the Board meeting and the accompanying Board papers are dispatched to all Directors at least three days before each Board meeting and committee meeting for their review and to keep the Directors apprised of the latest developments and financial position of the Company so as to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management whenever necessary for inquiries or additional information.

The senior management will attend all regular Board meetings and when necessary, other Board meetings and committee meetings to advise on business developments, operation, financial and accounting matters, statutory compliance, corporate governance and other major aspects of the Company.

The Articles of Association contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions where such Directors or any of their associates have a material interest.

CORPORATE GOVERNANCE REPORT

Directors' Attendance Records

During the year ended 31 December 2024, the Company convened a total of 7 Board meetings. The attendance records of each Director at the meetings of the Board, Remuneration Committee, Audit and Risk Committee, Nomination and Governance Committee and Strategic and Sustainability Committee and the general meetings are set out below:

	Number of Attendance in Person/Number of Meetings Eligible to Attend						
Name of Directors	Board Meeting	Remuneration Committee Meeting	Audit and Risk Committee Meeting	Nomination and Governance Committee Meeting	Strategic and Sustainability Committee Meeting	Annual General Meeting(1)	Extraordinary General Meeting
Mr. Sun Ruiwen	7/7	N/A	N/A	N/A	1/1	1/1	3/3
Mr. Li Chaochun	7/7	N/A	N/A	N/A	1/1	1/1	3/3
Mr. Yuan Honglin	7/7	3/3	6/6	5/5	1/1	1/1	3/3
Mr. Lin Jiuxin	7/7	N/A	N/A	N/A	N/A	1/1	3/3
Mr. Jiang Li	7/7	N/A	N/A	N/A	N/A	1/1	3/3
Mr. Wang Kaiguo(2)	4/4	2/2	N/A	3/3	N/A	N/A	3/3
Ms. Gu Hongyu(2)	4/4	2/2	3/3	3/3	N/A	N/A	3/3
Mr. Cheng Gordon(2)	4/4	N/A	3/3	3/3	N/A	N/A	3/3
Mr. Wang Gerry Yougui(3)	3/3	1/1	N/A	2/2	1/1	1/1	N/A
Ms. Yan Ye(3)	3/3	N/A	3/3	2/2	N/A	1/1	N/A
Mr. Li Shuhua(3)	3/3	1/1	3/3	2/2	N/A	1/1	N/A

Notes:

(1) The annual general meeting was held on 7 June 2024。

(2) Mr. Wang Kaiguo, Ms. Gu Hongyu and Mr. Cheng Gordon were appointed on 7 June 2024 as independent non-executive Directors of the Company.

(3) Mr. Wang Gerry Yougui, Ms. Yan Ye and Mr. Li Shuhua retired on 7 June 2024 as independent non-executive Directors of the Company.

JOINT COMPANY SECRETARIES

On 7 June 2024, the Company convened the first meeting of the seventh session of the Board, in which a resolution was approved to appoint Mr. Xu Hui as secretary to the Board of the Company and to appoint Mr. Xu Hui and Ms. Ng Sau Mei as joint company secretaries with effect from the date of approval by the Board until the date of the 2026 annual general meeting of the Company is to be convened.

Ms. Ng's primary contact person in the Company is Mr. Xu Hui. Each of Mr. Xu and Ms. Ng has confirmed that he or she undertook no less than 15 hours of relevant professional training during the year.

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MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS, SUPERVISORS AND EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Hong Kong Listing Rules in respect of dealings in the Company's securities by Directors and Supervisors. Having made specific enquiries, all Directors and Supervisors confirmed that the required standards set out in the Model Code have been complied with during the year ended 31 December 2024.

The Company has also formulated written guidelines (the "**Employees' Written Guidelines**") on terms no less exacting than the Model Code for securities transactions by employees of the Company who are likely to be in possession of unpublished inside information of the Company. No incident of non-compliance with the Employees' Written Guidelines by the employees has been noted by the Company after making reasonable enquiry.

DELEGATION BY THE BOARD

The Board reserves its decision-making rights for all major matters of the Company, including: the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular transactions that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters.

All Directors have full and timely access to all relevant information as well as the advice and services of the joint company secretaries, with a view to ensuring that Board procedures and all applicable rules and regulations are complied with. Under appropriate circumstances, Directors may seek independent professional advice relating to relevant queries at the expense of the Company after obtaining consent of the Board.

The day-to-day management, administration and operations of the Company are delegated to the CEO and the senior management. The delegated functions and work tasks are reviewed periodically. Prior to entering into any significant transactions by the abovementioned officers, approvals have to be obtained from the Board.

The Board has established a number of committees, including the Remuneration Committee, the Audit and Risk Committee, the Nomination and Governance Committee and the Strategic and Sustainability Committee for overseeing particular aspects of the Company's affairs. All Board committees of the Company were established with defined written detailed working rules. Board committees are provided with sufficient resources to perform their duties. Upon reasonable requests, Board committees may seek independent professional advice in appropriate circumstances at the expense of the Company.

CORPORATE GOVERNANCE REPORT

REMUNERATION OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The Company has established formal and transparent procedures for formulating policies regarding remuneration of the Directors, Supervisors and senior management of the Group. Details of the remuneration of the Directors, Supervisors and senior management for the year ended 31 December 2024 are set out in note (X).7 to the financial statements.

During the reporting period, except for Mr. Lin Jiuxin and Mr. Jiang Li, non-executive Directors, who waived their remunerations, none of the other Directors has waived or agreed to waive any of their remunerations.

DISCLOSURES OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES PURSUANT TO RULE 13.51B(1) OF THE HONG KONG LISTING RULES

After having made all reasonable enquiries, except for the information disclosed in this annual report, the Company is not aware of any other information of the Directors, Supervisors and chief executives which is required to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules.

REMUNERATION COMMITTEE

The Company has established the Remuneration Committee and set out its specific working rules. As at the date of this report, the Remuneration Committee comprises two independent non-executive Directors, namely Mr. Wang Kaiguo and Ms. Gu Hongyu and one non-executive Director, namely Mr. Yuan Honglin, and Mr. Wang Kaiguo acts as the chairman. The majority of the members of the Remuneration Committee are independent non-executive Directors.

The roles and functions of the Remuneration Committee are set out in its detailed working rules. Its primary functions include: to make recommendations to the Board on the remuneration policy and structure for all Directors and the senior management and to establish transparent procedures for developing such remuneration policy; to make recommendations to the Board on the remuneration packages of individual executive and non-executive Directors and the senior management; and to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration.

The primary aim of the Company's remuneration policy on executive Directors' packages is to enable the Company to retain and motivate executive Directors by linking their remuneration with performance and measured against corporate objectives. The remuneration policy of the Company for non-executive Directors is to ensure that they are sufficiently compensated for their efforts and time dedicated to the Company. In determining the guidelines for each element of the remuneration package, the Company refers to the remuneration surveys conducted by independent external consultants on companies operating in similar businesses.

In order to motivate the senior management of the Company in an effective and reasonable manner to maximize the creation of value for the shareholders and the Company, the Remuneration Committee has taken into account market-oriented principles including the determination of remuneration based on the performance, responsibilities, faults and attitude, the enhancement of rewards and punishment, the comparison with similar overseas and domestic listed companies in the industry, and consideration of granting special awards regarding the special projects and contributions, as well as referring to the advice from professional intermediaries.

CORPORATE GOVERNANCE REPORT

During the year ended 31 December 2024, the Remuneration Committee held three meetings and the matters considered therein included confirmation on the remuneration of senior management, reviewed the employee share ownership plan and its implementation and the revision of the detailed working rules of the Remuneration Committee. The attendance records are set out under "Directors' Attendance Records" on page 64 of this annual report.

AUDIT AND RISK COMMITTEE

The Board resolved to change the name of the Audit Committee to Audit and Risk Committee on 4 August 2018 and its detailed working rules have been updated to better reflect its functions.

The detailed working rules of the Audit and Risk Committee are based primarily on "A Guide for Effective Audit Committees" issued by the Hong Kong Institute of Certified Public Accountants. It is mainly responsible for assisting the Board in reviewing the financial information and reporting process, risk management and internal control systems, effectiveness of the internal audit function, scope of audit and appointment of external auditors, and arrangements to enable employees of the Company to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Audit and Risk Committee provides an important link between the Board and the Company's auditors in matters relating to the Group's audit scope.

The Audit and Risk Committee has reviewed the effectiveness of the external audit and internal control, evaluated risks, and provided comments and advice to the Board. As at the date of this report, the Audit and Risk Committee comprises two independent non-executive Directors, namely Ms. Gu Hongyu and Mr. Cheng Gordon, and one non-executive Director, namely Mr. Yuan Honglin, and Ms. Gu Hongyu acts as the chairperson of the committee. The Audit and Risk Committee has reviewed the audited consolidated results of the Group for the year ended 31 December 2024 with the management and external auditors, according to the accounting principles and practices adopted by the Group, and discussed matters relating to auditing, internal control and financial reporting.

The main duties of the Audit and Risk Committee are set out in its detailed working rules, including the following:

(I) WITH RESPECT TO AUDIT AND FINANCIAL SUPERVISION

- provide proposals to the Board on the appointment, re-appointment and removal of the external auditors, advise on the terms of remuneration and appointment of the external auditors, and deal with matters related to the resignation or dismissal of the auditors;

- review and supervise the independence and objectivity of the external auditors and give opinions in this regard;

- review and monitor the effectiveness of the audit procedures in accordance with applicable standards, discuss with the external auditors about the nature and scope of the audit and the relevant reporting obligations before the audit commences and express opinions in this regard;

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- review the financial and accounting policies and practices of the Company, review the drafts of the annual reports, monitor the integrity of financial statements and annual reports and accounts, half-year reports and quarterly reports of the Company, and review significant financial reporting judgements contained therein and provide opinions in this regard;

- examine on a yearly basis the adequacy of the resources, the qualifications and experience of employees in connection with the Company's financial accounting, financial reporting risk management and internal control functions, as well as the adequacy of the training courses received by employees and the related budgets;

- review arrangements under which employees may raise concerns about possible inappropriateness of financial reporting, risk management, internal control or other matters under the condition of confidentiality;

(II) WITH RESPECT TO RISK MANAGEMENT AND INTERNAL CONTROL

- review the Company's financial control, and review the risk management and internal control systems of the Company;

- discuss the risk management and internal control systems with the management to ensure that the management has discharged its duty to establish an effective system and to resolve the procedural issues of serious internal control deficiencies;

- consider any findings of major investigations about risk management and internal control matters and the management's response; and

- evaluate and enhance the risk management procedures and ensure the current and future rationality, effectiveness and feasibility thereof.

The Audit and Risk Committee supervises the risk management and internal control systems of the Company, reports to the Board on any material issues and makes recommendations to the Board.

During the year ended 31 December 2024, the Audit and Risk Committee held six meetings. The Audit and Risk Committee has also reviewed the financial reporting and compliance procedures, the report from the management on the review and processes of Company's internal control and risk management systems and the re-appointment of the external auditors. The attendance records are set out under "Directors' Attendance Records" on page 64 of this annual report.

During the year ended 31 December 2024, the Audit and Risk Committee held two meetings with the external auditors without the presence of executive Directors.

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NOMINATION AND GOVERNANCE COMMITTEE

The Board resolved to change the name of the Nomination Committee to Nomination and Governance Committee on 4 August 2018 and its detailed working rules have been updated to better reflect its functions.

As at the date of this report, the Nomination and Governance Committee comprises four Directors, including three independent non-executive Directors, namely Mr. Wang Kaiguo, Ms. Gu Hongyu and Mr. Cheng Gordon, and one non-executive Director, namely Mr. Yuan Honglin, and Mr. Wang Kaiguo and Mr. Yuan Honglin acts as the chairman and the vice chairman of the Nomination and Governance Committee respectively, and independent non-executive Directors make up more than half of the members of the Nomination and Governance Committee.

The roles and functions of the Nomination and Governance Committee are set out in the detailed working rules, and it is mainly responsible for (i) with respect to nomination: make suggestions to the Board as to the scale, structure, composition and any proposed change of the Board in light of the business activities, size of assets and shareholding structure of the Company, including reviewing the structure, number, composition and diversity of the background of the Board members (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) at least once a year or as needed; make recommendations to the Board on any proposed change to the Directors and the senior management; study the standards and procedures for the selection or appointment of Directors and senior management, and make recommendations to the Board; search and look for suitable candidates for qualified Directors and senior management, examine any nominated candidates of Directors and senior management and provide recommendations to the Board on this regard. The Board shall fully consider the Nomination and Governance Committee's recommendations on the nomination of the candidates for Directors and senior management; make recommendations to the current Board on the candidates for Directors of the next session of the Board at the re-election of the Board; assess the independence of independent non-executive Directors and any elected independent non-executive Directors; make recommendations to the Board on the candidates for new Directors and senior management at the time when the term of office of the Directors and the senior management expires or they are unable to perform their duties for reasons; assess the performance of the Directors and the senior management and, when necessary, provide advice or make recommendations on the replacement of the Directors and the senior management on the assessment results; and review continuously the needs for leadership and training development plans of the Company to ensure that the Company may continue to operate efficiently and maintain international competitiveness, and to monitor the training and development of Directors; (ii) with respect to corporate governance: review and approve the Company's vision, strategies, framework, principles and policies regarding corporate governance, and make recommendations to the Board; supervise the implementation of the corporate governance policies formulated by the Board and make relevant recommendations; review and consider the Company's corporate governance policies and daily operations to ensure compliance with legal and regulatory provisions, and make recommendations to the Board; review and consider the Code of Conduct and Compliance Manual (if any) on corporate governance applicable to the Company's Directors and employees; review and consider whether the Company complies with Appendix C1 Corporate Governance Code to the Hong Kong Listing Rules, the disclosure provisions relating to the Corporate Governance Report and other relevant rules; review and assess the annual Corporate Governance

CORPORATE GOVERNANCE REPORT

Report for consideration and approval and disclosure by the Board; examine, supervise and respond to the emerging corporate governance and, where appropriate, make recommendations to the Board to continuously improve the Company's corporate governance performance; support the plans for corporate governance outside the Company (both local and overseas), where appropriate, to facilitate the continuous development of corporate governance; review and supervise the assessment procedures of the Board (including its committees and individual members), assess the Board on a regular basis, and submit assessment reports to the Board for consideration and approval; review and supervise the implementation of the shareholder communication policies to ensure its effective implementation and, where appropriate, make recommendations to the Board on strengthening the relationship between shareholders and the Company; and review and supervise the training and continuous professional development of the Directors, Supervisors and senior management.

BOARD DIVERSITY POLICY

The Company adopted a board diversity policy. All appointments to the Board will be made on a merit basis.

The Nomination and Governance Committee reviews and evaluates the composition of the Board, makes recommendations to the Board in relation to the appointment of new Directors, as well as monitors the conduct of annual review on the effectiveness of the Board. When reviewing and evaluating the composition of the Board, the Nomination and Governance Committee will follow the board diversity policy to consider from a number of aspects the benefit of diversity, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, in order for the Board to maintain an appropriate scope and a balance in talents, skills, experience and background. In recommending candidates for appointment to the Board, the Nomination and Governance Committee will consider candidates on merit against objective criteria and with due regard for the benefit of diversity in the Board. In monitoring the effectiveness of the annual review of the Board, the Nomination and Governance Committee will consider the balance of talents, skills, experience, independence and knowledge on the Board and its diversity representation.

The Nomination and Governance Committee will review the composition of the Board in terms of diversity annually and monitor the implementation of the board diversity policy.

As at the date of this report, the composition of the Board in terms of diversity is summarized as follows:

<table>
<tr><td>Educational background</td><td colspan="2">Bachelor</td><td colspan="5">Master</td><td>PhD</td></tr>
<tr><td>Designation</td><td colspan="2">Executive Director</td><td colspan="3">Non-executive Director</td><td colspan="3">Independent Non-executive Director</td></tr>
<tr><td>Gender</td><td colspan="7">Male</td><td>Female</td></tr>
<tr><td>Nationality</td><td colspan="7">Chinese (including Hong Kong, China)</td><td>Overseas</td></tr>
<tr><td>Age group</td><td colspan="2">40 to 50</td><td colspan="4">50 to 60</td><td colspan="2">60 to 70</td></tr>
<tr><td>Length of service</td><td colspan="6">within 5 years</td><td colspan="2">over 10 years</td></tr>
<tr><td>0</td><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td></tr>
</table>

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The Company targets to maintain a Board with female representation, and the Nomination and Governance Committee will actively consider increasing the percentage of female members when selecting and making recommendations on suitable candidates for members of the Board. The Company is conscious of gender diversity when considering potential successors to the Board to achieve gender diversity.

The Nomination and Governance Committee has reviewed the board diversity policy to ensure its effectiveness and is of the opinion that the Group has achieved the board diversity policy.

Please refer to the 2024 Environmental, Social and Governance Report of CMOC Group Limited disclosed by the Company on the websites of the SSE (www.sse.com.cn), the Stock Exchange (www.hkexnews.hk) and the Company (www.cmoc.com) for details such as the gender ratio of all employees of the Company (including senior management), workforce diversity policies, etc.

DIRECTOR NOMINATION POLICY

The Company has adopted a director nomination policy aiming at setting out the criteria and process for the nomination and appointment of Directors and ensuring the Board possesses the required skills, experience and diversity of perspectives appropriate to the Company's business as well as ensuring the Board continuity and its leadership role. In assessing the suitability of a proposed candidate, the Nomination and Governance Committee will consider a number of factors including:

- character and integrity;
- qualifications, including cultural and educational background, professional qualifications, skills, knowledge and experience related to the Company's business and strategy, and the diversity of factors referred to in the board diversity policy;
- the independence of a candidate proposed to be appointed as an independent non-executive Director, in particular by reference to the independence requirements under the Hong Kong Listing Rules;
- any potential contributions the candidate may bring to the Board in terms of diversified aspects, including professional qualifications, skills, professional experience, tenure of service, independence, race, gender and age;
- willingness and commitment to allocate sufficient time to discharge duties as a member of the Board and/or a member of the Board committees;
- the Company's business activities, asset size and shareholding structure, as well as the Company's corporate strategy; and
- such other factors that are appropriate to the Company's business and the succession planning and where applicable, may be adopted and/or amended by the Board and/or the Nomination and Governance Committee from time to time.

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The director nomination policy also sets out the procedures for the selection and appointment of new Directors and re-election of Directors at general meetings. In relation to the appointment of a new Director, the Nomination and Governance Committee will request the candidate to provide his/her biographical information and other information deemed necessary. The Nomination and Governance Committee will review and take reasonable steps to verify the information obtained from the candidate and seek clarification, where required. The Nomination and Governance Committee may, at its discretion, invite any candidate to meet with the Nomination and Governance Committee members to assist them in their consideration of the proposed nomination or recommendation. The Nomination and Governance Committee will then submit its nomination proposal to the Board for consideration and approval and then make recommendation to the shareholders of the Company for approval.

The Nomination and Governance Committee will conduct regular review on the structure, size and composition of the Board and the director nomination policy, and where appropriate, make recommendations on changes to the Board for consideration and approval to complement the Company's corporate strategy and business needs to ensure its effectiveness.

The Nomination and Governance Committee held five meetings during the year ended 31 December 2024. The main topic considered was to review the Company's compliance with the corporate governance functions, including Directors' performance of duties, board diversity policy, Directors' professional and sustainable developments. The attendance records are set out under "Directors' Attendance Records" on page 64 of this annual report.

STRATEGIC AND SUSTAINABILITY COMMITTEE

The Board resolved to change the name of the Strategic Committee to Strategic and Sustainability Committee on 4 August 2018, and has updated its detailed working rules to better reflect its functions.

The Strategic and Sustainability Committee is responsible for formulating the overall sustainable development plans and investment decision-making procedures of the Group. As at the date of this report, the Strategic and Sustainability Committee members comprises two executive Directors, namely Mr. Li Chaochun and Mr. Sun Ruiwen, one independent non-executive Director, namely Mr. Wang Kaiguo, and three non-executive Directors, namely Mr. Yuan Honglin, Mr. Lin Jiuxin and Mr. Jiang Li, with Mr. Yuan Honglin acting as the chairman of the committee.

During the year ended 31 December 2024, the Strategic and Sustainability Committee held one meeting; matters considered included assessment of the culture, management framework, affairs, risk management, capacity building and other matters in the fields of environment, social responsibility and sustainability of the Company, etc. The attendance records are set out under "Directors' Attendance Records" on page 64 of this annual report.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE FUNCTIONS

The Nomination and Governance Committee is responsible for performing the functions of corporate governance.

During the reporting period, the Nomination and Governance Committee has reviewed the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and the Employees Written Guidelines, and the Company's compliance with the Corporate Governance Code and disclosure in Corporate Governance Report.

SUPERVISORY COMMITTEE

As at the date of this report, the Supervisory Committee of the Company comprises three members, namely Mr. Zheng Shu, Mr. Zhang Zhenhao and Mr. Luo Yunxiang. The Supervisory Committee is responsible for exercising supervision over the Board and its members and the senior management, and preventing them from abusing their power and authorities and jeopardizing the legal interests of the shareholders, the Company and its employees. During the year ended 31 December 2024, the Supervisory Committee held six meetings to review the financial positions and the internal control of the Company, and adhered to the principle of good faith and proactively carried out various work.

The terms of office of Supervisors (including employee representative Supervisor) commenced from the date on which the resolutions in relation to appointment/re-election were passed until the date of the Company's 2026 annual general meeting and they are subject to retirement and re-election.

Pursuant to the Articles of Association, all Supervisors shall retire from office by rotation at least once every three years. The shareholder representative shall be elected at general meetings, and the employee representative shall be elected democratically by the employees of the Company. The resolutions, regarding the proposed election of members of the seventh session of the Supervisory Committee have been considered and approved at the twenty-first meeting of the sixth session of the Supervisory Committee held in April 2024, by which Mr. Zhang Zhenhao and Mr. Zheng Shu were proposed to be elected as non-employee representative members of the seventh session of the Supervisory Committee. These resolutions have been considered and approved at the 2023 annual general meeting of the Company. On 31 May 2024, the Company convened an employee representatives' meeting, which approved the Resolution on the Nomination of Li Hongwei as the Candidate for the Employee Representative Supervisor of CMOC, which elected Mr. Li Hongwei as an employee representative Supervisor of the Company; On the same day, Mr. Xu Wenhui resigned as an employee representative Supervisor of the Company due to personal work adjustments. On 10 December 2024, the Company convened an employee representatives' meeting, which approved the Resolution on the Nomination of Luo Yunxiang as the Candidate for the Employee Representative Supervisor of CMOC, which elected Mr. Luo Yunxiang as an employee representative Supervisor of the Company; On the same day, Mr. Li Hongwei resigned as an employee representative Supervisor of the Company due to personal work adjustments.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

Directors' Responsibilities for Financial Statements

The Directors acknowledged their responsibilities for preparing the consolidated financial statements of the Company for the year ended 31 December 2024.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other disclosures required under the Hong Kong Listing Rules and other regulatory requirements.

The senior management provides explanations and information to the Board for approval so as to enable the Board to make an informed assessment and to consider and approve the financial information and position of the Company.

The statement of the independent auditors of the Company about their reporting responsibilities on the consolidated financial statements is set out in the Auditor's Report on page 128 of this annual report.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board has overall responsibility for maintaining the soundness and effectiveness of the internal control system and risk management procedures of the Group, including setting up a management structure and its terms of reference to ensure efficient and effective use of the Group's resources to assist the Group in achieving its operation objectives, safeguarding the Group's assets against any unauthorized use or disposal and ensuring appropriate maintenance of relevant records.

The Board acknowledges that it is responsible for the risk management and internal control systems and reviewing the effectiveness of such systems. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board maintains on-going supervision over the risk management and internal control systems of the Company through the Audit and Risk Committee, and has reviewed the effectiveness of such systems during 2024. The said review covered all material controls, including financial, operational and compliance controls.

The Board is of the opinion that the Company has adequate resources, staff qualifications, experience and training programmes as well as the relevant budget in terms of accounting, internal audit and financial reporting.

During 2024, the Audit and Risk Committee has reviewed the following matters:

- 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;

CORPORATE GOVERNANCE REPORT

- the scope and quality of management's ongoing monitoring of risks and the internal control systems, and the work of its internal audit function and other assurance providers;

- significant control failings or weaknesses that have been identified during the period, and 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 Company's financial performance or condition; and

- the effectiveness of the Company's processes for financial reporting and compliance of the Hong Kong Listing Rules.

Deloitte Touche Tohmatsu Certified Public Accountants LLP has been appointed to review the effectiveness of internal control in relation to the financial report of the Company as at 31 December 2024 in accordance with relevant requirements under the Corporate Internal Control Audit Guidelines and the China Standards on Auditing and Quality Control. Its responsibilities are to express an audit opinion on the effectiveness of internal control over the financial report after conducting an audit, and to disclose the material defects that have come to its attention in the internal control over non-financial reports. Deloitte Touche Tohmatsu Certified Public Accountants LLP is of the view that the Company has maintained effective internal control over the financial report in all material aspects in the year ended 31 December 2024 in accordance with the Basic Rules for Corporate Internal Control and relevant requirements.

The Board evaluates the effectiveness of internal control system once a year. During the reporting period, the Company completed an internal control self-assessment report for 2024. The Board has evaluated and validated the risk management and internal control system of the Group and has not found any violation of laws, regulations and rules or any significant deficiency in compliance monitoring and risk management or any major mistake. The Board considers the risk management and internal control systems of the Group are effective.

Details of the Audit Report on Internal Control issued by Deloitte Touche Tohmatsu Certified Public Accountants LLP and the Internal Control Self-Assessment Report for 2024 of the Company had been published on the websites of the SSE, the Stock Exchange and the Company on 21 March 2025.

The Company has established an internal audit system. The internal control system of the Group is designed to facilitate effective and efficient operations, to ensure reliability of financial reporting and compliance with applicable laws and regulations, to identify and manage potential risks and to safeguard assets of the Group. The internal control system established by the Group for the purposes of risk management and control, together with internal audit and findings in the operation and management, and with reference to audit findings by external auditors, can be used to comprehensively recognize, evaluate and supervise material risks that the Group faces, including operation and decision-making risk, financial management and control risk and the risks resulted from the changes of operating environment. The internal auditors and senior management shall evaluate operational controls and risk management on a regular basis and report to the Audit and Risk Committee on any findings concerning internal control and risk management. The Audit and Risk Committee supervised the implementation of various rectification measures, and the rectification work was in line with expectations after subsequent tracking and checking.

CORPORATE GOVERNANCE REPORT

DEALING WITH AND PUBLISHING INSIDE INFORMATION

The Company has formulated a policy regarding dealing with and publishing inside information, which specifies the procedures of and internal control over dealing with and publishing inside information to deal with and publish inside information in due course, without leading to place any person in a privileged position in security transactions. The inside information policy also provides guidance to the employees of the Group to ensure appropriate measures are put in place and prevent from contravening the disclosure requirements as stipulated in laws and Hong Kong Listing Rules by the Group. The Company has established appropriate internal control and reporting system to identify and evaluate potential inside information. Pursuant to the requirements of Hong Kong Listing Rules, the Company publishes the relevant information relating to inside information on the websites of SSE, the Stock Exchange and the Company.

AUDITORS' REMUNERATION

For the year ended 31 December 2024, the remuneration paid to the auditors of the Company, Deloitte Touche Tohmatsu Certified Public Accountants LLP, is set out below:

Types of services	Remuneration paid/ to be paid *RMB'000*
Annual audit service	9,480
Internal control audit	2,140

Note: For the avoidance of ambiguity, the auditor's remuneration set out above is only the remuneration paid to the auditor Deloitte Touche Tohmatsu Certified Public Accountants LLP who provides annual audit services to the Company, fees paid by the Group to other organizations that provide accounting services were not included.

Deloitte Touche Tohmatsu Certified Public Accountants LLP provides auditing of financial statements of the parent company and the consolidated financial statements and reviews on the effectiveness of internal control for the Company. In 2024, annual financial auditing for the Company's overseas businesses was conducted by Deloitte Touche Tohmatsu Auditores Independentes (Brazil), Deloitte Services SARL (DRC) and Deloitte SA (Swiss), the annual financial statements and internal control audit expenses of overseas business amounted to approximately RMB6.407 million.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTOR RELATIONS

The general meetings of the Company provide a forum for communication between the shareholders and the Board. The Chairman as well as chairmen of the Audit and Risk Committee, Remuneration Committee, Nomination and Governance Committee and Strategic and Sustainability Committee shall attend the forthcoming annual general meeting to answer questions of the shareholders.

CORPORATE GOVERNANCE REPORT

As of the end of the reporting period, in accordance with the latest provisions of relevant laws, regulations, normative documents and the Articles of Association, the Company had formulated the Management System of External Donations of CMOC, the Management System of Market Value of CMOC and the Management System of Public Opinion of CMOC; had revised and improved the Articles of Association, Working System of Independent Directors of CMOC, the Management System of Market Value of CMOC and the Management System of Public Opinion of CMOC; Detailed Working Rules of the Strategic and Sustainable Development Committee of CMOC, Detailed Working Rules of the Nomination and Governance Committee of CMOC, Detailed Working Rules of the Remuneration Committee of CMOC, Working Rules of Connected Transactions Management System of CMOC, and Management Measures for Derivative Transactions of CMOC, in order to regulate the operation of the global business.

The Company is committed to disseminating important information regarding the Group to the public. To facilitate effective communication, the Company set up the website www.cmoc.com which sets out the information and updates relating to the Company's business development and operation as well as financial information and other information available for public inspection.

The management of the Company regularly reviews the implementation and effectiveness of the various channels of communication with our shareholders. Given that no negative feedback was received during the financial year, we believe that these communication channels are effective.

SHAREHOLDERS' RIGHTS

To safeguard the shareholders' interests and rights, separate resolutions are proposed at shareholders' meetings on each substantial issue (including the election of individual Directors).

All resolutions put forward at a general meeting will be taken by poll pursuant to the Hong Kong Listing Rules and the poll results will be posted on the websites of the Company, the Stock Exchange and the SSE after the general meeting.

CONVENING AN EXTRAORDINARY GENERAL MEETING BY SHAREHOLDERS

Shareholders either individually or collectively holding more than 10% of the shares of the Company may, through signing one or more copies of requisition(s) in the same form and content stating the topics to be discussed at the meeting, require the Board to convene an extraordinary general meeting or a class meeting. The Board shall, in accordance with the laws, administrative regulations and Articles of Association, furnish a written reply stating its agreement or disagreement to the convening of an extraordinary general meeting within ten days after receiving aforesaid written requisition(s).

In the event that the Board agrees to convene an extraordinary general meeting, the notice of the general meeting shall be issued within five days after the passing of the relevant resolution of the Board. Any change to the original proposal made in the notice requires prior approval of the shareholders concerned.

CORPORATE GOVERNANCE REPORT

In the event that the Board does not agree to convene an extraordinary general meeting or does not furnish any reply within 10 days after receiving such requisition(s), shareholders individually or collectively holding 10% or more of the Company's shares shall be entitled to propose to the supervisory committee to convene the extraordinary general meeting, provided that such proposal shall be made in writing.

In the event that the supervisory committee agrees to convene an extraordinary general meeting, the notice of the general meeting shall be issued within five days after receiving such proposal. Any changes to the original proposal made in the notice shall require prior approval of the shareholders concerned.

Failure of the supervisory committee to issue the notice of the general meeting within required time frame shall be deemed as failure of the supervisory committee to convene and preside over a general meeting, in which case, shareholders individually or collectively holding 10% or more of the Company's shares for 90 consecutive days or more may convene and preside over the meeting on his/her/their own.

Where the supervisory committee or shareholders decide(s) to convene the general meeting by itself/themselves, it/they shall send out a written notice to the Board, and shall file with the dispatched office of the CSRC at the locality of the Company and the stock exchange. The shareholding of the convening shareholders shall not be lower than 10% prior to the announcement of the resolutions of the general meeting. The supervisory committee or the convening shareholders shall submit relevant evidence to the dispatched office of the CSRC at the locality of the Company and the stock exchange upon the issuance of the notice of general meeting and the announcement of the resolutions of the general meeting.

PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS

When the Company convenes a general meeting, the Board, supervisory committee or the shareholders either individually or collectively holding 3% or more of the Company's shares may put forward proposals to the Company.

Shareholders either individually or collectively holding 3% or more of the Company's shares may submit their provisional motions to the convener 10 days before the date fixed for convening of the meeting. The convener shall issue a supplementary notice of the general meeting two days after the motions have been received and announce the name of the shareholder submitting the provisional motions, shareholding percentage and the contents of the motions.

Save for the circumstances referred to in the preceding paragraph, after the convener has issued the notice on the general meeting, no change shall be made to the motions listed in the notice of the meeting nor new motions shall be added. The general meeting shall not vote on or resolve motions not listed in the notice of the general meeting or motions which do not meet the following requirements:

Content of proposals at the shareholders' general meeting shall be matters falling within the functions and powers of general meeting. It shall have definite topics to discuss and specific matters to resolve and comply with the laws, administrative regulations and the requirements in the Articles of Association.

CORPORATE GOVERNANCE REPORT

SHAREHOLDERS' ENQUIRIES

Enquiries about Shareholdings

Shareholders should direct their enquiries about their shareholdings to the Board Office at the Company's principal place of business in the PRC (for holders of A shares) or at the H share registrar of the Company, Computershare Hong Kong Investor Services Limited (for holders of H shares).

The address and contact details of the Company's principal place of business in the PRC are as follows:

North of Yihe, Huamei Shan Road, Chengdong New District
Luanchuan County
Luoyang City
Henan Province
The People's Republic of China
Telephone No.: (+86) 379 6860 3993
Facsimile No.: (+86) 379 6865 8017

The address and contact details of the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, are as follows:

17M Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong
Telephone No.: (+852) 2862 8555
Facsimile No.: (+852) 2865 0990/(+852) 2529 6087

ENQUIRIES ABOUT CORPORATE GOVERNANCE OR OTHER MATTERS TO BE PUT TO THE BOARD AND THE COMPANY

The Company will not normally deal with verbal or anonymous enquiries. Shareholders may send written enquiries to the Company, for the attention of the Board Office, by email: 603993@cmoc.com, fax: (+86) 379 6865 8017, or mail to North of Yihe, Huamei Shan Road, Chengdong New District, Luanchuan County, Luoyang City, Henan Province, the People's Republic of China (Attention: Ms. Wang Chunyu). Shareholders may call the Company at (+86) 379 6860 3993 for any assistance.

Note: Shareholders' information may be disclosed as required by law.

CONSTITUTIONAL DOCUMENTS

The Company approved the amendments to the Articles of Association at the extraordinary general meeting held on 10 December 2024. The latest Articles of Association are available on the websites of the SSE, the Stock Exchange and the Company.

On 21 March 2025, the Board resolved to seek approval from the shareholders of the Company for the proposed amendments to the Articles of Association of the Company. The proposed amendments will not become effective until they are approved at the 2024 annual general meeting.

REPORT OF THE BOARD OF DIRECTORS

Dear Shareholders:

The Board of the Company is pleased to present its 2024 annual report and the audited consolidated financial statements of the Company for the year ended 31 December 2024.

ESTABLISHMENT OF THE COMPANY

The Company was incorporated in the PRC on 25 August 2006 as a joint stock limited company in preparation for the listing of the Company's shares on the Stock Exchange. Details are set out in the H share prospectus of the Company dated 13 April 2007.

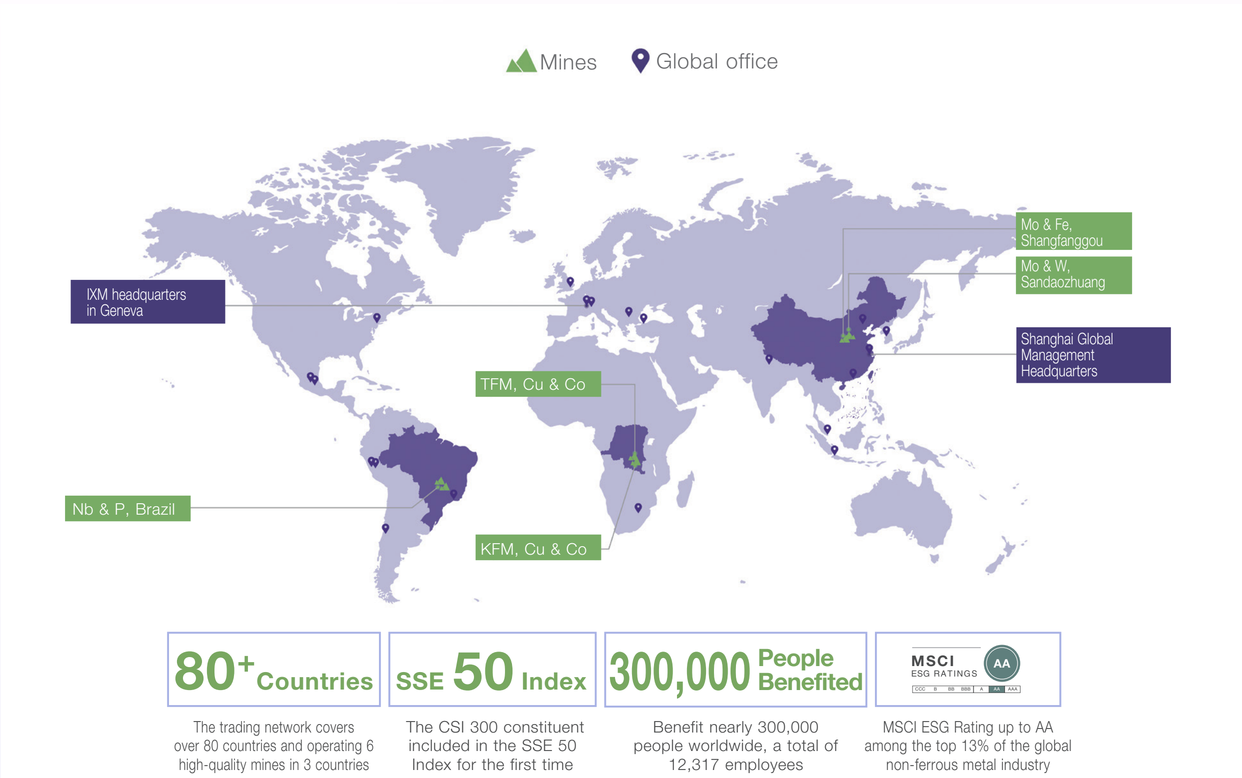
On 26 April 2007, the Company completed its initial public offering of H shares and the H shares of the Company were successfully listed on the Stock Exchange.

On 24 September 2012, the Company completed its initial public offering of A shares. On 9 October 2012, the A shares of the Company were successfully listed on the SSE.

PRINCIPAL ACTIVITIES

(I) Principal Businesses

The Company engages in the non-ferrous metal industry, mainly the mining and processing business, which includes mining, beneficiation, smelting and refining of base and rare metals, and metal trading business. With its main business located over Asia, Africa, South America and Europe, the Company is the world's leading producer of copper, cobalt, molybdenum, tungsten and niobium. It is also a leading producer of phosphatic fertilizers in Brazil. In terms of trading business, the Company is one of the leading metal traders in the world. The Company ranked 145th among the Fortune China 500 in 2024, 621st among the top 2,000 global listed companies by Forbes 2024, and 19th among the top 50 global mining companies by market value in 2024.



REPORT OF THE BOARD OF DIRECTORS

1. Mining and Processing Business

(1) Domestic

During the reporting period, the Company mainly operated Sandaozhuang Molybdenum & Tungsten Mine and Shangfanggou Molybdenum Mine which belongs to the joint venture in the PRC, being engaged in the mining, smelting, deep processing and scientific research of molybdenum, tungsten metals, and possessed a complete business which integrated upstream and downstream processes including mining, processing, roasting and chemical products, with its main products including ferromolybdenum, ammonium paratungstate, tungsten concentrate and other molybdenum & tungsten related products, as well as the recovery of the by-product concentrates including iron, copper, fluorite and rhenium.

(2) Overseas

TFM Copper and Cobalt Mine and KFM Copper and Cobalt Mine operated in the DRC

The Company indirectly holds 80% equity interests in the TFM Copper and Cobalt Mine, which covers an area of over 1,500 square kilometers, and its businesses cover the exploration, mining, refining, processing and marketing, with a complete range of processes and procedures from mining to processing. The main products of TFM are copper cathode and cobalt hydroxide.

The Company indirectly held 71.25% equity interests in KFM Copper and Cobalt Mine. The KFM phase I project reached production capacity in the second quarter of 2023, with the main products being copper cathode, cobalt hydroxide and a small amount of copper and cobalt sulfide concentrate.

CIL Phosphate and NML Niobium Mine operated in Brazil

The Company indirectly held 100% equity interests in the Brazil CIL Phosphate, covering the whole industry chain of phosphate. Its main products included: high-analysis phosphate fertilizer (MAP, NPS), low-analysis phosphate fertilizer (SSG and SSP powder), animal feed supplements (DCP), intermediate products (phosphoric acid and sulfuric acid, the latter mainly used by own use) and relevant by-products (gypsum, fluosilicic acid).

The Company indirectly held 100% equity interests in the Brazil NML Niobium Mine, covering exploration, mining, refining, processing and marketing of niobium, with main product of ferroniobium.

REPORT OF THE BOARD OF DIRECTORS

2. Mineral Trading Business

The headquarters of IXM locates in Geneva, Switzerland, which is one of the leading base metal traders in the world. IXM and its member units constitute a global metals trading network with operations in over 80 countries, mainly in China, Latin America, North America and Europe, as well as a global logistics and warehousing system. The products are mainly sold to Asia and Europe. Over these years, IXM has deeply developed in the minerals trading industry, accumulated a wealth of experience in the minerals trading industry, built up a good reputation, and established certain barriers in the industry.

(II) Business Model

1. Mineral mining and processing business

The Company's mine business adopts a model of centralized operation and level-to-level management. Besides, the Company has been seeking for investment, merger and acquisition opportunities on the projects of high-quality resources in a global scale.

(1) Procurement model

The global supply chain department of the Group performs centralised management on needs for supplies arising from project development and production and operations. It conducts vertical management to strengthen the control on whole process from planning for supplies requirement, procurement and supply, contract execution, logistics and transportation, warehousing and storage and supplier management, and determines the potential suppliers mainly through invitation for bids, bidding, negotiation and procurement directly from the suppliers.

(2) Production model

A large-scale mining, beneficiation, melting and refining model is adopted in most of the occasions. Moreover, the production plan is formulated and the best level of output is decided in line with the reserves of mines and the service life and on the basis of the market research.

(3) Sales model

Principal products of the Company include copper, cobalt, molybdenum, tungsten, niobium, and phosphate and other related products, wherein:

① The principal copper and cobalt products are copper cathode and cobaltous hydroxide. The copper cathode business has also established a business model of mine – IXM – terminal processing plant; while the cobaltous hydroxide is mainly sold to downstream cobalt smelting plants and downstream producers in the new energy supply chain through IXM's trading network;

REPORT OF THE BOARD OF DIRECTORS

② The direct sales model of "manufacturer – sales company – consumer" has been mainly adopted in molybdenum, tungsten and related products, with the indirect sales model of "manufacturer – third party dealer – consumer" as the auxiliary;

③ Niobium products has also established a distribution model of "manufacturer – IXM – consumer", integrating the IXM global sales network and the sales network of ferroniobium customers of the domestic sales team in China, and continuously increasing the profit of ferroniobium sales.

④ Phosphate products are produced and sold locally. The fertilizer mixers mix the Company's phosphate fertilizer with other auxiliary materials according to different formulas to produce mixed fertilizers and sell them to the end customers within Brazil.

2. *Mineral Trading Business*

Spot trading of IXM mainly seeks low-risk arbitrage opportunities in the value chain, and hedges the price change risks of spot positions through derivative financial instruments such as futures contracts to reduce potential price risks and gain returns, for example, arbitrage between different qualities and grades of the goods (quality spread), arbitrage between different locations or futures exchanges (location spread) and arbitrage based on different delivery periods (time spread) based on judgement on market supply and demand. After discovering the above mismatch opportunities, IXM locked in profits by buying in the cheap market and selling in the expensive market.

(1) *Concentrate metal trading*

The gross profit of this business mainly comes from the difference between treatment charge/refining charge (TC/RC). IXM obtains profit from the difference between TC/RC agreed between the mine and the smelter through its deep understanding and prediction of market supply and demand, and the establishment of a strong cooperative relationship with mineral producers and smelters. It accounts for a large proportion of the gross profit of IXM's concentrate business.

(2) *Refined metal trading*

The gross profit of this business mainly comes from changes in basis premiums and discounts and cash arbitrage (the difference between the spot price and the futures price or the difference between the recent and forward futures contracts). With the layout of IXM in the entire value chain, the position-holding cost (including storage, insurance and financing costs, etc.) is kept at a low level. When the profits obtained through the cash basis difference can fully cover the corresponding position-holding cost, IXM is able to lock profits with lower risks.

REPORT OF THE BOARD OF DIRECTORS

(3) *Sourcing, sales and risk control*

IXM is based on a commercial and logistics network in key regions, an integrated supply chain, as well as long- and short-term strategic mining off-takes and downstream investment to ensure that its sourcing and sales strategies are effectively implemented, and the flow of exclusive funds is unblocked. IXM dedicates considerable time and resources to analyzing market balances and seeking possible trading opportunities through regular contact with IXM market research team and research institutes of this field.

IXM has built a diversified supplier and customer portfolio which includes mines, integrated mineral companies, smelters and refined metal retailers, etc., on the basis of the substantial network of contacts all along the global supply and sale chains. IXM tends to work mostly with proven and performing counterparties.

While IXM conducts spot trading of non-ferrous metals, it also holds futures contracts of the same metal species that can be settled on a net basis. Taking advantage of the strong correlation between spot trading and future businesses, through the combined business model of futures business and spots trading, in the upswing cycle of the spot market, the profits of the spot trading side make up for the losses of the futures business; in the downward cycle of the spot market, the profits of the futures business make up for the losses of the spot trading side. This business model reduces the risks caused by industry cyclical and price fluctuations, and creates stable and sustainable profits for enterprises.

IXM has a mature risk management and control system. After the risk prevention and control strategy (VaR) is approved by the Company, it will be implemented by the risk management and macro strategy committee (committee members) of IXM. IXM has set up a special risk management department to ensure that IXM's risk control policies can be strictly implemented.

REPORT OF THE BOARD OF DIRECTORS

BUSINESS REVIEW

According to the Schedule 5 of the Companies Ordinance of Hong Kong (Chapter 622 of The Laws of Hong Kong), discussion and analysis were made including the business review for the year ended 31 December 2024 and discussion on business development in the future which are described on the section headed "Business Review and Prospects" on page 32 to page 36 of this annual report, while description of principal risks and uncertainties facing by the Group can be found in different parts of this annual report, including the descriptions under the section headed "Risk Warning" on page 56 to page 58. Analysis using financial key performance indicators is described in the section headed "Management Discussion and Analysis" on page 37 to page 49 of this annual report. The above discussion forms part of the Report of the Board of Directors.

CORPORATE BONDS

Basic information about issue of corporate bonds is as follows:

Name of bonds	Abbreviation	Code	Issue date	Mature date	Balances of bonds	Interest Rate (%)	Payment method for principal and interest	Trading venues
Public issuance of 2022 Renewable Corporate Bonds (first tranche) of CMOC Group Limited to professional investors	22CMOCY1	138732	2022/12/16	2025/12/16	RMB1 billion	5.62	Interest payment once a year, one-off payment of principal upon expiry	Shanghai Stock Exchange
CMOC Group Limited 2020 first tranche medium-term notes	20 CMOC MTN001	102001086	2020/5/26	2025/5/28	RMB1 billion	4.20	Interest payment once a year, one-off payment of principal upon expiry	Interbank Market
CMOC Group Limited 2022 first tranche medium-term notes (sustainably linked)	22 CMOC MTN001 (sustainably linked)	102280263	2022/2/14	2025/2/16	RMB1 billion	3.80	Interest payment once a year, one-off payment of principal upon expiry and principal will be repaid upon maturity together with interest payable for the last period.	Interbank Market

REPORT OF THE BOARD OF DIRECTORS

1. Pursuant to the "resolution on the granting of authorization to the Board to decide on the issuance of debt financing instruments" and other bond issuance-related resolutions considered and approved at the 2021 annual general meeting of the Company, it was agreed to issue debt financing instruments with a total nominal amount not exceeding RMB20 billion or its equivalent in foreign currencies and to authorize the Board to handle all matters related to this corporate bonds issue.

   On 22 August 2022, upon the approval of Zheng Jian Xu Ke [2022] No. 1901 published by the CSRC, the Company was approved to issue corporate bonds to qualified investors with a total nominal amount not exceeding RMB10 billion. On 16 December 2022, the Company issued the first tranche of renewable corporate bonds on the SSE, with a scale of RMB1 billion and a final nominal rate of 5.62%. The principal and interest raised by the Company from the bonds, after deduction of issuance costs, will be used for the Phase II development of the Tenke Fungurume copper and cobalt mine held by Tenke Fungurume Mining S.A. in the DRC.

   Please refer to the relevant announcements disclosed by the Company on the websites of the SSE (www.sse.com.cn), the Stock Exchange (www.hkexnews.hk) and the Company (www.cmoc.com) for details.

2. On 26 May 2020, the Company issued 2020 first tranche of medium-term notes in the PRC interbank market, with a scale of RMB1 billion and a final nominal rate of 4.20%. After deducting the issuing expenses from the principal and interest of the raised funds of current bonds of the Company, all the proceeds will be used for the repayment of bank borrowings.

   Please refer to the relevant announcements disclosed by the Company on the websites of the SSE (www.sse.com.cn), the Stock Exchange (www.hkexnews.hk) and the Company (www.cmoc.com) for details.

3. On 14 February 2022, the Company issued 2022 first tranche of medium-term notes (sustainably linked) in the interbank market in the PRC, with a scale of RMB1 billion and a final nominal rate of 3.80%. The proceeds will be used for the repayment of the corporate bond "19CMOC01".

   Please refer to the relevant announcements disclosed by the Company on the websites of the SSE (www.sse.com.cn), the Stock Exchange (www.hkexnews.hk) and the Company (www.cmoc.com) for details.

REPORT OF THE BOARD OF DIRECTORS

ENVIRONMENTAL PROTECTION POLICIES AND PERFORMANCE

Regarding the collective environmental protection policy and performance, the Company maintains its high quality services in the industry while adhering to the sustainable philosophy of "safety, green, harmony and sharing", in building itself into a resource-saving and eco-friendly company. It takes the harmonious development of energy business and environment as a critical responsibility of the Company and a priority in production and operation, and follows through the green mining concepts of resource saving, eco-friendliness and harmonious mining field in establishing its cultural system. It conscientiously implements the guidelines and policies of environmental protection, comprehensively builds up safe and eco-friendly environmental protection engineering and supporting facilities that are beneficial to water and soil conservation as well as recovery and management of mine ecosystem, ensuring that the environmental protection works and the main works are "simultaneous design, simultaneous construction and simultaneous commencement of usage" during the implementation of the project. Production and operation projects are comprehensively implemented with energy-saving, low-carbon-green and pollution prevention measures to ensure long-term and stable operation in compliance with relevant standards. The Company insists on the development principle of "ecological development, scientific usage and cyclic economy", actively adopts advanced technology, advanced process, advanced equipment, and endeavors to improve efficient use of resources and the level of discharge recycling and reuse. It promotes clean production, improves the system of energy saving and emission reduction, and practically steps up the reduction of pollutant emissions. It endeavors to promote its ability of environment management, and strives for the sustainable development.

The Company prepared the 2024 Environmental, Social and Governance Report of CMOC Group Limited, pursuant to the Environmental, Social and Governance Reporting Guide issued by the Stock Exchange, and the Environmental Information Disclosure Guide for Listed Companies issued by the SSE in May 2008, and disclosed it separately. The report gives true information of CMOC in terms of environmental, social and governance activities. All information in the report is derived from the official documents and statistics reports of CMOC and the summary and statistics of its affiliated companies. The report gives full disclosure of concerns of the major interested parties (including shareholders, customers, employees, governments of the countries in which they operate and partners) of the Company:

- Environment
- Employees
- Community
- Products

Please refer to the 2024 Environmental, Social and Governance Report of CMOC Group Limited disclosed by the Company on the websites of the SSE (www.sse.com.cn), the Stock Exchange (www.hkexnews.hk) and the Company (www.cmoc.com) for details.

REPORT OF THE BOARD OF DIRECTORS

COMPLIANCE WITH RELEVANT LAWS AND RULES

The Company devotes its efforts to strictly comply with regulated laws and rules in the jurisdictions where the Company is operating, and is also in compliance with applicable guidelines and rules issued by regulators. To the Directors knowledge, the Company has complied with all laws and rules which have material effect on the Company during the reporting period. In addition, compliance with the relevant laws and regulations which have significant impacts on the Group has been disclosed in various parts of this annual report (especially in the Corporate Governance Report). Descriptions of key relationships between employees of the Company, major customers and suppliers are set out on page 80 to page 117 of the Report of the Board of Directors in this annual report.

CORE COMPETITIVENESS

(I) Good institutional mechanism and governance structure

CMOC is one of the enterprises with the most in-depth and successful reform of governance mechanism among mining enterprises in China. Since 2004, the Company has undergone three ownership reforms, experiencing changes from the state-owned system, the mixed ownership to the private operation system, and has established a highly flexible institutional mechanism that fully adapts to the requirements of internationalization; the Company has two major substantial shareholders with tremendous strength, CFC plays a strategic layout and cultural leadership role, while CATL provides market and industry resources, both parties are highly consistent in strategies and closely cooperate in tactics to ensure the long-term stable development of the Company; the separation of the ownership and operational rights of the Company allows for fast and flat decision-making, flexible and efficient operation, and a simple and transparent culture; the Company has preliminarily set up a globally integrated governance system, with a management and technical team that is highly professional and exquisite, and possesses an international vision, laying a solid foundation for in-depth participation in the competition for global resources.

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

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

The Company's resource varieties cover the base and special metals, which are closely related to the energy transformation and industrial upgrading sectors, and enter into the market of agricultural applications with phosphorus resources. In the field of new energy metals, the Company has an important portfolio of copper and cobalt, and is a leading new energy metals producer in the world, as well as having a unique and scarce product portfolio including molybdenum, tungsten, niobium and phosphorus, all of which have leading positions in the industry. The product portfolio with unique and diversified natures is beneficial for the Company to resist periodic fluctuation risks in resource sectors, enhance the ability to resist risks and enjoy the enormous benefits brought by the periodic changes in prices from various resources.

REPORT OF THE BOARD OF DIRECTORS

(III) Fully validated ability to engage in "counter-cyclical merger and acquisition and low-cost development"

The mining industry is cyclical, and accurately grasping the cycle is the key to mining business expansion. Based on its deep understanding of the industry and rich experience, the Company has developed the ability to engage in "counter-cyclical merger and acquisition and low-cost development". The Company has successfully acquired world-class mines at the bottom of the industry to realize its outward development. Due to each of the mines under the Company basically possessing the characteristics of open pit mining, large reserve and high grade, the Company's mining costs are highly competitive.

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

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

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

(V) World-leading ESG Management System and Performance

Enabling to realize a high degree of synergy among mining exploitation, environmental protection and ecological construction, and thus promoting sustainable development is one of the core competitiveness of the mining company. CMOC is one of the earliest Chinese mining companies to introduce international ESG standards and systems, and established a world-leading ESG management framework that is fully compliant with international standards. Through the three-tier governance structure of the Board-Executive Management – Operation Management, the strong environmental, occupational health and safety, human resources, and community development teams at each operation mineral areas ensure the implementation of the Group's approach and policies, and the ESG concepts are implemented throughout the entire process of the Company's development. Meanwhile, the Company formulated the long-term visions and short-term performance objectives for climate change and biodiversity, drew up a roadmap for carbon neutrality, and took other practical actions, to contribute to global green sustainable development and the "net zero" goal. At present, the Company's ESG performance maintains a world-leading position in the global mining industry according to the world authoritative MSCI ESG rating, thus escorting the steady development of the Company.

REPORT OF THE BOARD OF DIRECTORS

(VI) Advanced technical strength and strong innovative capability

The mineral resources are subject to constraints. People are the biggest variable in activating resources, and innovation is one of the driving forces for our business development. The Company has a strong technological research and development team, with industry-leading technical advantages in the comprehensive recovery of associated mines and intelligent mines. With the advanced comprehensive recovery technology of associated mines, the Company realized the comprehensive recovery of associated resources such as white tungsten, copper, iron, fluorite and rhenium from molybdenum tailings, pioneering in the recovery of the low-grade associated mines of its kind in the world. The Company has firstly created the first intelligent mine in the PRC through the application of 5G technology and unmanned driving, realizing unmanned mining and unmanned driving intelligent scheduling through remote operation; and it is equipped with all-electric truck with an intelligent driving new mode, which improves safety and enhances production efficiency by more than 40%. The essence of technology innovation in the mining industry is integrated innovation. With the aim to maximize economic and social benefits, various results researched and developed by the Company, through openness and collaboration, not only have significant benefits but also take the lead in industrial improvement.

DIVIDEND

1. Cash dividend distribution policy

According to the requirements of the Articles of Association, the profit distribution of the Company attaches importance to the reasonable return on investment for investors and sustainable development of the Company, and the profit distribution policy of the Company shall maintain a certain degree of continuity and stability.

The Company adopts a proactive dividend distribution policy in the form of cash or shares, and implements such policy in accordance with the laws, regulations and regulatory requirements. Priority in profits distribution should be in cash rather than in shares. The Company shall distribute profits in the form of cash should such conditions be met. The Company may distribute interim cash dividends as and when appropriate.

On the premise of complying with the laws, regulations and regulatory requirements at that time, the Company distributes dividends in cash if it records earnings with positive distributable profits and the cash flow of the Company can accommodate the needs of both its daily operation and sustainable development. If the Company distributes cash dividends, the proportion for cash dividends should also comply with the following requirements simultaneously: the profits distributed by the Company in the form of cash each year shall not be less than 30% of distributable profits recorded in the year, in accordance with laws, regulations and regulatory requirements in the period.

REPORT OF THE BOARD OF DIRECTORS

Where the Company is in a developed stage with no substantial capital expenditure arrangement, the dividend distributed in the form of cash shall not be less than 80% of the total profit distribution when distributing its profits; where the Company is in a developed stage with substantial capital expenditure arrangement, the dividend distributed in the form of cash shall not be less than 40% of the total profit distribution when distributing its profits; where the Company is in a developing stage with substantial capital expenditure arrangement, the dividend distributed in the form of cash shall not be less than 20% of the total profit distribution when distributing its profits. The "Substantial Capital Expenditure Arrangement" refers to matters that the total assets of transactions, including asset acquisitions and external investments, by the Company within a year account for more than 30% (inclusive) of the latest audited total assets of the Company.

The Board of Directors shall propose a specific cash dividend distribution plan by differentiating the aforesaid circumstances after taking various factors into consideration, including its industry features, development stages, business model and profitability as well as whether it has any substantial capital expenditure arrangement.

Where the Company records earnings with positive distributable profits for the year and the valuation on the shares of the Company is in a reasonable range, the Company may distribute dividends in the form of shares without prejudice to the scale of the share capital and the reasonable structure of shareholdings of the Company on the basis of considering rewarding and sharing corporate value with investors.

According to the announcement giving emphasis on quality improvement, efficiency enhancement and focusing on returns disclosed by the Company on 4 June 2024, the Company has promised to pay cash dividends which account for over 40% of net profit attributable to the parent company as shown in the consolidated statements for three consecutive years from 2024 to 2026, subject to satisfying the Company's normal operations and future development.

2. Implementation of cash dividend distribution policy

The profit distribution plan for 2023 was considered and approved at the 2023 annual general meeting of the Company held on 7 June 2024. The profit distribution was based on the Company's total share capital of 21,599,240,583 shares before the implementation of the plan, and less the 204,930,407 A shares of the Company in the Company's dedicated repurchase securities account. The cash dividend for every 10 shares was RMB1.5425 (tax inclusive), and the total cash dividend of RMB3,300,072,344.65 (tax inclusive) was distributed. The dividend distribution was completed during the reporting period.

3 Proposal of 2024 cash dividend distribution

On 21 March 2025, the Profit Distribution Plan of the Company for the Year 2024 was considered and approved at the fourth meeting of the seventh session of the Board of Directors, according to which the Board proposed to distribute a cash dividend of RMB2.55 (tax inclusive) for every 10 shares to all shareholders. Based on the total share capital of the Company as of 31 December 2024 (after deducting the number of Shares held in the Company's dedicated repurchase account), the total amount of the final dividend to be distributed in 2024 is expected to be RMB5,455,549,094.88 (tax inclusive), with the proportion for cash dividends of approximately 40.32%. This distribution plan shall be subject to the consideration and approval of the general meeting.

REPORT OF THE BOARD OF DIRECTORS

The Company will send to shareholders a circular containing, among other things, further information in relation to the proposed distribution of the final dividend and the annual general meeting as soon as practicable.

In accordance with the "Enterprise Income Tax Law of the People's Republic of China" (《中華人民共和國企業所得稅法》) and the "Rules for the Implementation of Enterprise Income Tax Law of the People's Republic of China" (《中華人民共和國企業所得稅法實施條例》), both implemented on 1 January 2008 and the "Notice on Issues in Relation to the Withholding of Enterprise Income Tax on Dividends Paid by PRC Enterprises to Overseas Non-resident Enterprise Holders of H Shares" (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外 H 股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897 號)) promulgated on 6 November 2008, the Company is obliged to withhold and pay PRC enterprise income tax on behalf of non-resident enterprise Shareholders at a tax rate of 10%, when the Company distributes an annual dividend to non-resident enterprise Shareholders whose names appear on the H shares register of members on the reference date. As such, any H Shares registered in the name of a non-individual Shareholder, including shares registered in the name of HKSCC Nominees Limited, and other nominees, trustees, or other organizations and groups, shall be deemed to be H Shares held by non-resident enterprise Shareholder(s), and the PRC enterprise income tax shall be withheld from any dividends payable thereon. Non-resident enterprise Shareholders may wish to apply for a tax refund (if any) in accordance with the relevant requirements, such as tax agreements (arrangements), upon receipt of any dividends.

In accordance with the "Notice on Certain Issues Concerning the Policies of Individual Income Tax" (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020 號)) promulgated by the PRC Ministry of Finance and the State Administration of Taxation on 13 May 1994, overseas individuals are exempted from the PRC individual income tax for dividends or bonuses received from foreign-invested enterprises. Furthermore, the competent tax authority of the Company confirmed that the relevant requirements under the "Notice on Certain Issues Concerning the Policies of Individual Income Tax" (Cai Shui Zi [1994] No. 020) (《關於個人所得稅若干政策問題的通知》(財稅字[1994]020 號)) are applicable to the Company, the Company will not be required to withhold and pay any individual income tax on behalf of individual Shareholders when the Company distributes the final dividend to individual Shareholders whose names appear on the H shares register of members.

REPORT OF THE BOARD OF DIRECTORS

Pursuant to the "Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shanghai Stock Market and the Hong Kong Stock Market" (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) promulgated on 17 November 2014:

- For mainland individual investors who invest in the H shares via the Shanghai-Hong Kong Stock Connect, the Company will withhold individual income tax at the rate of 20% in the distribution of the 2017 final dividend. Individual investors may, by producing valid tax payment proofs, apply to the competent tax authority of China Securities Depository and Clearing Corporation Limited for tax credit relating to the withholding tax already paid abroad. For mainland securities investment funds that invest in the H Shares via the Shanghai – Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, the Company will withhold individual income tax in the distribution of the final dividend pursuant to the foregoing provisions; and

- For mainland corporate investors that invest in the H shares via the Shanghai-Hong Kong Stock Connect, the Company will not withhold the income tax in the distribution of the final dividend and the mainland corporate investors shall file the tax returns on their own.

H Shareholders are required to consult their tax advisors regarding the laws and regulations of the Company's dividend payments in China, Hong Kong and other countries, and the relevant tax implications of holding and trading H Shares.

REPORT OF THE BOARD OF DIRECTORS

FINANCIAL INFORMATION SUMMARY

The announced results, assets, and liabilities and non-controlling interests of the Group for the last five financial years are as below:

Unit: million Currency: RMB

Item	2024	2023	2022	2021	2020
Operating income	**213,029**	186,269	172,991	173,863	112,981
Total profit	**25,124**	13,208	9,804	8,755	2,876
Income tax expenses	**9,665**	4,677	2,612	3,327	397
Net profit	**15,459**	8,531	7,192	5,428	2,479
Net profit attributable to owners of the parent company	**13,532**	8,250	6,067	5,106	2,329
Profit or loss attributable to minority interests	**1,927**	281	1,125	322	150

Item	2024	2023	2022	2021	2020
Total assets	**170,236**	172,975	165,019	137,450	122,441
Total liabilities	**84,294**	101,013	102,982	89,186	75,106
Total equity attributable to shareholders of the parent company	**71,023**	59,540	51,699	39,845	38,892
Total minority interests	**14,919**	12,422	10,338	8,419	8,443

The summary does not constitute part of the audited consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of changes in the property, plant and equipment of the Company and the Group during the year are set out in note (V).14 to the financial statements.

REPORT OF THE BOARD OF DIRECTORS

SHARE CAPITAL AND SHAREHOLDERS

1. Share Capital

Details of changes in the share capital of the Company during the year are set out in note (V).41 to the financial statements.

2. Shareholding structure of substantial shareholders

As at 31 December 2024, the number of shareholders of the Company amounted to 316,895, of which shareholders of H shares amounted to 7,059, and shareholders of A shares amounted to 309,836. By approximate percentage of shareholding in the registered capital, the shareholdings of the Company's top ten shareholders were as follows:

Name of shareholders (Full name)	Class of Share	Changes during the reporting period (10,000 shares)	Closing number of shares held (10,000 shares)	Proportion (%)
Cathay Fortune Corporation	A share and H share	0	533,322.00	24.69
Luoyang Mining Group Co., Ltd.	A share	0	532,978.04	24.68
HKSCC NOMINEES LIMITED	H share	256.18	360,013.06	16.67
Hong Kong Securities Clearing Company Limited	A share	-2,107.52	62,002.78	2.87
China Securities – China CITIC Financial Asset Management Co., Ltd. – China Securities – Pioneer Single Asset Management Plan	A share	-20,535.78	15,035.20	0.70
ICBC – SSE 50 Exchange Traded Securities Investment Funds	A share	13,275.15	13,275.15	0.61
Industrial and Commercial Bank of China Co., Ltd. – Huatai-PB CSI 300 ETF	A share	6,955.58	12,206.87	0.57
China State-owned Enterprise Structure Adjustment Fund Co., Ltd.	A share	-6,476.41	11,671.85	0.54
China Construction Bank Co., Ltd. – E Fund CSI 300 Traded Open – End Index Initiated Securities Investment Fund	A share	6,468.10	8,416.10	0.39
Taikang Life Insurance Co., Ltd. – Traditional – Ordinary Insurance Product – 019L –CT001 Shanghai	A share	7,087.70	7,385.49	0.34

Notes:

1. Percentage calculation is based on the Company's total share capital of 21,599,240,583 shares.

2. HKSCC NOMINEES LIMITED held 3,600.1306 million H shares in the Company as a nominee, representing 16.67% of the Company's shares in issue. HKSCC NOMINEES LIMITED is a member of the Central Clearing and Settlement System, which carries out securities registration and custodian business for customers.

3. The Company's dedicated repurchase account was not set out in the "Top Ten Shareholder's shareholding". On 17 December 2021 and 8 June 2022, the Company respectively completed Phase II and Phase III of the A Share Repurchase Plan with an aggregate of 99,999,964 A shares and 104,930,443 A shares through centralized price bidding. As at the end of the reporting period, the number of shares in the Company's dedicated repurchase account was 204,930,407 A shares.

REPORT OF THE BOARD OF DIRECTORS

3. Substantial Shareholders' Interests in Shares

To the best knowledge of all Directors and Supervisors, as at 31 December 2024, the persons or companies (other than Directors, the chief executives or Supervisors of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance or who were deemed to be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company were as follows:

Name	Number of shares held	Capacity	Class of Share	Approximate percentage of shares in relevant class of shares
LMG	5,329,780,425	Beneficial owner	A share	30.17%
Sichuan Contemporary Amperex Technology Limited	5,329,780,425	Interest in controlled corporation	A share	30.17%
CFC [1], [2]	5,030,220,000	Beneficial owner	A share	28.47%
	303,000,000(L)	Interest in controlled corporation	H share	7.70%(L)
Cathay Fortune Investment Limited ("**Cathay Hong Kong**") [1], [2]	91,518,000(L)	Beneficial owner	H share	2.33%(L)
Cathay Fortune International Company Limited [1], [2]	211,482,000(L)	Beneficial owner	H share	5.37%(L)
Yu Yong [3]	5,030,220,000	Interest in controlled corporation	A share	28.47%
	303,000,000(L)	Interest in controlled corporation	H share	7.70%(L)
BlackRock, Inc. [4]	318,342,192(L)	Interest in controlled corporation	H share	8.09%(L)

Notes: (L) - Long position

(1) Mr. Yuan Honglin, a non-executive director of the Company, also serves as a director of CFC, Cathay Hong Kong and Cathay Fortune International Company Limited.

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

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

REPORT OF THE BOARD OF DIRECTORS

(4) BlackRock, Inc. is deemed to hold a total of long position of 318,342,192 H shares of the Company due to its control rights over a number of companies. BlackRock Finance, Inc., Trident Merger, LLC, BlackRock Investment Management, LLC, BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock Holdco 4, LLC, BlackRock Holdco 6, LLC, BlackRock Delaware Holdings Inc., BlackRock Institutional Trust Company, National Association, BlackRock Fund Advisors, BlackRock Capital Holdings, Inc., BlackRock Advisors, LLC, BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Lux Finco S.àr.l., BlackRock Japan Holdings GK, BlackRock Japan Co., Ltd., BlackRock Holdco 3, LLC, BlackRock Canada Holdings ULC, BlackRock Asset Management Canada Limited, BlackRock Australia Holdco Pty. Ltd., BlackRock Investment Management (Australia) Limited, BlackRock (Singapore) Holdco Pte. Ltd., BlackRock HK Holdco Limited, BlackRock Asset Management North Asia Limited, BlackRock Cayman 1 LP, BlackRock Cayman West Bay Finco Limited, BlackRock Cayman West Bay IV Limited, BlackRock Group Limited, BlackRock Finance Europe Limited, BlackRock (Netherlands) B.V., BlackRock International Limited, BlackRock Group Limited-Luxembourg Branch, BlackRock Luxembourg Holdco S.àr.l., BlackRock Investment Management Ireland Holdings Limited, BlackRock Asset Management Ireland Limited, BLACKROCK (Luxembourg) S.A., BlackRock Investment Management (UK) Limited, BlackRock Fund Managers Limited, BlackRock Life Limited, BlackRock (Singapore) Limited, BlackRock UK Holdco Limited, BlackRock Asset Management Schweiz AG, EG Holdings Blocker, LLC, Amethyst Intermediate, LLC, Aperio Holdings, LLC and Aperio Group, LLC being the controlled corporations, directly or indirectly hold the shares of the Company.

Save as disclosed above, as at 31 December 2024, the Directors were not aware of any other persons (other than a Director, chief executive or Supervisor of the Company) who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association and the laws of the PRC that would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

BORROWINGS

Details of the borrowings of the Company and the Group are set out in notes (V).23, 32 and 34 to the financial statements.

DISTRIBUTABLE RESERVES

The amount of the Company's reserves available for distribution as of December 31, 2024, calculated in accordance with the PRC rules and regulations, was RMB34,093.40 million.

CHARITABLE DONATIONS

In 2024, the external donation expenses of the Group amounted to RMB46,542,561.51.

REPORT OF THE BOARD OF DIRECTORS

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2024, the proportions of purchases and sales from the major suppliers and major customers of the Company to our total purchases and sales were as follows:

PURCHASES

The total purchases from our largest supplier were approximately 4.03% of our total purchase value.

The total purchases from our five largest suppliers were approximately 11.34% of our total purchase value.

SALES

The total sales to our largest customer was approximately 3.15% of our total sales value.

The total sales to our five largest customers was approximately 13.46% of our total sales value.

During the year, to the Directors' knowledge, none of the Directors or Supervisors or their respective close associates or any shareholders who hold more than 5% of our shares (excluding treasury shares), had any material interest or rights in our five largest customers and our five largest suppliers.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

The Directors, Supervisors and senior management of the Company during the year and up to the date of this annual report are:

EXECUTIVE DIRECTORS

Mr. Sun Ruiwen
Mr. Li Chaochun

NON-EXECUTIVE DIRECTORS

Mr. Yuan Honglin
Mr. Lin Jiuxin
Mr. Jiang Li

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wang Kaiguo *(appointed on 7 June 2024)*
Ms. Gu Hongyu *(appointed on 7 June 2024)*
Mr. Cheng Gordon *(appointed on 7 June 2024)*
Mr. Wang Yougui *(retired on 7 June 2024)*
Ms. Yan Ye *(retired on 7 June 2024)*
Mr. Li Shuhua *(retired on 7 June 2024)*

REPORT OF THE BOARD OF DIRECTORS

SUPERVISORS

Mr. Zheng Shu
Mr. Zhang Zhenhao
Mr. Luo Yunxiang *(appointed on 10 December 2024)*
Mr. Xu Wenhui *(resigned on 31 May 2024)*
Mr. Li Hongwei *(resigned on 10 December 2024)*

SENIOR MANAGEMENT

Mr. Zhang Liqun *(appointed on 23 August 2024)*
Ms. Liang Wei
Mr. Xu Hui
Mr. Li Guojun *(resigned on 10 December 2024)*
Mr. Zhou Jun *(resigned on 23 August 2024)*

Pursuant to the Articles of Association, the term of office of all Directors and Supervisors is three years (the expiry date of the tenure being the date of the annual general meeting of the Company to be held in 2027), and may stand for re-election upon expiry of the term.

The Company has received an annual confirmation from each of Mr. Wang Kaiguo, Ms. Gu Hongyu and Mr. Cheng Gordan, all being the independent non-executive Directors, in respect of their independence and is of the opinion that they remained independent as at the date of this report.

DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S PROFILES

Profile details of the Directors and Supervisors of the Company and the senior management of the Group are set out on pages 122 to 127 of the annual report.

DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S REMUNERATION

The Directors' and Supervisors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board of Directors of the Company with reference to the Directors' and Supervisors' duties, responsibilities and performance and the results of the Group. In compliance with the Corporate Governance Code, the Company has set up the Remuneration Committee to formulate remuneration policies. Details of the remuneration of the Directors and Supervisors are disclosed in note (X).7 to the financial statements.

The remuneration of the senior management for the year ended 31 December 2024 fell within the following range (Note):

Remuneration bands	**Number of Individual(s) Year 2024**
RMB1,500,000 above	3

Note: Directors and Supervisors of the Company were excluded; Ms. Ng Sau Mei, a joint company secretary, was an external service provider, and as such, she was not part of the Company's senior management.

REPORT OF THE BOARD OF DIRECTORS

EMPLOYEES AND PENSION PLAN

1. Employees

As at 31 December 2024, the Group had a total of 12,317 full-time employees, classified as follows:

Professional composition

Category of professional composition	**Number of professionals**
Production staff	7,720
Technical staff	1,052
Finance staff	321
Administration staff	1,530
Sales staff	1,694
Total	12,317

2. Remuneration Policy

The remuneration policy for the employees of the Company principally consists of a broadbanding salary system, based on employees' positions and responsibilities and their quantified performance evaluation. The employees' remuneration is evaluated in line with the Company's operating results and employee's performance in order to provide a consistent, fair and equitable remuneration system for all employees. The employees of the Company domiciled in China have participated in the social insurance contribution plans introduced by China's local governments. In accordance with the laws and regulations regarding the national and local labour and social welfares in China, the Company is required to pay on behalf of its employees a monthly social insurance premium covering pension insurance, health insurance, unemployment insurance, work injury insurance, maternity insurance and housing provident fund. Pursuant to current applicable local regulations in China, the percentages of certain insurances are as follows: the pension insurance, health insurance, unemployment insurance, work injury insurance and the contribution to housing provident fund of our Chinese employees represent 16%, 7.5% to 10%, 0.5% to 0.7%, 0.16% to 2.85% and 12% of his or her total basic monthly salary respectively.

The overseas employees of the Company participate in pension and healthcare plans under the requirement of the laws in the countries where they reside. In the DRC, the Company pays a monthly social insurance contribution of 13%, and bears all medical expenses for employees and their families. At the same time, in line with the local situation in the DRC, in order to stabilize the workforce, an employee career development plan has been established, such as a promotion of outstanding employees at a rate of 5% of the number of employees every year; according to the demand for positions, some outstanding employees from labour service companies have been recruited and employed to strengthen the workforce; a loyalty award has been set up, such as a corresponding award for employees who have worked for 5 years, 10 years, 15 years, 20 years and 25 years, a school subsidy for employees' children to help their children's education, and a retirement subsidy for employees upon retirement, and attendance awards, seniority awards, star employee awards, and other awards are regularly distributed. In Brazil,

REPORT OF THE BOARD OF DIRECTORS

a variable compensation policy has been implemented, including profit sharing plan (PLR), performance bonuses, deferred bonuses and medium-to-long-term incentive bonuses. This aims to enhance corporate competitiveness, retain talent and drive the Company's sustainable development. At the same time, the Company makes monthly contribution of 37% to social insurance and Length-of-Service Guarantee Fund for employees. Employees enjoy vacation allowances (double pay during annual leave) after one year of service, and the Company provides medical support and dental insurance for employees and their families, as well as employee childcare allowance, annual physical examination, meal subsidies in addition to working meals, employee loyalty awards, and a retirement subsidy for employees upon retirement.

DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

All Directors and Supervisors of the Company have each entered into a service contract with the Company for a term of not more than three years until the annual general meeting of the Company to be held in 2027.

None of the Directors and Supervisors has a service contract with the Company which is not terminable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' AND SUPERVISORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

None of the Directors and Supervisors or entities connected to the Directors and Supervisors had material interests in the Company, its controlling companies or any subsidiaries either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group subsisting or entered into during or at the end of the year.

MATERIAL INVESTMENTS

The material investments held by the Group and the performance and prospects of such investments during the accounting year are set out in notes (V).11, 12 and 13, note (I).2 and note (VII).2 to the financial statements and the section headed "Material Events" of this annual report.

MANAGEMENT CONTRACTS

No contracts concerning the management and/or administration of the whole or any substantial part of the business of the Company were entered into or existed in 2024.

PERMITTED INDEMNITY

Except the liability insurance described below, the Company did not enter into any agreement with indemnity provisions with Directors or Supervisors of the Company to provide indemnity to Directors or Supervisors for legal liabilities caused to third parties or other types of legal liabilities.

The Company considered and passed the purchase of liability insurance for the risks of domestic and overseas litigations or regulatory investigations that the Directors, Supervisors and senior management of the Group may be exposed to when carrying out their duties in executing the business decisions and information disclosure, at the ninth extraordinary meeting of the sixth session of the Board. The insurance covers management liabilities of the Directors, Supervisors and senior management, the Company's equity securities claims and the Company's inappropriate employment practices claims. The annual compensation limit per insurance item is up to US$150,000,000 per annum, with the total annual premium not more than US$1,500,000 per annum.

REPORT OF THE BOARD OF DIRECTORS

DIRECTORS', CHIEF EXECUTIVES' AND SUPERVISORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 31 December 2024, the shareholding of A Shares of the current Directors, chief executives and Supervisors of the Company was as follows:

Name	**Number of shares held** (Shares)	**Percentage in total share capital** (%)
Yuan Honglin	5,858,682	0.027
Sun Ruiwen	10,800,000	0.050
Li Chaochun	6,087,692	0.028
Zhang Zhenhao	1,063,500	0.005
Total	23,809,874	0.110

Note:

Mr. Yuan Honglin, Mr. Sun Ruiwen and Mr. Li Chaochun are deemed to be interested in 8,013,287 A shares, 18,000,000 A shares and 7,500,000 A shares of the Company respectively by virtue of their participation as incentive recipients in the employee share ownership plan of the Company adopted on 21 May 2021 (the "**Employee Share Ownership Plan**"). On 22 September 2022, as approved by the management committee of the Employee Share Ownership Plan, the 2021 First Phase of Employee Share Ownership Plan assigned relevant interests to relevant incentive recipients who had accomplished the performance appraisal indicators during the first tranche of interest allocation period, of which Mr. Yuan Honglin, Mr. Li Chaochun and Mr. Sun Ruiwen were awarded 2,404,000 A shares, 2,250,000 A shares and 5,400,000 A shares, respectively.

On 1 December 2023, as approved by the management committee of the Employee Share Ownership Plan, the First Phase of Employee Share Ownership Plan allocated relevant interests to relevant incentive recipients who had accomplished the performance appraisal indicators during the corresponding interest allocation period in 2022, of which Mr. Yuan Honglin, Mr. Li Chaochun and Mr. Sun Ruiwen were awarded 2,404,000 A shares, 2,250,000 A shares and 5,400,000 A shares, respectively.

As of the date of this report, the corresponding rights in 2023 under the 2021 First Phase of Employee Share Ownership Plan have not yet been granted to the relevant incentive recipients.

As of the date of this report, none of the undertakers has reduced his/her holdings in the Company's shares.

REPORT OF THE BOARD OF DIRECTORS

As at 31 December 2024, the current Directors, chief executives and Supervisors of the Company did not hold any H share.

So far as was known to the Directors, as at 31 December 2024, none of the Directors, chief executives and Supervisors and their respective associates had interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO, which required the Company and Stock Exchange to be notified pursuant to Part XV of the SFO or which were required to be entered into the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and Stock Exchange pursuant to the Model Code.

CONNECTED TRANSACTION

CONTINUING CONNECTED TRANSACTIONS

The CATL Product Sales and Procurement Framework Agreement and the KFM Sales and Procurement Framework Agreement

1. *the CATL Product Sales and Procurement Framework Agreement*

On 21 July 2023, the Board approved CMOC Limited ("**CMOC Limited**"), a wholly-owned subsidiary of the Company, to enter into the CATL Product Sales and Procurement Framework Agreement (the "**Original CATL Product Sales and Procurement Framework Agreement**") with Contemporary Amperex Technology Co., Limited ("**CATL**"), with a term until 31 December 2023, pursuant to which, (i) CMOC Limited Group agrees to sell and CATL Group agrees to purchase metal products, including copper, cobalt and nickel products; and (ii) CMOC Limited Group agrees to purchase and CATL Group agrees to sell nickel products. The Original CATL Product Sales and Procurement Framework Agreement was executed on 28 July 2023.

On 27 October 2023, the Board approved CMOC Limited, a wholly-owned subsidiary of the Company, to enter into the CATL Product Sales and Procurement Framework Agreement (the "**CATL Product Sales and Procurement Framework Agreement**") with CATL, which adjusted the caps for the transaction amount for 2023, agreed on the transaction contents for 2024 simultaneously and set annual caps for the transaction amount. The term of the CATL Product Sales and Procurement Framework Agreement is from the date of the agreement to 31 December 2024. Pursuant to the agreement, (i) CMOC Limited Group agrees to sell and CATL Group agrees to purchase metal products, including but not limited to copper, cobalt, nickel and lithium products; and (ii) CMOC Limited Group agrees to purchase and CATL Group agrees to sell metal products, including but not limited to nickel products. The Original CATL Product Sales and Procurement Framework Agreement has been terminated on the date of the CATL Product Sales and Procurement Framework Agreement approved at the extraordinary general meeting, and replaced and superseded by the CATL Product Sales and Procurement Framework Agreement. The CATL Product Sales and Procurement Framework Agreement has been executed on 22 November 2023. The above-mentioned matters have been considered and approved at the extraordinary general meeting convened by the Company on 8 December 2023.

REPORT OF THE BOARD OF DIRECTORS

2. the KFM Sales and Procurement Framework Agreement

On 21 July 2023, the Board approved the Company to enter into the KFM Sales and Procurement Framework Agreement (the "**Original KFM Sales and Procurement Framework Agreement**") with KFM Holding Limited ("**KFM Holding**") and CMOC KISANFU MINING SARL ("**KFM Mining**"), which are both connected subsidiaries of the Company, with a term until 31 December 2023, pursuant to which, (i) CMOC Group agrees to purchase and KFM Group agrees to sell copper and cobalt products; and (ii) CMOC Group agrees to sell and KFM Group agrees to purchase equipment and materials. The Original KFM Sales and Procurement Framework Agreement has been executed on 28 July 2023.

On 27 October 2023, the Board approved the Company to enter into the KFM Sales and Procurement Framework Agreement (the "**KFM Sales and Procurement Framework Agreement**") with KFM Holding and KFM Mining, which are both connected subsidiaries of the Company, which adjusted the caps for the transaction amount for 2023, agreed on the transaction contents for 2024 simultaneously and set annual caps for the transaction amount. The term of the KFM Sales and Procurement Framework Agreement is from the date of the agreement to 31 December 2024. Pursuant to the Agreement, (i) CMOC Group agrees to purchase and KFM Group agrees to sell copper and cobalt products; and (ii) CMOC Group agrees to sell and KFM Group agrees to purchase the equipment, materials, relevant services, etc. The Original KFM Sales and Procurement Framework Agreement has been terminated on the date of the KFM Sales and Procurement Framework Agreement approved at the extraordinary general meeting, and replaced and superseded by the KFM Sales and Procurement Framework Agreement. The KFM Sales and Procurement Framework Agreement has been executed on 8 December 2023. The above-mentioned matters have been considered and approved at the extraordinary general meeting convened by the Company on 8 December 2023.

As at the date on which the Board approved the signing of the CATL Product Sales and Procurement Framework Agreement and the KFM Sales and Procurement Framework Agreement, CATL is a substantial shareholder of the Company. KFM Holding is ultimately owned as to 75% and 25% by the Company and CATL, respectively, and KFM Mining is a subsidiary of KFM Holding. CATL, KFM Holding and KFM Mining are therefore connected persons of the Company under Chapter 14A of the Listing Rules. Thus, the transactions contemplated under (i) the CATL Product Sales and Procurement Framework Agreement between CMOC Limited Group and CATL Group and (ii) the KFM Sales and Procurement Framework Agreement between CMOC Group and KFM Group constitute continuing connected transactions of the Company under the Hong Kong Listing Rules.

REPORT OF THE BOARD OF DIRECTORS

For the year ended 31 December 2024, the annual caps and actual transaction amounts of the above-mentioned continuing connected transactions are as follows:

	Annual Caps for the Year Ended 31 December 2024 *(US$)*	Actual Transaction Amounts for the Year Ended 31 December 2024 *(US$)*
CATL Product Sales and Procurement Framework Agreement		
Products to be sold by CMOC Limited Group to CATL Group	1,800,000,000	800,270,932
Products to be purchased by CMOC Limited Group from CATL Group	600,000,000	40,389,056
Interests to be paid by CMOC Limited Group to CATL Group in relation to the prepayment	110,000,000	102,349,816
KFM Sales and Procurement Framework Agreement		
Products to be purchased by CMOC Group from KFM Group	2,400,000,000	2,355,640,762
Equipment, materials, and relevant services, etc. to be provided by CMOC Group to KFM Group	400,000,000	323,786,146
Interests to be paid by KFM Group to CMOC Group in relation to the prepayment	45,000,000	22,475

On 28 October 2024, the Board approved CMOC Limited, a wholly-owned subsidiary of the Company, to enter into the CATL Product Sales and Procurement Framework Agreement (the "**2024 CATL Product Sales and Procurement Framework Agreement**") with CATL, with a term from 1 January 2025 to 31 December 2027, pursuant to which (i) CMOC Limited Group agrees to sell and the CATL Group agreed to purchase metal products including but not limited to copper, cobalt, nickel and lithium; and (ii) CMOC Limited Group agrees to purchase and CATL Group agrees to sell metal products including but not limited to copper, cobalt, nickel and lithium. On 28 October 2024, the Board approved the Company to enter into the KFM Sales and Procurement Framework Agreement (the "**2024 KFM Sales and Procurement Framework Agreement**") with KFM Holding and KFM Mining, with a term from 1 January 2025 to 31 December 2027, pursuant to which, (i) CMOC Group agrees to purchase and KFM Group agrees to sell copper and cobalt products; and (ii) CMOC Group agrees to sell and KFM Group agrees to purchase equipment and materials and related services.

REPORT OF THE BOARD OF DIRECTORS

The aforesaid matters have been considered and approved by the Company at the extraordinary general meeting held on 10 December 2024. The 2024 CATL Product Sales and Procurement Framework Agreement and the 2024 KFM Sales and Procurement Framework Agreement were signed on 26 December 2024. Please refer to the announcement of the Company dated 28 October 2024, and the circular of the Company dated 20 November 2024 for details of the 2024 CATL Product Sales and Procurement Framework Agreement and the 2024 KFM Sales and Procurement Framework Agreement.

Property Leasing Framework Agreement

To ensure the stable development of the Company's business, meet the requirements of the Company's internal reorganization and business layout, and reduce to a certain extent unnecessary additional administrative expenses, on 27 October 2023, the Board approved the Company (as the lessee) and CFC (as the lessor), entered into the property leasing framework agreement (the "**Property Leasing Framework Agreement**") in respect of the property leasing services and related property management services provided by CFC to the Group for a term of one year commencing from 1 January 2024 and ended on 31 December 2024. The annual cap under the Property Leasing Framework Agreement for 2024 is RMB60 million for property leasing services. The actual amount of transactions for the property leasing services contemplated thereunder for the year ended 31 December 2024 was RMB39.24 million.

On 28 October 2024, the Board approved the Company (as the lessee) to enter into the Property Leasing Framework Agreement with CFC (as the lessor) (the "**2024 Property Leasing Framework Agreement**") in respect of the property leasing services and relevant property management services provided by CFC to the Group for a term of three years commencing from 1 January 2025 and ending on 31 December 2027. For details of the 2024 Property Leasing Framework Agreement, please refer to the announcement of the Company dated 28 October 2024.

The auditor of the Company has implemented the review procedures for the above-mentioned continuing connected transactions and sent a letter to the Board, stating that:

1) they did not discover anything that made them believe that the disclosed continuing connected transactions had not been approved by the Board;

2) regarding the above-mentioned continuing connected transactions, they did not discover anything that caused them to believe that the transactions were not carried out in accordance with the Group's pricing policy in all material respects;

3) they did not discover anything that led them to believe that the transactions had not been carried out in accordance with the relevant agreements of the transactions in all material respects;

4) regarding the total amount of the above-mentioned continuing connected transactions, they did not discover anything that caused them to believe that the disclosed continuing connected transactions had exceeded the annual caps contemplated by the Company.

REPORT OF THE BOARD OF DIRECTORS

The independent non-executive Directors have reviewed the above continuing connected transactions, and confirmed that:

1) the continuing connected transactions were entered into in the usual and ordinary course of business of the Company;

2) the continuing connected transactions were entered into on normal commercial terms or better; and

3) the continuing connected transactions were conducted based on the relevant transaction agreements, and the terms were fair and reasonable and in the interests of the Company's shareholders as a whole.

Save as disclosed above, other related parties transactions disclosed in note XI to the financial statements do not fall under connected transactions or continuing connected transactions under Chapter 14A of the Hong Kong Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Hong Kong Listing Rules in relation to connected transactions.

NON-COMPETITION AGREEMENTS

On 6 September 2006, non-compete agreements were entered into between the Company and each of CFC and LMG, respectively. CFC and LMG agreed not to compete with the Company in our businesses and granted the Company certain options and right of first refusal pursuant to the non-compete agreements. Details of the non-compete agreements had been disclosed in the prospectus of the Company dated 13 April 2007, under the section headed "Relationship with Controlling Shareholders – Non-Compete Agreements". Each of CFC and LMG had executed a Non-Competition Undertaking Letter with the Company on 30 January 2011 and 18 May 2011 respectively, pursuant to which each of them had undertaken not to compete with the Company in the businesses it operated or businesses to be further expanded. Details of the Non-competition Undertaking letters had been disclosed in "Peer Competition and Connected Transactions (同業競爭與關聯交易)" set out in Section VII to the prospectus of A Shares dated 8 October 2012. CFC (together with its parties acting in concert, Cathay Hong Kong) and Luoyang Guohong Investment Group Co., Ltd. had executed the Acquisition Report of CMOC Group Limited* on 23 January 2014 and 29 November 2013 respectively, pursuant to which each of them undertook not to compete with the Company in the businesses we operated. Details of the Acquisition Reports were disclosed in the announcements of the Company dated 23 January 2014 and 27 January 2014.

On 18 April 2017, the Company received from LMG the Notice on Gratuitous Transfer of State-Owned Shares by Luoyang Non-ferrous Mining Group Co., Ltd. (洛陽礦業集團有限公司), to transfer the 100% equity in Luoyang Guo'an Trade Co., Ltd. ("**Guo'an Trade**") held by Luoyang Non-ferrous Mining Group Co., Ltd. (洛陽礦業集團有限公司) to LMG free of charge, as from which, LMG will perform the duty as the shareholder. Upon LMG's acceptance of the transfer, in accordance with the Non-Competition Undertakings and to avoid actual competition between LMG and the Company upon actual commencement of production operation activities by Luoyang Fuchuan Mining Co., Ltd., LMG made an undertaking to the Company on 18 April 2017, that, after LMG obtains the Luoyang Guo'an Interests (and indirectly holds the interests of Luoyang Fuchuan Mining Co., Ltd.) and before Luoyang Fuchuan Mining Co., Ltd. commences production operations, LMG will procure the sale of the Luoyang Guo'an Interests, and the Company shall have the pre-emptive right to purchase Luoyang Guo'an Interests (the "**Pre-Emptive Right**"), or according to the Guiding Opinions on Promoting the Resolution of Horizontal Competition and the Regulation of Affiliated Transactions by the State-owned Shareholders and the Listed Companies under Their Control* 《(關於推動國有股東與所控股上市公司解決同業競爭規範關聯交易的

REPORT OF THE BOARD OF DIRECTORS

指導意見》) jointly issued by the State-owned Assets Supervision and Administration Commission of the State Council* (國務院國有資產監督管理委員會) and the China Securities Regulatory Commission, which indicated the comprehensive use of asset re-structuring, equity replacement, business adjustment and other similar methods to resolve the issue of competing business.

To further deal with the potential horizontal competition, the Company and Fuchuan Mining entered into an entrusted operation agreement in July 2022, in which Fuchuan Mining entrusts the Company to fully manage its overall business and take full responsibility for its production, operation and management for a term of three years, during which, the property right of Fuchuan Mining remains unchanged and the assets and profits belong to Fuchuan Mining according to law.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No contracts of significance had been entered into between the Company or any of its subsidiaries and any controlling Shareholders or any of its subsidiaries during the reporting period.

No contracts of significance had been entered into by the controlling shareholder of the Company or any of its subsidiaries for provision of services to the Company or any of its subsidiaries during the reporting period.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Mr. Jiang Li, a Director of the Company, served as an executive director and general manager of LMG. Save as disclosed above, in 2024, none of the Directors had any interest in any business which competes or is likely to compete either directly or indirectly, with the business of the Group.

SUFFICIENCY OF PUBLIC FLOAT

Based on public information and to the knowledge of the Directors, as at the date of this report, the Company has been maintaining the public float required by the Hong Kong Listing Rules and the Directors confirm that the public float of the Company is in compliance with the Listing Rules.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company, its holding company or any of its subsidiaries or fellow subsidiaries, a party to any arrangement to enable the Directors and Supervisors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

On 13 July 2021, the Board of the Company convened a meeting to consider and approve the Proposal on the Repurchase of the Company's A Shares through Centralized Bidding (Phase II). On 16 December 2021, the Company completed the Proposal on the Repurchase of the Company's A Shares (Phase II), with an accumulated repurchase of 99,999,964 shares. As of 16 December 2024, the three-year utilising period of the aforesaid shares in the Company's dedicated repurchase account has been expired.

In accordance with the relevant regulations, the Company has convened the Board meeting and the extraordinary general meeting on 28 October 2024 and 10 December 2024, respectively, to agree to the cancellation of the aforesaid repurchase of shares, and on 6 February 2025, the Company completed the cancellation of each of the above items. The 104,930,443 A shares repurchased under the Proposal on the Repurchase of the Company's A Shares (Phase III) were resolved by the Board of Directors on 21 March 2025 and proposed to be cancelled, subject to the approval of the Company's 2024 annual general meeting.

REPORT OF THE BOARD OF DIRECTORS

Save for the above cancellations, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities (including the sale of treasury shares) of the Company or any of its subsidiaries during the year ended 31 December 2024.

As at 31 December 2024, the Company did not hold any H-share treasury shares.

EQUITY-LINKED AGREEMENT

In 2024, the Company has not implemented any equity-linked agreement.

SHARE SCHEME

Share Option Scheme

In 2024, the Company has not implemented any share option scheme.

Employee Share Ownership Plan

On 5 May 2021, the Company convened the seventeenth meeting of the fifth session of the Board to consider and approve the "Resolution on the 2021 First Phase of Employee Share Ownership Plan of CMOC Group Limited (Draft) and Its Summary". On 21 May 2021, the Company convened its 2020 annual general meeting to consider and approve the "Resolution on the 2021 First Phase of Employee Share Ownership Plan of CMOC Group Limited (Draft) and Its Summary".

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

1. *Purpose of the Employee Share Ownership Plan*

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

REPORT OF THE BOARD OF DIRECTORS

2. Basis for determination of holders and allocation of the First Phase of Employee Share Ownership Plan

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

The total funds under the Employee Share Ownership Plan upon its establishment shall not be more than RMB97.026574 million, divided into "units" for subscription and each unit is equal to RMB1.00. The cap of units of the Employee Share Ownership Plan is 97,026,574. As at the reporting date, the total number of shares that can be subscribed under the Employee Share Ownership Plan accounted for 0.2268% of the total share capital (excluding treasury shares) of the Company. The units held by the holders of the Employee Share Ownership Plan are determined according to their actual payment amount, and the time for payment of units under the Employee Share Ownership Plan shall be arranged by a unified notice of the Company.

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

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

REPORT OF THE BOARD OF DIRECTORS

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

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

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

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

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

4. *Term, Lock-Up Period and Allocation of the Employee Share Ownership Plan*

   1) *Term*

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

   2) *Lock-up Period*

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

REPORT OF THE BOARD OF DIRECTORS

3) *Allocation*

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

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

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

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

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4) *Performance Appraisal Indicators*

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

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

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

Note 2: According to the provisions of Item 2 of Article 6(3) of the measures, as Mr. Zhou Jun, the new incentive recipient of the Employee Share Ownership Plan, will be the transferee to obtain the relevant shares held by Ms. Wu Yiming, the original incentive recipient, and the corresponding interests, and the interest allocation period and performance appraisal year for Mr. Zhou Jun are 2022-2024, namely:

REPORT OF THE BOARD OF DIRECTORS

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

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

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

No.	Holders	Positions	Amount of units
1	Sun Ruiwen	CEO	10,800,000
2	Yuan Honglin	Chairman of the Board	4,807,972
3	Li Chaochun	Vice chairman of the Board, Chief Investment Officer	4,500,000
4	Liu Dajun	Assistant to CEO	4,500,000
Total			24,607,972

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

REPORT OF THE BOARD OF DIRECTORS

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

According to the Audit Report (De Shi Bao (Shen) Zi (22) No. 01472) issued by Deloitte Touche Tohmatsu Certified Public Accountants LLP, the Company's performance appraisal during the tranche of interest allocation period in 2022 under the 2021 First Phase of Employee Share Ownership Plan has been accomplished, and the specific unlocking units are as follows:

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

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

REPORT OF THE BOARD OF DIRECTORS

7. Details of shares granted under Employee Share Ownership Plan

Under the Hong Kong Listing Rules, changes in the shares under the Employee Share Ownership Plan in 2024 are as follows:

Participants	Date of grant	Number of unvested shares as of 1 January 2024[(1)]	Number of shares granted in 2024	Number of shares vested in 2024	Number of shares cancelled in 2024	Number of shares lapsed in 2024	Number of shares repurchased in 2024	Number of unvested shares as of 31 December 2024[(2)]	Subscription price[(3)] *(RMB/share)*
Directors and chief executives									
Sun Ruiwen	21 May 2021	7,200,000	–	–	–	–	–	7,200,000	2
Yuan Honglin	21 May 2021	3,205,315	–	–	–	–	–	3,205,315	2
Li Chaochun	21 May 2021	3,000,000	–	–	–	–	–	3,000,000	2
Other holders	21 May 2021	3,000,000	–	–	–	–	–	3,000,000	2
	10 June 2022	5,250,000	–	–	–	–	–	5,250,000	2
Total		21,655,315	–	–	–	–	–	21,655,315	–

Notes:

(1) Among the unvested shares as of 1 January 2024, for the vesting period of shares granted on 21 May 2021, please refer to "4. Term, Lock-Up Period and Allocation of the Employee Share Ownership Plan – 3) Allocation" under this section; for the vesting period of shares granted on 10 June 2022, please refer to "4. Term, Lock-Up Period and Allocation of the Employee Share Ownership Plan – 4) Performance Appraisal Indicators" under this section.

(2) Among the unvested shares as of 31 December 2024, for the vesting period of shares granted on 21 May 2021, please refer to "4. Term, Lock-Up Period and Allocation of the Employee Share Ownership Plan – 3) Allocation" under this section; for the vesting period of shares granted on 10 June 2022, please refer to "4. Term, Lock-Up Period and Allocation of the Employee Share Ownership Plan – 4) Performance Appraisal Indicators" under this section.

(3) Included the subscription prices for unvested shares as of 1 January 2024 and unvested shares as of 31 December 2024.

Save as disclosed above, the Company has not granted relevant shares to (i) other Directors; (ii) five individuals (other than Directors) with highest total emoluments in 2024; or (iii) other persons.

No further shares were granted under the Employee Share Ownership Plan at the beginning and end of the reporting period.

REPORT OF THE BOARD OF DIRECTORS

AUDITOR

The consolidated financial statements of the Company for the year ended 31 December 2024 were audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP. The financial report for the year 2024 prepared in accordance with the PRC Accounting Standards by the Company has been audited by Deloitte Touche Tohmatsu Certified Public Accountants LLP and an auditor's report with unqualified opinions has been issued.

The Company appointed Deloitte Touche Tohmatsu Certified Public Accountants LLP, as the auditor of the Company, with term of office until the conclusion of the next annual general meeting of the Company.

By order of the Board
Yuan Honglin
Chairman

Shanghai, the PRC
21 March 2025

REPORT OF THE SUPERVISORY COMMITTEE

Dear Shareholders,

In 2024, in strict compliance with the requirements of the Company Law, Securities Law, Articles of Association, Rules of Procedure for the Supervisory Committee and relevant laws and regulations, the Supervisory Committee conducted supervision and inspection over the Company's operation and finance, implementation of resolutions passed at general meetings, the lawfulness and compliance of material decision-making procedures by the Board and the operational and management activities of the Company, and the performance of duties by the Board and the senior management, with a view to fostering standardized operation of the Company. For the sake of safeguarding the benefits of the Company and maximizing the interests of all the Shareholders, the Supervisory Committee performed its supervisory duty earnestly. We attended Board meetings in 2024 and considered that the Board, Directors and the senior management diligently and earnestly implemented all resolutions of the Company, without damaging the interests of the Company and the Shareholders. The resolutions of the general meetings and the Board were in compliance with the requirements of Company Law, other relevant laws and regulations and the Articles of Association.

I. MEETING CONVENED

In 2024, the Supervisory Committee held six meetings. Apart from holding Supervisory Committee meetings, the Supervisory Committee also sat in and attended the meetings of the Board and general meeting of the Company and listened to and adopted important proposals and resolutions from the Company. We understood the process of how the Company's material decisions were formed, had a grasp on the operational results of the Company, and simultaneously performed the Supervisory Committee's functions of knowing facts, monitoring and investigation.

Meetings attended by the Supervisors in 2024:

	Number of Attendance in person/ Number of Meetings Eligible to Attend		
	Supervisory committee	**Board**	**General meeting**
Mr. Zheng Shu	6/6	7/7	4/4
Mr. Zhang Zhenhao	6/6	7/7	4/4
Mr. Xu Wenhui [1]	3/3	3/3	0/0
Mr. Li Hongwei [2]	3/3	4/4	4/4
Mr. Luo Yunxiang [3]	0/0	0/0	0/0

Notes:

(1) Mr. Xu Wenhui resigned as the employee representative Supervisor on 31 May 2024 due to work adjustment.

(2) Mr. Li Hongwei resigned as the employee representative Supervisor on 10 December 2024 due to work adjustment.

(3) Mr. Luo Yunxiang was appointed as employee representative Supervisor on 10 December 2024.

REPORT OF THE SUPERVISORY COMMITTEE

II. COMPLETION OF MAJOR DUTIES

In 2024, in strict compliance with the requirements of relevant laws and regulations and the Articles of Association, the Supervisory Committee prudently reviewed the compliant operations, finance and internal control, connected transactions and other issues of the Company. The Supervisory Committee also raised reasonable recommendations and opinions to the Board. It also effectively supervised as to whether the major and specific decisions made by the management of the Company were in compliance with the laws and regulations of the State and the Articles of Association, and whether they were made to safeguard the benefits of the shareholders.

1. Inspection of lawfulness of the Company's operation

Pursuant to the relevant provisions of relevant laws and regulations of the State, the Listing Rules in Mainland China and Hong Kong and the Articles of Association, the Supervisory Committee conducted inspection and supervision over the procedures for convening general meetings and Board meetings of the Company, items to be resolved, implementation of resolutions passed at general meetings by the Board, the codes of conduct of senior management of the Company and internal control system of the Company by attending the general meetings and the meetings of the Board of the Company. Upon inspection, the Supervisory Committee is of the view that the decision-making procedures at the general meetings and Board meetings of the Company are lawful, the resolutions of the general meetings and the Board can be effectively implemented and the internal control system of the Company is well established. The Directors and senior management are diligent and responsible. No violation of any laws, regulations, Listing Rules in Mainland China and Hong Kong and Articles of Association and no other circumstances which are harmful to interests of shareholders and the Company have been found in the performance of duties.

2. Inspection of the Company's financial status

During the reporting period, the Supervisory Committee conducted effective supervision and inspection over the performance of the Company's financial system. Upon inspection, the Supervisory Committee is of the view that the financial operation of the Company was conducted in strict compliance with the financial management and the internal control system of the Company. Through the inspection over each auditing material (including the financial data) provided by the Company, the Company has built a sound financial internal control system, which could effectively guarantee the efficient operation of corporate funding and the safety and integrity of the Company's properties. The Company has neither acted against the wishes of the shareholders nor violated the internal control system of the Company during the course of operation. The utilization of funds was in the interests of the shareholders and met the principle of maximizing the Company's benefits. The financial position of the Company is solid with true financial information, and there is no false record, misrepresentations, or major omissions. There exists neither guarantee in violation of rules nor any guaranteed items which should be disclosed but have not been disclosed yet.

Deloitte Touche Tohmatsu Certified Public Accountants LLP audited the 2024 financial report and issued a standard and unqualified audit report.

The procedures for the preparation and consideration of the annual report of the Company was in compliance with the provisions of the laws and regulations and the Articles of Association. The Supervisory Committee did not identify any breach of confidentiality by persons involved in the preparation and announcement of the Annual Report, insider dealing or other violation of laws and regulations.

REPORT OF THE SUPERVISORY COMMITTEE

3. Inspection of the implementation of the information disclosure systems

During the reporting period, the Supervisory Committee urged the Company's relevant departments to be in strict compliance with the requirements of regulatory policies to perform its obligations of information disclosure, to seriously implement each information disclosure management system, and to timely and fairly disclose information which is true, accurate and complete on the whole.

4. Review of the internal control evaluation report

After the careful review of the 2024 Internal Control Evaluation Report of the Company (《公司二零二三年度內部控制評價報告》), the Supervisory Committee is of the opinion that the compilation is in compliance with such requirements as the Basic Rules for Internal Control of Enterprise (《企業內部控制基本規範》) and the Internal Control Evaluation Guidelines of Enterprise (《企業內部控制評價指引》). By establishing efficient internal control system and management, the Company has improved its internal control system, which plays a better role in risk prevention and control during the Company's production, operation and management to ensure an orderly development of various business activities of the Company and safeguard the interest of the Company and the shareholders. The report objectively and accurately reflected the actual situation of the Company's internal control, and no false records, misleading statements or major omissions have been found. The Supervisory Committee approved the 2024 Internal Control Evaluation Report of the Company.

5. Supervisions on connected transactions

During the course of conducting resolutions in relation to connected transactions by the Board of the Company, the approval procedures were in compliance with the laws and regulations, and were fair and reasonable without damaging the rights of non-controlling shareholders.

6. Opinions on the use of funds by related parties and external guarantee

In 2024, there was no non-operational use of the funds by the controlling shareholder; and there was no illegal external guarantee and guarantees provided in favor of the shareholders, controlling subsidiaries and subsidiary enterprises of the shareholders, and non-legal entities or individuals; and was in the interests of the Company and the shareholders as a whole.

7. Trainings

In order to consistently increase professional knowledge and enhance the business level, to execute the supervisory function of the Supervisory Committee in a perfect way and to strictly comply with laws, regulations and the Articles of Association, relevant supervisors participated in the training courses according to requirements in respect of corporate governance and regulatory development organized by the Listed Companies Association of Henan Province or held by the Company, and received and read the relevant materials including updates of laws and rules sent by the Board Office of the Company.

REPORT OF THE SUPERVISORY COMMITTEE

III. SUMMARY AND EVALUATION

The Supervisory Committee is of the view that the Board of Directors of the Company duly performed its operation in strict compliance with the requirements under the laws and regulations including the Company Law, the Articles of Association and Hong Kong and Shanghai Stock Exchange Listing Rules. The Company kept the due process of the production and operation, and ensured the stability of the production of the Company and the interests of the shareholders to the greatest extent. The major business decision-making procedures of the Company were legitimate and effective. The Directors and senior management of the Company performed their duties duly and seriously, and proactively and normatively conducted their work in accordance with the national laws, regulations, the Articles of Association and resolutions of the general meetings and the Board. The Supervisory Committee had not found any acts in breach of laws and regulations and the Articles of Association or against the interests of the shareholders and the Company by the Board and senior management of the Company during the course of performing their duties. The Supervisory Committee expressed its deep appreciation for the performance of the Board and management.

IV. WORKING PLAN

In 2025, the Supervisory Committee of the Company will be in strict compliance with the requirements of the Company Law, the Articles of Association, the Rules of Procedure for the Supervisory Committee, relevant laws and regulations and departmental rules, earnestly perform the supervisory function, and further enhance its supervision strength on the financial position, major issues, connected transactions and the compliance of the Directors and senior management personnel of the Company, thereby promoting continuous optimization of the internal control, standardization of operation and management of the Company, and safeguarding and guaranteeing the interests of the Company and investors.

Supervisory Committee of
CMOC Group Limited

Shanghai, the PRC
21 March 2025

PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

DIRECTORS

Executive Directors

Mr. Sun Ruiwen, born in 1969, is a professor-level senior engineer. Mr. Sun Ruiwen has been the chief executive officer of the Company since August 2020 and the executive Director of the Company since May 2021. Mr. Sun graduated from East China Jiaotong University (華東交通大學), majoring in safety engineering. From 1990 to 2008, he worked in China Railway No. 3 Engineering Group (中鐵三局集團), Qinghai China Railway Mining (青海中鐵礦業), China Railway Resources Guojin Mining (中鐵資源國金礦業) and Chifeng China Railway Mining (赤峰中鐵礦業). From 2008 to 2009, he served as the deputy chief economist of China Railway Resource Group Co., Ltd. (中鐵資源集團公司), and the chairman of China Railway Resources Trading Co., Ltd. (中鐵資源商貿公司). From 2009 to 2012, Mr. Sun served successively as the chairman of Congo (DRC) Luisha Mining (剛果(金)綠紗礦業), MKM Mining (MKM 礦業), Congo (DRC) International Mining Corporation (剛果(金)國際礦業公司) and the deputy general manager of China Railway Resource Group (中鐵資源集團). From 2012 to 2017, he served as the general manager of Huagang Mining Co., Ltd. (華剛礦業公司) and chairman of Busanga Hydropower Station Co., Ltd. (布桑加水電站公司). From 2017 to 2019, Mr. Sun served as the general manager of China Railway Resource Group Co., Ltd. (中鐵資源集團公司). Mr. Sun has been awarded many awards, such as Young Hero of Shenshuo Railway Construction, Top Ten Outstanding Youth of China Railway, Second Class and First Class of China Non-ferrous Science Improvement Award, Meritorious Person of Resources Development outside China, etc.

Mr. Li Chaochun, born in February 1977, has been an executive Director of the Company since January 2007, vice chairman of the Board of the Company from January 2007 to January 2014, chairman of the Board of the Company from January 2014 to June 2020, currently vice chairman of the Company and a member of the Strategic and Sustainability Committee of the Company. Mr. Li graduated from Shanghai Jiao Tong University with a bachelor's degree in law in July 1999. From July 1999 to December 1999, he was a staff accountant of the tax division of Arthur Andersen (Shanghai) Business Consulting Co., Ltd. He was with Arthur Andersen Hua Qiang CPA from January 2000 to March 2002, where his last position was as a senior consultant of the tax division. From April 2002 to February 2003, he was a deputy manager of planning and strategy implementation of the general representative office of The Hong Kong and Shanghai Banking Corporation Limited. From July 2003 to January 2007, Mr. Li was an executive director of the investment department of Cathay Fortune Corporation.

PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Non-Executive Directors

Mr. Yuan Honglin, born in November 1967, has been our non-executive Director and a member of the Audit and Risk Committee, Remuneration Committee and Strategic and Sustainability Committee of the Company since November 2013. He has over 20 years of experience in the banking industry. Since June 2020, he has served as the Chairman of the Board, Chairman of the Strategic and Sustainability Committee and Vice Chairman of the Nomination and Governance Committee of the Company. Mr. Yuan graduated from Nanjing University in July 1990 with a bachelor's degree in economics. In July 2004, Mr. Yuan obtained an MBA degree from Shanghai Jiao Tong University. From August 1990 to May 2000, Mr. Yuan worked at Bank of China Limited, Nantong Branch where he held various positions including vice president of the Rudong sub-branch and manager of the credit management department of Nantong Branch. Between June 2000 and August 2007, Mr. Yuan worked at China Merchants Bank Limited, Shanghai Branch where he held various positions including president of Jiang Wan sub-branch and general manager of corporate banking department. From September 2007 to September 2012, Mr. Yuan worked at Ping An Bank Co., Ltd. where he held various positions including assistant to the president of the Shanghai Branch, vice president (responsible for the overall business operations) of the Shanghai Branch and general manager of the corporate banking department responsible for the northern region of China. From October 2012 to the present, Mr. Yuan has been the director of Cathay Fortune Corporation (鴻商產業控股集團有限公司) as well as the director of Cathay Fortune Capital Investment Co., Ltd. (鴻商資本股權投資有限公司), the general manager of Livit Life Insurance Company Limited (小康人壽保險有限責任公司), the executive director of Cathay Fortune Tibet Capital Investment Co., Ltd. (西藏鴻商資本投資有限公司), Cathay Fortune Venture Capital Investment Co., Ltd. (上海鴻商創業投資管理有限公司), Honghui Tibet New Material Science And Technology Co., Ltd. (西藏鴻輝新材料科技有限公司), Cathay Fortune Caihui Co., Ltd. (上海鴻商材薈投資有限公司), the director of Cathay Fortune Investment Limited (鴻商投資有限公司), the chairman of Najing Technology Co., Ltd. (納晶科技股份有限公司), and the director of Cathay Fortune Singapore Pte. Ltd (鴻商產業(新加坡)有限公司), Cathay Fortune International Company Limited (鴻商產業國際有限公司), and Cathay Fortune Holdings Limited (鴻商控股有限公司).

Mr. Lin Jiuxin, born in 1968, Chinese nationality with no right of permanent residency abroad, holds a master's degree. He has been the non-executive Director of the Company since June 2023. Mr. Lin served as the vice district chief of Haicang District Government of Xiamen City from August 2001 to January 2016. He held the positions of the member of the Standing Committee of the District Committee and the executive vice district chief of the District Government of Xiang'an District of Xiamen City from January 2016 to February 2017. Mr. Lin has been working for CATL since March 2017 and now serves as the deputy director of the Safety Production Committee and a member of the Resources Committee of CATL, and the chairman of the board of Yichun Shidai New Energy Resources Co., Ltd. (宜春時代新能源資源有限公司).

Mr. Jiang Li, born in 1979, Chinese nationality with no right of permanent residency abroad, holds a master's degree from Peking University. He has been the non-executive Director of the Company since June 2023. Mr. Jiang served as a business manager of the investment banking department of China Galaxy Securities Co., Ltd. from 2004 to 2007. He successively held the positions of deputy director, director and executive director in the investment banking department of UBS Securities Co., Limited. from 2008 to 2015. He acted as the director of the board office of China Development Bank Securities Co., Ltd. from 2015 to 2017. He has been the deputy general manager and secretary to the board of CATL since June 2017 and now concurrently serves as the director of Tianjin Binhai Industry Fund Management Co., Ltd. (天津市濱海產業基金管理有限公司), Ningpu Times Battery Technology Co., Ltd. (寧普時代電池科技有限公司) and Livit Life Insurance Company Limited (小康人壽保險有限責任公司).

PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Independent Non-Executive Directors

Mr. Wang Kaiguo, born in 1958, has a doctorate degree in economics and is a senior economist. He currently serves as the chairman of Shanghai Zhongping Capital Co. Ltd. (上海中平國瑀資產管理有限公司), and an executive director and manager of Ningbo Zhongping Corporate Management Co., Limited (寧波仲平企業管理有限公司), a director of Shanghai Kingstar Software Technology Co., Ltd. (上海金仕達軟件科技股份有限公司), an independent Director of Greenland Holdings Corporation Limited (綠地控股集團股份有限公司), an independent non-executive Director of Zhongliang Holdings Group Company Limited (中梁控股集團有限公司) and an independent Director of Caitong Fund Management Co., Ltd. (財通基金管理有限公司). He served as the deputy director of Research Institute of Administrative Bureau of State-owned Assets (國家國有資產管理局科研所), the secretary of the Party Committee and chairman of Haitong Securities Co., Ltd. (海通證券股份有限公司) and the vice president of the Securities Association of China (中國證券業協會). He has solid securities business knowledge and corporate management experience.

Ms. Gu Hongyu, born in 1968, an MBA, qualified as a Chinese certified public accountant. From January 1995 to May 2014, she worked at Deloitte Touche Tohmatsu Certified Public Accountants and successively held various positions such as auditor, audit manager and audit partner. She has extensive experience in auditing, financial prudence investigation, planning for the group development strategy and consulting on financial software planning and application.

Mr. Cheng Gordon, born in 1975, and holds a master of law. He has been serving as a partner and the president of the Greater China Region of Cameron Pace Group China since 2018. Mr. Cheng has extensive experience and insights in the management, investment and M&A and strategic development of the world's leading technology, finance, mining and cultural enterprises in the past over 20 years. From 2013 to 2018, Mr. Cheng served as an independent Director of the Company, and was a member of the board of the African Environment and Wildlife Foundation, actively protecting the natural ecology and environment in Africa. Mr. Cheng was invited to serve as the vice president of the Hong Kong Biotechnology Organization in 2023.

PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

SUPERVISORS

Mr. Zheng Shu, born in 1979, Chinese nationality with no right of permanent residency abroad, holds a dual bachelor's degree in accounting and computer science and technology from Fuzhou University, and is an accountant. He has been the non-employee representative Supervisor of the Company since June 2023. He served as the deputy manager of the finance department of Fujian Branch of China Tietong Telecommunications Corporation from 2002 to 2006. He held the positions of the overseas regional budget manager of Huawei Technologies Co., Ltd. and the person in charge of finance of a subsidiary from 2006 to 2009. He acted as the general manager of the finance department of Oneding Silicon Steel Group Co., Ltd. from 2009 to 2013. He was the chief financial officer of ChangYou.com (搜狐暢遊) (NASDAQ stock code: CYOU) from 2013 to 2016. He was the person in charge of the finance department of CATL from April 2016 to June 2017. He has been the chief financial officer of CATL since June 2017 and now concurrently serves as the director of Jinjiang Mintou Power Energy Storage Technology Co., Ltd. (晉江閩投電力儲能科技有限公司), Beijing Pride New Material Company Limited (北京普萊德新材料有限公司) and Shanghai Energiex New Energy Technology Company Limited (上海捷能智電新能源科技有限公司).

Mr. Zhang Zhenhao, born in 1973, obtained the CFA qualification from the CFA Institute. Mr. Zhang has been a Supervisor of the Company since August 2009. Mr. Zhang concurrently acts as a director of Cathay Fortune Corporation, a director of Cathay Fortune Capital Investment Co., Ltd. (鴻商資本股權投資有限公司), a director of Cathay Fortune Investment Limited (鴻商投資有限公司), a director of Cathay Fortune International Company Limited (鴻商產業國際有限公司), a director of Cathay Fortune Singapore Pte. Ltd. (鴻商產業(新加坡)有限公司), a director of Cathay Fortune Holdings Limited (鴻商控股有限公司), a director of Shanghai CFC Puyuan Investment Management Co., Ltd (上海鴻商普源投資管理有限公司), a director of Shanghai CFC Datong Industrial Co., Ltd. (上海鴻商大通實業有限公司), a director of Shanghai Shanglue Trading Co., Ltd (上海商略貿易有限公司), and a director of Beijing Huiqiao Investment Co., Ltd (北京匯橋投資有限公司). He is an executive director of Cathay Fortune Overseas Investment Co., Ltd (鴻商海外投資有限公司), a supervisor of Sino-French Life Insurance Co., Ltd (中法人壽保險有限公司), an executive director of Tibet Hongming Investment Company Limited (西藏鴻銘投資有限公司), an executive director of Tibet Yongce Investment Company Limited (西藏永策投資有限公司), an executive director of Tibet Hongyin Enterprise Management Service Company Limited (西藏鴻胤企業管理服務有限公司), an executive director of Shanghai Shangju Enterprise Company Limited (上海商聚實業有限公司) and an executive director of Shanghai Yunsheng International Trading Company Limited (上海匀盛國際貿易有限公司). Mr. Zhang graduated from Tianjin Polytechnic University with a bachelor's degree in textile engineering. Mr. Zhang also obtained a master's degree in finance from the Graduate School of The Chinese Academy of Social Sciences. From 1993 to 1999, Mr. Zhang held positions at Tianjin Yarndyed Company (天津色織公司), Tianjin Weaving Materials Exchange and Hainan Zhongshang Futures Exchange* (海南中商期貨交易所). From May 1999 to December 2001, Mr. Zhang was employed by Zhongfu Securities Dealer Co. Ltd. as a member of the preparatory division, general manager of the business management department and supervisor of the company. From January 2002 to May 2007, Mr. Zhang was employed by Zhongfu Securities Co. Ltd. as a member of the preparatory division, general manager of the sales department of Haikou Securities, executive director of the sales management department, secretary to the board of directors of the company and general manager of the chief executive office and the human resources department. Since June 2007, Mr. Zhang has been the general manager of the finance department of Cathay Fortune Corporation.

PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Mr. Luo Yunxiang, born in 1981, graduated from the School of Management of Guangxi Minzu University with a master's degree. From 2012 to 2023, he successively served as the senior investigation manager of the investigation team of Walmart's China headquarter (沃爾瑪中國總部), an intelligence expert and security operation expert in Alibaba Group (阿里巴巴集團), and the general manager of the security affairs center of JDDigits (京東數科). Since August 2024, he has been the person in charge of the anti-corruption department of the Company. From December 2024 to present, he has been the supervisor of the Company's staff. Currently, he is also a supervisor of Shenzhen Yudun Weian Technology Co., Ltd. (深圳市宇盾維安科技有限公司) and a director of Shandong Muxing Holdings Co., Ltd. (山東鉬興控股有限公司).

JOINT COMPANY SECRETARIES

Mr. Xu Hui, born in 1978, graduated from Hebei University of Economics and Business (河北經貿大學) with a bachelor's degree in Investment Economics Management in 2001. From July 2001 to September 2022, he served at Great Wall Motor Company Limited (長城汽車股份有限公司) successively as the director of securities and legal department, the secretary to the board of directors, and the chairman of the financial business segment, responsible for in information disclosure, investor relationship management, corporate financing, equity investment, legal and compliance, business financial management and other relevant works. Since October 2022, he has been the board secretary and joint company secretary of the Company

Ms. Ng Sau Mei, born in Hong Kong, obtained a Master's Degree in Law. She is a fellow member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the UK, and a director of the Listing Services Department of TMF Hong Kong Limited. Ms. Ng has over 20 years of experience as a corporate secretary for providing corporate secretarial of related matters and compliance services to Hong Kong listed companies. Ms. Ng currently serves as company secretary/joint company secretary for a number of Hong Kong listed companies including Metallurgical Corporation of China Ltd. (中國冶金科工股份有限公司), Shandong Gold Mining Co., Ltd. (山東黃金礦業股份有限公司), The People's Insurance Company (Group) of China Limited (中國人民保險集團股份有限公司) and China Reinsurance (Group) Corporation (中國再保險(集團)股份有限公司).

PROFILES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

Senior management consists of the following individuals:

Ms. Liang Wei, born in 1983, graduated from Shanghai International Studies University (上海外國語大學) with a bachelor's degree of arts in French in 2005 and École Supérieure d'Interprètes et de Traducteurs with a master's degree in conference interpretation in 2009. Prior to joining the Company, Ms. Liang served at the Foreign Affairs Office of Shanghai Municipal People's Government (上海市政府外事辦公室) from 2005 to 2015; Ms. Liang served as a lecturer at the Graduate Institute of Interpretation and Translation of Shanghai International Studies University from 2016 to 2017. Ms. Liang joined the Company in 2017 and currently serves as the ESG director of the Company, responsible for the establishment and improvement of the Company's ESG management system. Ms. Liang has been a vice president of the Company since August 2022.

Mr. Zhang Liqun, born in 1980, graduated from Asia City University (亞洲城市大學) with a DBA and a Ph.D. From 2003 to 2012, he served as the manager of the procurement department and the deputy general manager of the marketing and procurement center of Zhejiang Hengyi Polymer Co. Ltd. (浙江恒逸聚合物有限公司), from 2012 to 2022, he served as the general manager of the engineering and procurement center of Zhejiang Hengyi Petrochemical Co. Ltd. (浙江恒逸石化股份有限公司), and as a director and the deputy general manager of HengYi (Brunei) Industrial Company (恒逸(文萊)實業公司); and legal Person, chairman of the board and vice president of procurement of Zhejiang Hengyi Engineering Management Co. Ltd. (浙江恒逸工程管理有限公司). In June 2023, he joined the Company and in August 2024, he was appointed as a vice president of the Company.

Mr. Xu Hui, born in 1978, has served as the board secretary and joint company secretary of the Company since October 2022. For the profile of Mr. Xu Hui, please refer to "Profiles of Directors, Supervisors and Senior Management – Joint Company Secretaries" in this section.

AUDITOR'S REPORT

De Shi Bao (Shen) Zi (25) No. P03033

To all shareholders of China Molybdenum Co., Ltd.:

I. OPINION

We have audited the financial statements of China Molybdenum Co., Ltd. ("CMOC", or the "Company"), which comprise the consolidated and Company's balance sheets as at 31 December 2024, the consolidated and Company's income statements, the consolidated and Company's cash flow statements, and the consolidated and Company's statements of changes in shareholders' equity for the year then ended, and the notes to the financial statements.

In our opinion, the accompanying financial statements of CMOC are prepared and present fairly, in all material respects, the consolidated and Company's financial position as at 31 December 2024, and the consolidated and Company's results of operations and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises.

II. BASIS FOR OPINION

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of CMOC in accordance with the Code of Ethics for Chinese Certified Public Accountants (the "Code"), and we have 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 audit opinion.

III. KEY AUDIT MATTERS

The key audit matters are the most important matters that we consider to the audit of financial statements based on our professional judgment. The responses to these matters are based on the audit of the financial statements as a whole and the formation of an audit opinion. We do not express an opinion on these matters separately. We determine that the following matters are the key audit matters that need to be communicated in the auditor's report.

(I) Revenue recognition

Description

We identify the revenue recognition as a key audit matter, mainly because, as an A+H Share listed company, the revenue is a key business indicator. As stated in Note (V)49, the CMOC's revenue for 2024 includes the revenue from the sales of molybdenum-and-tungsten-related products, niobium-and-phosphorus-related products and copper-and-cobalt-related products of the mining and processing business, as well as the revenue from the trade of mineral metals and refined metals of the metal trading segment. Considering the complexity of relevant revenue process and corresponding internal controls, we identify the revenue recognition as a key audit matter.

AUDITOR'S REPORT

III. KEY AUDIT MATTERS (CONTINUED)

(I) Revenue recognition (Continued)

Audit response

The major audit procedures we performed for revenue recognition include:

1. Understanding and assessing relevant internal controls in the sales and collection cycle of CMOC, and testing their operating effectiveness;

2. Reviewing the significant sales contract, identifying the contract terms and conditions related to the transfer of control of the commodity, and evaluating whether the timing of revenue recognition of CMOC complies with the Accounting Standards for Business Enterprises;

3. Performing test of details for revenue recognition, selecting samples from the recorded revenue transactions and obtaining supporting documents, so as to test whether relevant performance obligations have been performed and accounted for accordingly at the time point of revenue recognition;

4. Performing analytical review procedures based on the sales prices and actual sales volumes of goods in open market to review the reasonableness of revenue recognition in current period in respect of business revenue from sales of goods;

5. Selecting metal trading contract samples to check the terms and transaction dates specified in the contracts against the transaction information in business system, so as to test the completeness of revenue recognition in respect of the revenue from metal trading.

(II) Fair value measurement of the financial instruments and trading inventories related to metal trading of IXM Holding S.A and its subsidiaries ("IXM")

Description

Metal trading of IXM involves large quantity of financial instruments and trading inventories measured at fair value, the inputs involved in the recognition of fair values of related assets and liabilities include observable inputs such as the quoted price of similar assets or liabilities in active market and unobservable inputs such as the yield of similar financial products in private market. As at 31 December 2024, the financial instruments held by IXM include held-for-trading financial assets of RMB5,118,658,937.72, derivative financial assets of RMB388,034,693.45, held-for-trading financial liabilities of RMB2,814,698,720.20, derivative financial liabilities of RMB576,133,873.22 and trading inventories measured at fair value of RMB7,874,346,568.38. The selection of the inputs may have material impact on financial statements. Therefore, we identify the fair value measurement regarding the financial instruments and trading inventories related to the metal trading of IXM as a key audit matter.

AUDITOR'S REPORT

III. KEY AUDIT MATTERS (CONTINUED)

(II) Fair value measurement of the financial instruments and trading inventories related to metal trading of IXM Holding S.A and its subsidiaries ("IXM") (Continued)

Audit response

The major audit procedures we performed for the fair value measurement of the financial instruments and trading inventories related to metal trading of IXM include:

1. Understanding and assessing the internal controls related to fair value measurement in the metal trading cycle of IXM, and testing their operating effectiveness;

2. Understanding the methods adopted by IXM to measure fair value, and assessing whether such methods comply with the Accounting Standards for Business Enterprises;

3. Selecting samples from the forward commodity contracts, receivables at FVTPL and payables at FVTPL, reviewing the terms of relevant contracts, understanding the valuation methods of fair values of selected samples, and verifying the quoted price of similar assets or liabilities in active market or other inputs adopted by the fair value measurement and their measurement results, so as to evaluate the reasonableness of the closing fair values.

4. Selecting samples from the trading inventories measured at fair value, and verifying the inputs such as the quoted price of similar assets or liabilities in active market, the premium/discount prices in the place of origin or nearby regions in the industry research report adopted by the fair value measurement and their measurement results, so as to evaluate the reasonableness of the closing fair values.

IV. OTHER INFORMATION

The management of CMOC is responsible for preparation of the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover other information and we do not express any form of assurance opinion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. In this respect, we have no matter to report.

AUDITOR'S REPORT

V. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The management of CMOC is responsible for the preparation of the financial statements in accordance with Accounting Standards for Business Enterprises to achieve fair presentation of the financial statements, and for the design, implementation and maintenance of internal control which is necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing CMOC'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 management either intends to liquidate CMOC or to cease operations, or has no other realistic alternative but to do so.

Those charged with governance are responsible for overseeing CMOC's financial reporting process.

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 solely to you. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with China Standards on Auditing 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 financial statements.

AUDITOR'S REPORT

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

As part of an audit in accordance with China Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(1) Identify and assess the risks of material misstatement of the 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.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

(4) Conclude on the appropriateness of the management's 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 CMOC'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 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 CMOC to cease to continue as a going concern.

(5) Evaluate the overall presentation (including the disclosure), structure and content of the financial statements, and whether the financial statements represent the transactions and events in a manner that achieves fair presentation.

(6) Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within CMOC to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

AUDITOR'S REPORT

VI. AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

We communicate with those charged with governance 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.

We also provide those charged with governance 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, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

Deloitte Touche Tohmatsu
Certified Public Accountants LLP
Shanghai, China

Chinese Certified Public Accountant:
(Engagement partner)

Chinese Certified Public Accountant:

21 March 2025

The auditor's report and the accompanying financial statements are English translations of the Chinese auditor's report and statutory financial statements prepared under accounting principles and practices generally accepted in the People's Republic of China. These financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in other countries and jurisdictions. In case the English version does not conform to the Chinese version, the Chinese version prevails.

CONSOLIDATED BALANCE SHEET

AT 31 DECEMBER 2024

RMB

ASSETS	Notes	31 December 2024	31 December 2023
Current Assets:			
Cash and bank balances	(V)1	**30,427,258,389.26**	30,716,077,208.96
Held-for-trading financial assets	(V)2	**6,509,905,551.61**	8,284,638,370.17
Derivative financial assets	(V)3	**1,393,127,738.63**	2,213,551,710.77
Accounts receivable	(V)4	**647,879,043.30**	1,132,003,814.45
Financing with receivables	(V)5	**80,435,196.69**	260,311,068.16
Prepayments	(V)6	**1,114,395,541.39**	1,181,770,447.66
Other receivables	(V)7	**5,524,864,547.38**	4,252,138,393.05
Including: Interest receivable	(V)7.2	**277,967,881.17**	263,164,810.93
Dividends receivable	(V)7.3	**210,000,000.00**	13,108,902.07
Inventories	(V)8	**29,878,326,307.04**	31,430,496,020.23
Non-current assets due within one year	(V)9	**669,085,195.47**	1,092,589,539.03
Other current assets	(V)10	**2,929,115,294.46**	3,084,006,776.18
Total Current Assets		**79,174,392,805.23**	83,647,583,348.66
Non-current Assets:			
Long-term equity investments	(V)11	**3,282,859,126.21**	2,228,736,782.08
Investments in other equity instruments	(V)12	**7,139,182.24**	7,729,190.40
Other non-current financial assets	(V)13	**2,804,861,188.55**	3,199,384,854.99
Fixed assets	(V)14	**44,422,262,703.20**	35,603,658,029.61
Construction in progress	(V)15	**4,054,550,381.26**	10,621,107,850.33
Inventories	(V)8	**7,224,831,357.59**	7,136,659,350.36
Right-of-use assets	(V)16	**257,985,962.59**	345,706,233.11
Intangible assets	(V)17	**21,651,283,345.49**	22,960,384,817.88
Goodwill	(V)18	**436,560,432.61**	430,141,140.73
Long-term prepaid expenses	(V)19	**279,914,912.55**	227,766,417.14
Deferred tax assets	(V)20	**1,592,961,821.67**	1,665,443,079.84
Other non-current assets	(V)21	**5,046,828,472.63**	4,900,229,607.48
Total Non-current Assets		**91,062,038,886.59**	89,326,947,353.95
TOTAL ASSETS		**170,236,431,691.82**	172,974,530,702.61

CONSOLIDATED BALANCE SHEET

AT 31 DECEMBER 2024

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31 December 2024	31 December 2023
Current Liabilities:			
Short-term borrowings	(V)23	**13,960,237,085.28**	24,954,249,917.03
Held-for-trading financial liabilities	(V)24	**2,835,872,062.19**	2,948,580,363.16
Derivative financial liabilities	(V)25	**1,454,738,253.36**	1,108,796,282.04
Notes payable	(V)26	**606,310,041.05**	1,142,025,881.71
Accounts payable	(V)27	**4,807,065,051.51**	3,556,152,616.98
Contract liabilities	(V)28	**2,621,355,529.29**	2,515,301,405.33
Employee benefits payable	(V)29	**1,443,108,200.73**	1,472,512,919.45
Taxes payable	(V)30	**5,529,776,168.33**	2,118,205,384.20
Other payables	(V)31	**5,160,820,314.05**	4,773,801,730.98
Including: Dividends payable	(V)31.2	**34,063,210.06**	27,885,796.67
Non-current liabilities due within one year	(V)32	**6,210,958,935.89**	3,769,999,779.97
Other current liabilities	(V)33	**830,355,325.34**	620,646,123.74
Total Current Liabilities		**45,460,596,967.02**	48,980,272,404.59
Non-current Liabilities:			
Long-term borrowings	(V)34	**9,333,840,115.73**	18,767,717,544.93
Bonds payable	(V)35	**–**	2,000,000,000.00
Lease liabilities	(V)36	**136,870,676.80**	230,938,527.58
Long-term employee benefits payable	(V)37	**530,656,320.26**	471,660,892.08
Provisions	(V)38	**2,830,531,195.69**	2,837,087,652.97
Deferred income	(V)39	**53,993,446.58**	38,532,783.50
Deferred tax liabilities	(V)20	**6,572,753,970.55**	5,991,178,925.91
Other non-current liabilities	(V)40	**19,374,952,854.42**	21,694,967,763.74
Total Non-current Liabilities		**38,833,598,580.03**	52,032,084,090.71
TOTAL LIABILITIES		**84,294,195,547.05**	101,012,356,495.30
SHAREHOLDERS' EQUITY:			
Share capital	(V)41	**4,319,848,116.60**	4,319,848,116.60
Other equity instruments	(V)42	**1,000,000,000.00**	1,000,000,000.00
Including: Perpetual bonds		**1,000,000,000.00**	1,000,000,000.00
Capital reserve	(V)43	**27,708,934,206.93**	27,694,825,276.01
Less: Treasury shares	(V)44	**1,266,543,810.15**	1,266,543,810.15
Other comprehensive income	(V)45	**2,739,929,808.22**	1,574,263,722.33
Special reserve	(V)46	**267,497,082.63**	140,310,748.25
Surplus reserve	(V)47	**2,159,924,058.30**	2,099,837,960.76
Retained profits	(V)48	**34,093,404,253.98**	23,977,727,693.23
Total shareholders' equity attributable to equity holders of the Company		**71,022,993,716.51**	59,540,269,707.03
Minority interests		**14,919,242,428.26**	12,421,904,500.28
TOTAL SHAREHOLDERS' EQUITY		**85,942,236,144.77**	71,962,174,207.31
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**170,236,431,691.82**	172,974,530,702.61

The accompanying notes form part of the financial statements.

The financial statements were signed by the following:

Legal Representative	Chief Accountant	Person in Charge of the Accounting Body

BALANCE SHEET OF THE COMPANY

AT 31 DECEMBER 2024

RMB

ASSETS	Notes	31 December 2024	31 December 2023
Current Assets:			
Cash and bank balances	(XVI)1	**6,612,113,055.60**	9,480,998,128.25
Held-for-trading financial assets	(XVI)2	**614,050,539.53**	10,149,030.84
Accounts receivable	(XVI)3	**761,243,032.25**	1,013,718,567.21
Financing with receivables		**18,741,868.56**	11,700,000.00
Prepayments		**15,797,367.82**	28,612,571.55
Other receivables	(XVI)4	**12,180,860,063.95**	8,882,661,447.55
Including: Interest receivable		**305,732,597.47**	295,803,008.94
Dividends receivable		**5,029,006,084.08**	1,544,006,084.08
Inventories		**347,506,465.75**	166,593,689.27
Non-current assets due within one year	(XVI)5	**–**	460,673,819.59
Other current assets		**17,596,997.80**	20,393,245.43
Total Current Assets		**20,567,909,391.26**	20,075,500,499.69
Non-current Assets:			
Long-term equity investments	(XVI)6	**35,447,326,287.03**	35,667,685,946.41
Other non-current financial assets		**80,650,720.23**	68,039,832.38
Fixed assets		**2,166,502,689.95**	2,245,847,925.86
Construction in progress		**459,663,801.52**	232,686,529.68
Intangible assets		**166,700,030.96**	169,515,081.85
Long-term prepaid expenses		**194,617,325.91**	112,040,348.37
Deferred tax assets		**130,046,376.10**	159,871,373.47
Other non-current assets		**1,131,532,520.93**	474,813,884.98
Total Non-current Assets		**39,777,039,752.63**	39,130,500,923.00
TOTAL ASSETS		**60,344,949,143.89**	59,206,001,422.69

BALANCE SHEET OF THE COMPANY

AT 31 DECEMBER 2024

LIABILITIES AND SHAREHOLDERS' EQUITY	Notes	31 December 2024	31 December 2023
Current Liabilities:			
Short-term borrowings		1,001,100,000.02	1,101,657,777.78
Held-for-trading financial liabilities		–	418,253,537.70
Notes payable		59,603.31	1,000,059,603.31
Accounts payable		312,007,663.50	296,964,576.00
Contract liabilities		7,293,086.80	252,772,663.01
Employee benefits payable		165,212,456.96	132,448,236.93
Taxes payable		318,262,951.17	286,749,773.28
Other payables		8,511,947,312.81	6,360,013,544.50
Including: Interest payable		7,865,721.66	43,098,117.98
Non-current liabilities due within one year		4,778,352,480.82	521,168,227.38
Other current liabilities		256,066,309.62	222,405,242.66
Total Current Liabilities		15,350,301,865.01	10,592,493,182.55
Non-current Liabilities:			
Long-term borrowings		4,563,800,000.00	7,808,274,584.70
Bonds payable	(V)35	–	2,000,000,000.00
Provisions		98,920,188.61	94,190,807.77
Deferred income		15,660,067.10	17,245,652.90
Other non-current liabilities		442,407,141.30	580,280,900.00
Total Non-current Liabilities		5,120,787,397.01	10,499,991,945.37
TOTAL LIABILITIES		20,471,089,262.02	21,092,485,127.92
SHAREHOLDERS' EQUITY:			
Share capital		4,319,848,116.60	4,319,848,116.60
Other equity instruments		1,000,000,000.00	1,000,000,000.00
Including: Perpetual bonds		1,000,000,000.00	1,000,000,000.00
Capital reserve		27,879,851,870.35	27,930,079,604.42
Less: Treasury shares		1,266,543,810.15	1,266,543,810.15
Special reserve		255,428,194.03	122,482,119.17
Surplus reserve		2,159,924,058.30	2,099,837,960.76
Retained profits		5,525,351,452.74	3,907,812,303.97
TOTAL SHAREHOLDERS' EQUITY		39,873,859,881.87	38,113,516,294.77
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		60,344,949,143.89	59,206,001,422.69

The financial statements were signed by the following:

Legal Representative	Chief Accountant	Person in Charge of the Accounting Body

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

RMB

Item	Notes	2024	2023
I. Total operating income		**213,028,664,834.79**	186,268,971,920.54
Including: Operating income	(V)49	**213,028,664,834.79**	186,268,971,920.54
II. Total operating costs		**187,362,391,592.61**	177,115,447,407.40
Including: Operating costs	(V)49	**177,773,986,291.91**	168,158,197,786.94
Taxes and levies	(V)50	**4,135,200,944.74**	3,084,375,433.21
Selling expenses	(V)51	**92,832,652.76**	155,415,623.44
Administrative expenses	(V)52	**2,127,537,139.53**	2,386,530,147.14
Research and development expenses		**353,973,998.59**	327,085,170.70
Financial expenses	(V)53	**2,878,860,565.08**	3,003,843,245.97
Including: Interest expenses		**4,043,301,643.47**	4,138,052,209.88
Interest income		**1,649,638,853.86**	1,643,253,592.10
Add: Other income	(V)54	**151,001,935.38**	112,142,038.86
Investment income (losses are indicated by “-”)	(V)55	**958,805,198.08**	2,483,302,857.88
Including: Income from investments in associates and joint ventures		**788,496,777.95**	374,876,198.04
Gains from changes in fair value (losses are indicated by “-”)	(V)56	**-1,375,599,138.49**	1,680,503,555.45
Gains from credit impairment (losses are indicated by “-”)	(V)57	**-5,862,679.45**	-3,664,369.40
Gains from assets impairment (losses are indicated by “-”)	(V)58	**-195,059,147.51**	-140,665,034.28
Gains from disposal of assets (losses are indicated by “-”)		**66,475,010.13**	2,834,594.73
III. Operating profit (loss is indicated by “-”)		**25,266,034,420.32**	13,287,978,156.38
Add: Non-operating income	(V)59	**36,682,538.06**	25,173,020.39
Less: Non-operating expenses	(V)60	**178,679,727.63**	105,187,883.51
IV. Total profit (loss is indicated by “-”)		**25,124,037,230.75**	13,207,963,293.26
Less: Income tax expenses	(V)61	**9,664,594,740.80**	4,677,340,664.42
V. Net profit (loss is indicated by “-”)		**15,459,442,489.95**	8,530,622,628.84
(I) Categorized by the nature of continuing operation:			
1. Net profit from continuing operations (net loss is indicated by “-”)		**15,407,519,425.13**	6,756,372,961.63
2. Net profit from discontinued operations (net loss is indicated by “-”)	(XV)1	**51,923,064.82**	1,774,249,667.21
(II) Categorized by ownership:			
1. Net profit attributable to shareholders of the Company (net loss is indicated by “-”)		**13,532,035,002.94**	8,249,711,872.51
2. Profit or loss attributable to minority interests (net loss is indicated by “-”)		**1,927,407,487.01**	280,910,756.33

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

Item	Notes	2024	2023
VI. Other comprehensive income, net of tax	(V)45	**1,357,882,699.56**	1,447,456,637.93
Other comprehensive income attributable to shareholders of the Company, net of tax		**1,165,666,085.89**	1,279,384,013.59
(I) Other comprehensive income that cannot be reclassified to profit or loss		**(3,402,604.48)**	(4,443,560.37)
1. Remeasurement of changes in defined benefit plans		**(2,960,098.36)**	880,215.69
2. Changes in fair value of investments in other equity instruments		**(442,506.12)**	(5,323,776.06)
(II) Other comprehensive income that will be reclassified to profit or loss		**1,169,068,690.37**	1,283,827,573.96
1. Cash flow hedges reserve		**142,767,145.51**	311,627,988.37
2. Translation differences of financial statements denominated in foreign currencies		**1,026,301,544.86**	972,199,585.59
Other comprehensive income attributable to minority interests, net of tax		**192,216,613.67**	168,072,624.34
VII. Total comprehensive income		**16,817,325,189.51**	9,978,079,266.77
Total comprehensive income attributable to shareholders of the Company		**14,697,701,088.83**	9,529,095,886.10
Total comprehensive income attributable to minority interests		**2,119,624,100.68**	448,983,380.67
VIII. Earnings per share:			
(I) Basic earnings per share		**0.63**	0.38
(II) Diluted earnings per share		**0.63**	0.38

The financial statements were signed by the following:

Legal Representative	Chief Accountant	Person in Charge of the Accounting Body

INCOME STATEMENT OF THE COMPANY

FOR THE YEAR ENDED 31 DECEMBER 2024

RMB

Item	Notes	2024	2023
I. Operating income	(XVI)7	**6,925,164,925.21**	7,267,921,552.86
Less: Operating costs	(XVI)7	**3,632,957,973.95**	3,583,855,804.32
Taxes and levies		**578,794,710.19**	589,715,680.14
Administrative expenses		**192,497,141.70**	224,642,485.18
Research and development expenses		**250,502,873.46**	258,452,329.11
Financial expenses		**162,893,625.08**	81,188,016.40
Including: Interest expenses		**425,652,116.64**	603,902,314.80
Interest income		**292,906,723.01**	534,277,736.02
Add: Other income		**10,644,679.46**	15,636,573.38
Investment income (losses are indicated by "-")	(XVI)8	**3,625,261,225.80**	2,392,487,403.20
Including: Income from investments in associates and joint ventures		**350,261,225.80**	64,573,515.66
Gains from changes in fair value (losses are indicated by "-")		**93,060,337.98**	9,155,993.00
Gains from credit impairment (losses are indicated by "-")		**2,288,133.31**	1,676,557.83
Gains from assets impairment (losses are indicated by "-")		**-6,522,194.37**	-3,932,040.31
Gains from disposal of assets (losses are indicated by "-")		**54,301,684.51**	109,478,406.90
II. Operating profit (loss is indicated by "-")		**5,886,552,467.52**	5,054,570,131.71
Add: Non-operating income		**7,828,484.22**	20,384,273.61
Less: Non-operating expenses		**63,077,467.93**	52,319,048.74
III. Total profit (loss is indicated by "-")		**5,831,303,483.81**	5,022,635,356.58
Less: Income tax expenses		**662,463,899.84**	868,141,025.88
IV. Net profit (loss is indicated by "-")		**5,168,839,583.97**	4,154,494,330.70
(I) Net profit from continuing operations (net loss is indicated by "-")		**5,168,839,583.97**	4,154,494,330.70
V. Other comprehensive income		**–**	–
VI. Total comprehensive income		**5,168,839,583.97**	4,154,494,330.70

The financial statements were signed by the following:

Legal Representative	Chief Accountant	Person in Charge of the Accounting Body

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

RMB

Item	Notes	2024	2023
I. Cash Flows from Operating Activities:			
Cash receipts from the sale of goods and the rendering of services		**215,036,974,344.06**	188,702,400,717.88
Receipts of tax refunds		**331,124,682.80**	220,971,353.25
Other cash receipts relating to operating activities	(V)62(1)	**1,300,657,590.79**	3,543,808,317.28
Sub-total of cash inflows from operating activities		**216,668,756,617.65**	192,467,180,388.41
Cash payments for goods purchased and services received		**165,625,149,489.09**	162,817,147,360.25
Cash payments to and on behalf of employees		**3,816,732,704.87**	3,466,771,675.00
Payments of various types of taxes		**13,879,306,093.67**	9,781,686,371.45
Other cash payments relating to operating activities	(V)62(1)	**960,912,788.30**	859,571,485.97
Sub-total of cash outflows from operating activities		**184,282,101,075.93**	176,925,176,892.67
Net Cash Flow from Operating Activities	(V)63(1)	**32,386,655,541.72**	15,542,003,495.74
II. Cash Flows from Investing Activities:			
Cash receipts from disposals and recovery of investments		**14,198,699,630.44**	4,012,517,610.49
Cash receipts from investment income		**1,467,950,005.50**	2,467,269,032.47
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		**187,179,607.90**	397,535,162.96
Net cash receipts from disposals of subsidiaries and other business units		**156,982,100.00**	1,010,846,451.20
Other cash receipts relating to investing activities	(V)62(2)	**887,890,907.81**	596,070,181.89
Sub-total of cash inflows from investment activities		**16,898,702,251.65**	8,484,238,439.01
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		**4,901,319,114.82**	12,924,398,131.61
Cash payments to acquire investments		**12,935,217,955.37**	5,645,523,061.67
Net cash payments for acquisitions of subsidiaries and other business units	(V)63(2)	**4,985,788.54**	–
Other cash payments relating to investing activities	(V)62(2)	**216,829,433.06**	573,003,513.95
Sub-total of cash outflows from investment activities		**18,058,352,291.79**	19,142,924,707.23
Net Cash Flow from Investment Activities		**(1,159,650,040.14)**	(10,658,686,268.22)

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2024

Item	Notes	2024	2023
III. Cash Flows from Financing Activities:			
Cash receipts from borrowings		**63,524,319,615.13**	71,744,175,889.11
Other cash receipts relating to financing activities	(V)62(3)	**1,725,000,000.00**	3,150,518,801.15
Sub-total of cash inflows from financing activities		**65,249,319,615.13**	74,894,694,690.26
Cash repayments of borrowings		**82,883,436,443.69**	73,908,354,465.49
Cash payments for distribution of dividends or profits or settlement of interest expenses		**7,527,012,034.65**	6,762,255,256.09
Including: Payments for distribution of dividends to minority shareholders of subsidiaries		**633,055,010.00**	491,655,500.00
Other cash payments relating to financing activities	(V)62(3)	**5,410,594,515.54**	2,830,552,523.09
Sub-total of cash outflows from financing activities		**95,821,042,993.88**	83,501,162,244.67
Net Cash Flow from Financing Activities		**(30,571,723,378.75)**	(8,606,467,554.41)
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		**506,671,598.46**	796,365,652.48
V. Net Increase (Decrease) in Cash and Cash Equivalents		**1,161,953,721.29**	(2,926,784,674.41)
Add: Opening balance of cash and cash equivalents	(V)63(3)	**26,118,763,976.52**	29,045,548,650.93
VI. Closing Balance of Cash and Cash Equivalents	(V)63(3)	**27,280,717,697.81**	26,118,763,976.52

The financial statements were signed by the following:

Legal Representative	Chief Accountant	Person in Charge of the Accounting Body

CASH FLOW STATEMENT OF THE COMPANY

FOR THE YEAR ENDED 31 DECEMBER 2024

RMB

Item	Notes	2024	2023
I. Cash Flows from Operating Activities:			
Cash receipts from the sale of goods and the rendering of services		8,218,672,806.19	8,310,519,384.32
Other cash receipts relating to operating activities		307,307,524.20	445,921,838.45
Sub-total of cash inflows from operating activities		8,525,980,330.39	8,756,441,222.77
Cash payments for goods purchased and services received		3,926,210,958.72	3,043,710,220.63
Cash payments to and on behalf of employees		439,607,110.34	436,385,030.82
Payments of various types of taxes		1,730,151,299.55	1,980,456,242.36
Other cash payments relating to operating activities		371,440,343.46	181,921,763.28
Sub-total of cash outflows from operating activities		6,467,409,712.07	5,642,473,257.09
Net Cash Flow from Operating Activities	(XVI)9	2,058,570,618.32	3,113,967,965.68
II. Cash Flows from Investing Activities:			
Cash receipts from disposals and recovery of investments		9,755,000,000.00	4,557,920,820.85
Cash receipts from investment income		259,803,707.55	433,165,008.91
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		42,067,742.90	243,903,265.20
Other cash receipts relating to investing activities		9,491,811,459.85	19,578,404,933.06
Sub-total of cash inflows from investment activities		19,548,682,910.30	24,813,394,028.02
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		380,473,587.18	635,504,782.75
Cash payments to acquire investments		11,400,708,434.15	7,879,257,221.65
Net cash payments for acquisitions of subsidiaries and other business units	(VI)1(2)	20,000,000.00	–
Other cash payments relating to investing activities		9,822,674,719.28	15,939,444,947.54
Sub-total of cash outflows from investment activities		21,623,856,740.61	24,454,206,951.94
Net Cash Flow from Investment Activities		(2,075,173,830.31)	359,187,076.08

CASH FLOW STATEMENT OF THE COMPANY

FOR THE YEAR ENDED 31 DECEMBER 2024

Item	Notes	2024	2023
III. Cash Flows from Financing Activities:			
Cash receipts from borrowings		**3,690,000,000.00**	11,087,074,584.70
Other cash receipts relating to financing activities		**25,538,184,855.22**	26,167,863,675.23
Sub-total of cash inflows from financing activities		**29,228,184,855.22**	37,254,938,259.93
Cash repayments of borrowings		**4,781,901,252.32**	10,773,200,000.00
Cash payments for distribution of dividends or profits or settlement of interest expenses		**3,814,480,522.77**	2,549,301,707.45
Other cash payments relating to financing activities		**24,482,316,527.64**	26,872,545,636.86
Sub-total of cash outflows from financing activities		**33,078,698,302.73**	40,195,047,344.31
Net Cash Flow from Financing Activities		**(3,850,513,447.51)**	(2,940,109,084.38)
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		**(3,095,387.05)**	(8,281,491.92)
V. Net (Decrease) Increase in Cash and Cash Equivalents		**(3,870,212,046.55)**	524,764,465.46
Add: Opening balance of cash and cash equivalents		**9,426,057,531.60**	8,901,293,066.14
VI. Closing Balance of Cash and Cash Equivalents		**5,555,845,485.05**	9,426,057,531.60

The financial statements were signed by the following:

Legal Representative	Chief Accountant	Person in Charge of the Accounting Body

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

RMB

	2024										
	Equity attributable to shareholders of the Company								Minority interests		
Item	Share capital	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained profits	Ordinary shares	Preference shares	Total shareholders' equity
I. Balance at 1 January 2024	4,319,848,116.60	1,000,000,000.00	27,694,825,276.01	1,266,543,810.15	1,574,263,722.33	140,310,748.25	2,099,837,960.76	23,977,727,693.23	10,259,517,972.78	2,162,386,527.50	71,962,174,207.31
II. Changes for the year											
(I) Total comprehensive income	-	-	-	-	1,165,666,085.89	-	-	13,532,035,002.94	1,956,446,838.18	163,177,262.50	16,817,325,189.51
(II) Shareholders' contributions and reduction in capital											
1. Ordinary shares contributed by owners	-	-	-	-	-	-	-	-	988,405,000.00	-	988,405,000.00
2. Share-based payments included in owners' equity (Note (V)43)	-	-	14,108,930.92	-	-	-	-	-	-	-	14,108,930.92
3. Business combinations not involving enterprises under common control (Note (VI))	-	-	-	-	-	-	-	-	19,215,686.27	-	19,215,686.27
(III) Profit distribution											
1. Transfer to surplus reserve	-	-	-	-	-	-	60,086,097.54	(60,086,097.54)	-	-	-
2. Distributions to shareholders	-	-	-	-	-	-	-	(3,300,072,344.65)	(503,188,000.00)	(129,867,010.00)	(3,933,127,354.65)
3. Distribution of dividends of perpetual bonds	-	-	-	-	-	-	-	(56,200,000.00)	-	-	(56,200,000.00)
(IV) Special reserve											
1. Transfer to special reserve in the year	-	-	-	-	-	206,058,997.45	-	-	8,497,410.95	-	214,556,408.40
2. Amount utilized in the year	-	-	-	-	-	(78,872,663.07)	-	-	(5,349,259.92)	-	(84,221,922.99)
III. Balance at 31 December 2024	4,319,848,116.60	1,000,000,000.00	27,708,934,206.93	1,266,543,810.15	2,739,929,808.22	267,497,082.63	2,159,924,058.30	34,093,404,253.98	12,723,545,648.26	2,195,696,780.00	85,942,236,144.77

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	2023										
	Equity attributable to shareholders of the Company								Minority interests		
Item	Share capital	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained profits	Ordinary shares	Preference shares	Total shareholders' equity
I. Balance at 1 January 2023	4,319,848,116.60	1,000,000,000.00	27,681,918,087.25	1,325,021,131.22	294,879,708.74	22,655,587.06	1,684,388,527.69	18,019,893,163.56	10,338,854,639.46	-	62,037,416,699.14
II. Changes for the year											
(I) Total comprehensive income	-	-	-	-	1,279,384,013.59	-	-	8,249,711,872.51	411,406,853.17	37,576,527.50	9,978,079,266.77
(II) Shareholders' contributions and reduction in capital											
1. Ordinary shares contributed by owners	-	-	-	-	-	-	-	-	-	-	-
2. Capital contribution from holders of other equity instruments	-	-	-	-	-	-	-	-	-	2,124,810,000.00	2,124,810,000.00
3. Share-based payments included in owners' equity (Note (V)43)	-	-	12,907,188.76	(58,477,321.07)	-	-	-	-	-	-	71,384,509.83
(III) Profit distribution											
1. Transfer to surplus reserve	-	-	-	-	-	-	415,449,433.07	(415,449,433.07)	-	-	-
2. Distributions to shareholders	-	-	-	-	-	-	-	(1,820,227,909.77)	(491,655,500.00)	-	(2,311,883,409.77)
3. Distribution of dividends of perpetual bonds	-	-	-	-	-	-	-	(56,200,000.00)	-	-	(56,200,000.00)
(IV) Special reserve											
1. Transfer to special reserve in the year	-	-	-	-	-	199,607,810.60	-	-	3,667,633.46	-	203,275,444.06
2. Amount utilized in the year	-	-	-	-	-	(81,952,649.41)	-	-	(2,755,653.31)	-	(84,708,302.72)
III. Balance at 31 December 2023	4,319,848,116.60	1,000,000,000.00	27,694,825,276.01	1,266,543,810.15	1,574,263,722.33	140,310,748.25	2,099,837,960.76	23,977,727,693.23	10,259,517,972.78	2,162,386,527.50	71,962,174,207.31

The financial statements were signed by the following:

Legal Representative

Chief Accountant

Person in Charge of the Accounting Body

THE COMPANY'S STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

RMB

	2024							
Item	Share capital	Other equity instruments	Capital reserve	Less: Treasury shares	Special reserve	Surplus reserve	Retained profits	Total shareholders' equity
I. Balance at 1 January 2024	4,319,848,116.60	1,000,000,000.00	27,930,079,604.42	1,266,543,810.15	122,482,119.17	2,099,837,960.76	3,907,812,303.97	38,113,516,294.77
II. Changes for the year								
(I) Total comprehensive income	-	-	-	-	-	-	5,168,839,583.97	5,168,839,583.97
(II) Shareholders' contributions and reduction in capital								
1. Ordinary shares contributed by owners	-	-	-	-	-	-	-	-
2. Share-based payments included in owners' equity	-	-	14,108,930.92	-	-	-	-	14,108,930.92
3. Combination by merger of subsidiaries	-	-	(64,336,664.99)	-	16,567,658.61	-	(134,941,993.01)	(182,710,999.39)
(III) Profit distribution								
1. Transfer to surplus reserve	-	-	-	-	-	60,086,097.54	(60,086,097.54)	-
2. Distributions to shareholders	-	-	-	-	-	-	(3,300,072,344.65)	(3,300,072,344.65)
3. Distribution of dividends of perpetual bonds	-	-	-	-	-	-	(56,200,000.00)	(56,200,000.00)
(IV) Special reserve								
1. Transfer to special reserve in the year	-	-	-	-	185,729,808.40	-	-	185,729,808.40
2. Amount utilized in the year	-	-	-	-	(69,351,392.15)	-	-	(69,351,392.15)
III. Balance at 31 December 2024	4,319,848,116.60	1,000,000,000.00	27,879,851,870.35	1,266,543,810.15	255,428,194.03	2,159,924,058.30	5,525,351,452.74	39,873,859,881.87

THE COMPANY'S STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	2023							
Item	Share capital	Other equity instruments	Capital reserve	Less: Treasury shares	Special reserve	Surplus reserve	Retained profits	Total shareholders' equity
I. Balance at 1 January 2023	4,319,848,116.60	1,000,000,000.00	27,800,962,401.65	1,325,021,131.22	21,113,064.91	1,684,388,527.69	2,045,195,316.11	35,546,486,295.74
II. Changes for the year								
(I) Total comprehensive income	–	–	–	–	–	–	4,154,494,330.70	4,154,494,330.70
(II) Shareholders' contributions and reduction in capital								
1. Ordinary shares contributed by owners	–	–	–	–	–	–	–	–
2. Share-based payments included in owners' equity	–	–	12,907,188.76	(58,477,321.07)	–	–	–	71,384,509.83
(III) Profit distribution								
1. Transfer to surplus reserve	–	–	–	–	–	415,449,433.07	(415,449,433.07)	–
2. Distributions to shareholders	–	–	–	–	–	–	(1,820,227,909.77)	(1,820,227,909.77)
3. Distribution of dividends of perpetual bonds	–	–	–	–	–	–	(56,200,000.00)	(56,200,000.00)
(IV) Special reserve								
1. Transfer to special reserve in the year	–	–	–	–	176,901,289.83	–	–	176,901,289.83
2. Amount utilized in the year	–	–	–	–	(75,532,235.57)	–	–	(75,532,235.57)
(V) Others *(Note)*	–	–	116,210,014.01	–	–	–	–	116,210,014.01
III. Balance at 31 December 2023	4,319,848,116.60	1,000,000,000.00	27,930,079,604.42	1,266,543,810.15	122,482,119.17	2,099,837,960.76	3,907,812,303.97	38,113,516,294.77

Note: On 11 September 2023, the Company entered into an equity transfer agreement with CMOC Holding Limited ("CMOC Limited"), a wholly-owned subsidiary of the Company, pursuant to which the Company would purchase 100% equity of CMOC Mining Pty Ltd at a consideration of USD401,746,589 (equivalent to RMB2,898,521,290.99), and the equity transfer was completed within that month. The Company adjusted the difference between the initial investment cost and the cash paid to capital reserve of RMB116,210,014.01.

The financial statements were signed by the following:

Legal Representative	Chief Accountant	Person in Charge of the Accounting Body

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(I). BASIC INFORMATION ABOUT THE COMPANY

1. Basic Information about the Company

China Molybdenum Co., Ltd. (the "Company") was incorporated on 25 August 2006 as a joint-stock limited company on the basis of China Molybdenum Co., Ltd. by Luoyang Mining Group Co., Ltd. ("LMG") and Cathay Fortune Corporation ("CFC"). Details of share capital are set out in Note (V)41.

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

2. Approval Date of the Financial Statements

The consolidated and the Company's financial statements have been approved by the board of directors of the Company on 21 March 2025.

(II). PREPARATION BASIS OF THE FINANCIAL STATEMENTS

Preparation basis

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

Going concern

The Group assessed its ability to continue as a going concern for 12 months from 31 December 2024, and didn't notice any event or circumstance that may cast significant doubts on its ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis.

Basis of accounting and principle of measurement

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

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

Basis of accounting and principle of measurement (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurements date, regardless of whether that price is directly observable or estimated using valuation technique. Fair value measurement and disclosure in the financial statements are determined according to the above basis.

For non-financial assets measured at fair value, the capacity of market participants to realize the maximum profit of non-financial assets, or the capacity of other participants who acquired non-financial assets to realize the maximum profit will be considered when measuring fair values of such non-financial assets.

For financial assets with transaction prices as the fair value upon initial recognition and the valuation technique of unobservable inputs employed in the subsequent measurement at the fair value, the technique is adjusted during the valuation to match the initial recognition results determined with the transaction prices.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than inputs within Level 1, that are observable for the asset or liability, either directly or indirectly;

- Level 3 inputs are unobservable inputs for the asset or liability.

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Specific accounting policies and accounting estimates:

The Group has formulated specific accounting policies and accounting estimates for the determination and selection basis of materiality standards, provision for decline in value of inventories, depreciation of fixed assets, fixed assets transferred from construction in progress, amortization of intangible assets, and transactions or events related to the recognition of revenue, stripping cost and exploration, assessment and development expenditures in accordance with actual production and operation characteristics of the Group. Details of significant judgements, accounting estimates and key assumptions used by the Group in determining significant accounting policies are set out in Note (III)37.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

1. Statement of compliance with Accounting Standards for Business Enterprises ("ASBE")

The financial statements of the Company have been prepared, in all material materials, in accordance with ASBE, and present fairly, the consolidated and Company's financial position as at 31 December 2024, the consolidated and Company's results of operations, the consolidated and Company's cash flows, and the consolidated and Company's changes in shareholders' equity for the year then end.

2. Accounting period

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

3. Operating cycle

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

4. Functional currency

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

5. Determination and selection basis of materiality standards

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

Business combinations are classified into business combinations involving enterprises under common control and business combinations not involving enterprises under common control.

6.1 Business combinations involving enterprises under common control

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

Assets and liabilities obtained are measured at their respective carrying amounts as recorded by the combining entities at the date of the combination. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination is adjusted to the share premium in capital reserve. If the share premium is not sufficient to absorb the difference, any excess is adjusted against retained earnings.

Costs that are directly attributable to the combination are charged to profit or loss in the period in which they are incurred.

6.2 Business combinations not involving enterprises under common control and goodwill

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Basis of control and preparation of the consolidated financial statements

7.1 Basis of control

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

7.2 Preparation of consolidated financial statements

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

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

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

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

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

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

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Basis of control and preparation of the consolidated financial statements (Continued)

7.2 Preparation of consolidated financial statements (Continued)

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

A joint arrangement is classified into joint operation and joint venture, depending on the rights and obligations of the parties to the arrangement, which is assessed by considering the structure and the legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement.

The Group accounts for investments in joint ventures using equity method. Refer to Note (III) "17.3.2. Long-term equity investments accounted for using the equity method" for details.

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

9. Recognition criteria of cash and cash equivalents

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

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

10.1 Transactions denominated in foreign currencies

A foreign currency transaction is recorded, on initial recognition, by applying the spot exchange rate on the date of the transaction.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

10.1 Transactions denominated in foreign currencies (Continued)

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

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

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

10.2 Translation of financial statements denominated in foreign currencies

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

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

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

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

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

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

11. Financial Instrument

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

Financial assets and financial liabilities are initially measured at fair value (The determination of fair value of financial assets and financial liabilities is set out in relevant disclosure of basis of accounting and principle of measurement in Note (II)). For financial assets and financial liabilities at fair value through profit or loss, transaction costs are immediately recognized in profit or loss. For other financial assets and financial liabilities, transaction costs are included in their initial recognized amounts. When conducting initial recognition of the accounts receivable that does not include significant financing components or the financing components in the contract no more than one year are not taken into consideration in accordance with Accounting Standards for Business Enterprises No. 14 – Revenue ("Revenue Standard"), the Group makes the initial measurement at the transaction price specified in the revenue standard.

The effective interest method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant accounting period.

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

The amortized cost of financial asset or financial liability is the initial recognition amount of the financial asset or the financial liability less the repaid amount of principal plus or less the accumulated amortized amount of the difference between the initial recognition amount and the amount of maturity with the effective interest rate method less the accumulated provisions for the losses (only applicable to the financial assets).

11.1 Classification, recognition and measurement of financial assets

Subsequent to initial recognition, the Group's financial assets of various categories are subsequently measured at amortized cost, at fair value through other comprehensive income ("FVTOCI") or at fair value through profit or loss ("FVTPL").

If contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, such asset is classified into financial asset measured at amortized cost. The financial assets classified as at amortized cost include cash and bank balances, accounts receivable, other receivables, deposits for derivative financial instruments in other current assets, and borrowings receivable, accounts receivable from minority shareholders, litigation deposits, supplier loans, related party borrowings, certificates of deposit, etc. in other non-current assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

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

Financial assets that meet the following conditions are classified as at FVTOCI: 1) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Such financial assets due over 1 year since acquisition are presented as other debt investments and those due within 1 year (inclusive) since balance sheet date are presented as other current assets due within one year; notes receivable classified as at FVTOCI on acquisition are presented under financing with receivables, and those due within 1 year (inclusive) since acquisition are presented under other current assets.

On the initial recognition, the Group may irrevocably designate non-trading equity instruments except for contingent consideration recognized in business combination not involving enterprises under common control as financial assets at FVTOCI on an individual basis. Such financial assets are presented as investments in other equity instruments in financial statements.

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

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

- On initial recognition, relevant financial assets are part of a portfolio of the identifiable financial instruments that the Group manages on a collective basis and there is objective evidence indicating that the Group has an actual pattern of short-term profit-taking recently; or

- Relevant financial assets are classified to derivative instruments, excluding derivatives that meet the definitions of financial guarantee contracts and are designated as effective hedging instruments.

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

- Financial assets that do not meet the requirements to be reclassified as financial assets at amortized cost or financial assets at FVTOCI are classified as financial assets at FVTPL.

- Upon initial recognition, in order to eradicate or significantly reduce accounting mismatches, the Group can irrevocably designate financial assets as at FVTPL.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

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

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

11.1.1 Financial assets measured at amortized cost

Financial assets measured at amortized cost are measured subsequently at amortized cost by adopting the effective interest method, with gains or losses arising from the impairment or derecognition recorded to the profit or loss for the period.

Interest income from financial assets at amortized cost are recognized by the Group based on the effective interest method. Interest income is determined by applying an effective interest rate to the carrying amount of the financial asset except for the following situations:

- For the purchased or originated credit-impaired financial assets, the Group recognizes their interest income based on amortized cost and credit-adjusted effective interest rate of these financial assets since initial recognition.

- For the purchased or originated financial assets not-credit-impaired but subsequently becoming credit-impaired, the Group subsequently recognizes their interest income based on amortized cost and effective interest rate of these financial assets. If no credit exists due to improvement in credit risk of the financial instruments subsequently and such improvement is in relation to an event incurred subsequent to the application of above provisions, the Group will transfer to calculate and determine the interest income by applying an effective interest rate to the carrying amount of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

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

11.1.2 Financial assets at FVTOCI

The impairment losses or gains relating to financial assets classified as at FVTOCI, the interest income calculated by effective interest method, and the exchange gains or losses shall be included into the profit or loss over the current period, and the other financial assets shall be measured at FVTOCI. The amount of the financial assets included into profit or loss of each period shall be regarded as equal as the amount measured at amortized cost through profit or loss over each period. When the financial assets are derecognized, the accumulated income or loss included in the other comprehensive income previously will be reclassified into the profit or loss over the current period from the other comprehensive income.

Fair value change of non-held-for-trading equity investment designated as at FVTOCI, is recognized in other comprehensive income. Upon derecognition of the financial asset, cumulative gains or losses previously recognized in other comprehensive income are transferred and included in retained earnings. During the period for which the Group holds the investments in the non-held-for-trading equity instruments, dividend income is recognized and included in profit or loss for the period when 1) the Group's right to collect dividend has been established; 2) it is probable that economic benefits associated with dividend will flow to the Group; and 3) the amount of dividend can be reliably measured.

11.1.3 Financial assets at FVTPL

Financial assets at FVTPL are measured subsequently at fair value. Gains or losses from changes in fair value and dividends and interest income relevant to the financial assets are recognized in profit or loss for the current period.

11.2 Impairment of financial instruments

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

The Group measures loss allowance based on the amount equal to the lifetime ECL for the accounts receivable and notes receivable arising from the transactions under revenue standards but not including significant financial elements or not considering the contract less than one year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

11.2 Impairment of financial instruments (Continued)

For other financial assets, except for the purchased or originated credit-impaired financial assets, at each balance sheet date, the Group assess changes in credit risk of relevant financial instruments since initial recognition. If the credit risk of the above financial instruments has increased significantly since initial recognition, the Group measures loss allowance based on the amount of full lifetime; if credit risk of the financial instrument has not increased significantly since initial recognition, the Group recognizes loss allowance based on 12-month ECL of the financial instrument. Increase in or reversal of credit loss allowance is included in profit or loss as loss/gain on impairment, except the financial assets classified as FVTOCI. The Group recognizes credit loss allowance for financial assets at FVOCI in other comprehensive income and recognizes loss or gain on impairment in profit or loss for the period, without reducing the carrying amount of the financial assets presented in the balance sheet.

The Group measured loss allowance at the full lifetime ECL of the financial instruments in the prior accounting period. However, as at the balance sheet date for the current period, for the above financial instruments, due to failure to qualify as significant increase in credit risk since initial recognition, the Group measures loss allowance for the financial instrument at 12-month ECL at the balance sheet date for the current period. Relevant reversal of loss allowance is included in profit or loss for the current period as gain on impairment.

11.2.1 Significant increase in credit risk

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.1 Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

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

(2) Whether external credit rating of the financial instrument has actually changed significantly or is expected to change significantly;

(3) Whether the debtor's internal credit rating is actually lowered or is expected to be lowered;

(4) Whether expected detrimental changes in business, financial and economic conditions of the debtor which will affect borrower's ability to perform repayment obligation have changed significantly;

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

(6) Whether the credit risk of other financial instruments issued by the same debtor has increased significantly;

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.1 Significant increase in credit risk (Continued)

(8) Whether the value of collateral for debt mortgage or the guarantee or credit enhancement quality provided by a third party has changed significantly, and these changes are expected to lower the economic motive of the debtor to repay within the time limit as specified by the contract or affect the probability of default;

(9) Whether the economic motive that will lower the borrower's repayment within the time limit as specified by the contract has changed significantly;

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

(11) Whether the debtor's expected performance and repayment activities have changed significantly;

(12) Whether the Group's approach to credit management of financial instruments has changed.

Regardless of whether the credit risk has increased significantly after the above assessment, when the financial instrument contract payment has been overdue for more than 30 days (inclusive), it indicates that the credit risk of the financial instrument has increased significantly.

At the balance sheet date, the Group may assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk. If the default risk of financial instrument is relatively low, the borrower has a strong capability in performing its contract cash flow obligation in the short term, and the capability of the borrower to perform its contract cash obligation is not necessarily reduced even if adverse change exists in the economic situation and business environment in a relatively long time, the financial instrument is considered to be exposed to the credit risk at a relatively low level.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.2 Credit-impaired financial assets

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

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

(2) A breach of contract by the debtor, such as a default in interest or principal or past due event;

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

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

(5) The issuer or debtor has financial difficulty resulting in disappearance of active market for the financial assets;

(6) Purchase or originate a financial asset at substantial discount, which reflects the fact that the financial asset has become credit-impaired.

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.3 Recognition of expected credit loses

ECL of relevant financial instruments is recognized based on the following methods:

- For a financial asset, credit loss is the present value of difference between the contractual cash flow receivable and the expected cash flow to be received.

- For a financial guarantee contract (refer to Note (III) 11.4.1.2.1 for detailed accounting policies), credit loss is the present value of difference between the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

- For credit-impaired financial assets other than the purchased or originated credit-impaired financial assets at the balance sheet date, credit loss is difference between the carrying amount of financial assets and the present value of expected future cash flows discounted at original effective interest rate.

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

11.2.4 Write-down of financial assets

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

11.3 Transfer of financial assets

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

11.3 Transfer of financial assets (Continued)

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

- If the financial assets transferred are measured at amortized cost, and the carrying amounts of relevant liabilities are equivalent to the carrying amounts of the transferred financial assets continuing in involvement less the amortized costs of the retained rights of the Group (if the Group retains associated rights for the transfer of financial assets) plus the amortized costs of the Group's obligations (if the Group bears associated obligations for the transfer of financial assets), relevant liabilities are not designated as financial liabilities at FVTPL.

- If financial assets transferred are measured at fair value, and the carrying amounts of relevant liabilities are equivalent to the carrying amounts of the transferred financial assets continuing in involvement less the fair value of the retained rights of the Group (if the Group retains associated rights for the transfer of financial assets) plus the Group's obligations (if the Group bears associated obligations for the transfer of financial assets), the fair value of the rights and obligations should be the fair value measured on an individual basis.

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between (1) the carrying amount of the financial asset transferred at the derecognition date; and (2) the sum of the consideration received from the transfer of financial assets and the corresponding amount of the derecognition part in the cumulative change that has been recognized in other comprehensive income, is recognized in profit or loss for the current period. If the financial assets transferred by the Group are the non-trading equity instrument investment designated as at FVTOCI, cumulative gains or losses previously recognized in other comprehensive income are reclassified in retained earnings from other comprehensive income.

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

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

11.3 Transfer of financial assets (Continued)

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group continues to recognize the transferred financial asset in its entirety. The consideration received from transfer of assets is recognized as a financial liability upon receipt.

11.4 Classification of financial liabilities and equity instruments

Financial instruments issued by the Group are classified in accordance with the economic substance of the contractual arrangements instead of the legal form as well as the definitions of a financial liability and an equity instrument; on initial recognition, financial instruments or their component parts are classified as either financial liabilities or equity instruments.

11.4.1 Classification, recognition and measurement of financial liabilities

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

11.4.1.1 Financial liabilities at FVTPL

Financial liabilities at FVTPL consist of financial liabilities held for trading (Including derivative instrument of financial liabilities) and those designated as at FVTPL, in which financial liabilities at FVTPL are presented as financial liabilities held for trading, except for derivative liabilities that are presented independently.

A financial liability is classified as held for trading if one of the following conditions is satisfied:

- It has been acquired principally for the purpose of repurchasing in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and there is objective evidence that the Group has a recent actual pattern of short-term profit-taking; or
- It is a derivative, except for a financial guarantee contract or a derivative that is a designated and effective hedging instrument.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

11.4 Classification of financial liabilities and equity instruments (Continued)

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

11.4.1.1 Financial liabilities at FVTPL (Continued)

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

11.4 Classification of financial liabilities and equity instruments (Continued)

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

11.4.1.2 Other financial liabilities

Other financial liabilities (exclusive of financial guarantee contracts and those arising from transfer of financial assets that does not meet the requirements for derecognition or continuing involvement in the transferred financial assets) are classified as at amortized cost and measured subsequently at amortized cost. Gains or losses arising from derecognition or amortization are recorded to profit or loss for the period.

When the contractual cash flows are changed due to the renegotiation or modification of the contract made between the Group and the counterparty and the renegotiation or modification does not result in the derecognition of the financial asset that is subsequently measured at amortized cost, the Group shall recalculate the carrying amount of the financial asset and shall recognize related gains or losses in profit or loss. The carrying amount of the financial asset shall be recalculated at the present value of the renegotiated or modified contractual cash flows that are discounted at the financial liability's original effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial liability and are amortized over the remaining term of the modified financial liability.

11.4.1.2.1 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Subsequent to initial recognition, financial guarantee contracts that are not designated as financial liabilities at FVTPL, or financial liabilities arising from transfer of financial assets does not satisfy derecognition criteria or continue involvement of transferred financial assets are measured at the higher of: (1) amount of loss allowance; and (2) the amount initially recognized less cumulative amortization amount during the guarantee period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

11.4 Classification of financial liabilities and equity instruments (Continued)

11.4.2 Derecognition of financial liabilities

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

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

11.4.3 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of the liabilities. Equity instruments issued (including refinanced), repurchased, sold and cancelled by the Group are recognized as changes of equity. Transaction costs related to equity transactions are deducted from equity.

The Group recognizes the distribution to holders of the equity instruments as distribution of profits, and dividends paid do not affect total amount of shareholders equity.

11.5 Derivatives and embedded derivatives

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

For the hybrid contract comprised of embedded derivatives and master contract, if the master contract belongs to financial assets, the Group shall apply the hybrid contract as a whole to the accounting standards on the classification of financial assets rather than split embedded derivatives from the hybrid contract.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

11.5 Derivatives and embedded derivatives (Continued)

An embedded derivative is separated from the hybrid instrument as a stand-alone derivative instrument, where the master contract included in the hybrid contract does not belong to financial assets and meet the following conditions.

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

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

(3) the hybrid contract is not measured at FVTPL over the current period.

Where an embedded derivative is split from a hybrid contract, the Group performs accounting treatment for the master contract of the hybrid contract in accordance with applicable accounting standards. Where the Group is unable to measure the fair value of an embedded derivative reliably in accordance with the terms and conditions of the embedded derivative, the fair value of such embedded derivative is determined as the difference between the fair value of the hybrid contract and that of the master contract. Where the fair value of such embedded derivative on the acquisition date or the subsequent balance sheet dates is still unable to be measured separately, the Group designates the hybrid contract in a whole into the financial instrument at FVTPL over the current period.

11.6 Offsetting financial assets and financial liabilities

When the Group has a legal right that is currently enforceable to set off the recognized financial assets and financial liabilities, and intends either to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously, financial assets and financial liabilities are offset with the net amounts presented on the balance sheet. Otherwise, financial assets and financial liabilities are separately presented on the balance sheet without offsetting.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial Instrument (Continued)

11.7 Compound instrument

Convertible bonds issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition. Conversion option that is settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible bonds and the fair value assigned to the liability component, representing the conversion option for the holder to convert the bonds into equity instrument, is included in equity instruments.

In subsequent periods, the liability component of the convertible loan notes is carried at amortized cost using the effective interest method. The conversion option classified as equity remains in equity instruments. No gain or loss is recognized in profit or loss upon conversion or expiration of the option.

Transaction costs incurred for the issue of convertible loan notes are allocated to the liability component and equity component in proportion to their respective fair values. Transaction costs relating to the equity instruments component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and amortized over the period of the convertible loan notes using the effective interest method.

12. Accounts receivable

12.1 Portfolios for which bad debt provision is collectively assessed based on credit risk characteristics and their basis

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

13. Financing with receivables

Notes receivable classified as at FVTOCI due within 1 year (inclusive) since acquisition are presented as financing with receivables, and those due over 1 year since acquisition are presented as other debt investments.

13.1 Portfolios for which bad debt provision is collectively assessed based on credit risk characteristics and their basis:

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

14. Other receivables

14.1 Criteria for determining bad debt provision on a individual basis

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Inventories

15.1 Categories of inventories, valuation method of inventories upon delivery, count system, amortization method for low cost and short-lived consumable items and packaging materials

15.1.1 Categories of inventories

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

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

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

15.1.2 Valuation method of inventories upon delivery

The actual cost of inventories (excluding trading inventories outside the PRC) upon delivery is calculated using the weighted average method.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Inventories (Continued)

15.1 Categories of inventories, valuation method of inventories upon delivery, count system, amortization method for low cost and short-lived consumable items and packaging materials (Continued)

15.1.3 Inventory count system

The perpetual inventory system is maintained for stock system.

15.1.4 Amortization method of low-value consumables and packaging materials

Packing materials and low-price easily-worn materials are amortized using immediate writing-off method.

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

On the balance sheet date, the inventories (excluding trading inventories outside the PRC) shall be calculated by the lower of cost and net realized value. When the net realizable value is less than the cost, inventory provision is required.

The net realizable value represents the amount derived by deducting the potential cost, estimated sale cost and relative taxes to the completion date from the estimated selling price of the inventory in daily activities. The Company determined net realizable value of inventories, made the obtained conclusive evidence as basis, and considered the purposes of holding inventories, events after the balance sheet date and other factors.

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

In case the factors impacting the inventory provision is eliminated, making the net realizable value be higher than the carrying amount, the write-down amount should be recovered from the previous write-down amount of inventory provision and the corresponding amount shall be reversed to current profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Held-for-sale non-current assets and disposal groups

16.1 Recognition criteria and accounting treatment for non-current assets and disposal groups classified as held for sale

Non-current assets and disposal groups are classified as held for sale category when the Group recovers the carrying amount through a sale rather than continuing use.

Non-current assets or disposal groups classified as held for sale are required to satisfy the following conditions: (1) the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset or disposal group; (2) the sale is highly probable, i.e. the Group has made a resolution about selling plan and obtained a confirmed purchase commitment and the sale is expected to be completed within one year.

When there is loss of control over a subsidiary due to disposal of investments in the subsidiary, and the proposed disposal of investment in the subsidiary satisfies classification criteria of held-for-sale category, the investments in subsidiaries are classified as held-for-sale category as a whole in the company's separate financial statement, and all assets and liabilities of subsidiaries are classified as held-for-sale category in the consolidated financial statements regardless that part of the equity investments are remained after the sale.

The Group measures the non-current assets or disposal groups classified as held for sale at the lower of their carrying amount and fair value less costs to sell. Where the carrying amount is higher than the net amount of fair value less costs to sell, carrying amount should be reduced to the net amount of fair value less costs to sell, and such reduction is recognized in impairment loss of assets and included in profit or loss for the period. Meanwhile, provision for impairment of held-for-sale assets is made. When there is increase in the net amount of fair value of non-current assets held for sale less costs to sell at the balance sheet date, the original deduction should be reversed in impairment loss of assets recognized after the classification of held-for-sale category, and the reverse amount is included in profit or loss for the period. The impairment loss of assets recognized before the classification of held-for-sale category will not be reversed.

Non-current assets classified as held-for-sale or disposal groups are not depreciated or amortized, interest and other costs of liabilities of disposal group classified as held for sale continue to be recognized.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Held-for-sale non-current assets and disposal groups (Continued)

16.2 Determination basis and presentation of discontinued operations

A discontinued operation is a component of an entity that can be clearly distinguished and satisfies one of the following conditions, and such component has been disposed of or is classified as held for sale:

- Such component represents a separate major line of business or geographical area of operations;
- Such component is part of the separate major line of business or geographical area of operations to be disposed of based on the associated plan;
- Such component is a subsidiary acquired exclusively for the purpose of resale.

The profit or loss from discontinued operations is listed separately from the profit or loss from continued operations in the income statement, and the operating profit or loss such as impairment loss and reversal amount from discontinued operations and disposal profit or loss is presented as profit or loss from discontinued operations. For profit or loss from discontinued operations presented for the current period, the Group restated the information originally presented as profit or loss from continued operations as the profit or loss from discontinued operations in comparable accounting periods in the financial statements for the period.

17. Long-term equity investments

17.1 Basis for determining joint control and significant influence

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Long-term equity investments (Continued)

17.2 Determination of initial investment cost

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

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

The intermediary fees incurred by the absorbing party or acquirer such as audit, legal, valuation and consulting fees, etc. and other related administrative expenses attributable to the business combination are recognized in profit or loss when they are incurred.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Long-term equity investments (Continued)

17.3 Subsequent measurement and recognition of profit or loss

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Long-term equity investments (Continued)

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

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

Under the equity method, the Group recognizes its share of the net profit or loss and other comprehensive income made by the investee as investment income and other comprehensive income respectively, and adjust the carrying amount of the long-term equity investment accordingly; the carrying amount of the investment is reduced by the portion of any profit distributions or cash dividends declared by the investee that is distributed to the Group; the share of the changes in owners' equity of the investee other than those arising from net profit or loss, other comprehensive income and profit distribution are recognized in the capital reserve and the carrying amount of the long – term equity investment is adjusted accordingly. The Group recognizes its share of the investee's net profit or loss after making appropriate adjustments based on the fair value of the investee's individual separately identifiable assets, etc. at the acquisition date. Where the accounting policies and accounting period adopted by the investee are not consistent with those of the Group, the Group shall adjust the financial statements of the investee to conform to its own accounting policies and accounting period, and recognize investment income and other comprehensive income based on the adjusted financial statements. For the Group's transactions with its associates and joint ventures where assets contributed or sold does not constitute a business, unrealized intra-group profits or losses are recognized as investment income or loss to the extent that those attributable to the Group's proportionate share of interest are eliminated. However, unrealized losses resulting from the Group's transactions with its associates and joint ventures which represent impairment losses on the transferred assets are not eliminated.

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

17.4 Disposal of long-term equity investments

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Fixed assets

18.1 Recognition criteria

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and have useful lives of more than one accounting year. A fixed asset is recognized only when it is probable that economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. Fixed assets are initially measured at cost and the effect of any expected costs of abandoning the asset at the end of its use is considered.

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

18.2 Depreciation method

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

Resources-related subsidiaries of the Group situated in PRC

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Fixed assets (Continued)

18.2 Depreciation method (Continued)

Resources-related subsidiaries of the Group situated in Brazil

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

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

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

Metal trading-related subsidiaries of the Group

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Fixed assets (Continued)

18.3 Other descriptions

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

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

19. Construction in progress

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

Construction in progress is transferred to a fixed asset when it is ready for intended use. Basis and time point of transferring all construction in progress to fixed assets are as follows:

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalized when expenditures for such asset and borrowing costs are incurred and activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced. Capitalization of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale.

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

21. Biological assets

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Intangible assets

22.1 Useful life and its basis, estimates, amortization method or review procedures

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

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

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

At the end of the year, the Group reviews the useful life and amortization method of intangible assets, and makes adjustments when necessary.

22.2 Scope of and related accounting treatment for research and development expenditure

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Intangible assets (Continued)

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

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

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

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

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

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

23. Impairment of long-term assets

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Impairment of long-term assets (Continued)

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

Once an impairment loss is recognized for above mentioned assets, it will not be reversed in any subsequent period.

24. Long-term prepaid expenses

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

25. Contract liabilities

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

26. Employee benefits

26.1 Accounting treatment of short-term benefits

Actually occurred short-term employee benefits are recognized as liabilities, with a corresponding charge to the profit or loss for the period or in the costs of relevant assets in the accounting period in which employees provide services to the Group. Staff welfare expenses incurred by the Group are recognized in profit or loss for the period or the costs of relevant assets based on the actually occurred amounts when it actually occurred. Non-monetary staff welfare expenses are measured at fair value.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Employee benefits (Continued)

26.2 Accounting treatment of post-employment benefits

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

During the accounting period of rendering service to employees of the Group, amount which should be paid according to defined contribution plans is recognized as liabilities, and recognized in profit or loss or related costs of assets.

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

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements.);

- Net interest of net liabilities or net assets of defined benefit plans (including interest income of planned assets, interest expenses of defined benefit plan liabilities and effect of asset ceiling); and

- Remeasurement of changes in net liabilities or net assets of defined benefit plans.

Service cost and net interest of net liabilities or net assets of defined benefit plans are included in the current profit or loss or related asset costs. Remeasurement of changes in net liabilities or net assets of defined benefit plans (including actuarial gains or losses, return on plan assets excluding the amount included in the net interest of net liabilities or net assets of defined benefit plans, and changes to the asset ceiling excluding the amount included in the net interest of net liabilities or net assets of defined benefit plans) is included in other comprehensive income.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Employee benefits (Continued)

26.3 Accounting treatment of termination benefits

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

27. Provisions

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

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

28. Share-based payments

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

28.1 Equity-settled share-based payments

Equity-settled share-based payments granted to employees.

The equity-settled share-based payments granted to employees for exchange of the services rendered by employees are measured at the fair value of the equity instrument at the grant date. The amount of the fair value in the vesting period is determined based on the best estimate of the quantity of exercisable equity instruments, and included in related cost or expenses using straight-line method, with capital reserve increased accordingly.

At each balance sheet date within the vesting period, the Group revises the quantity of expected exercisable equity instruments on the basis of best estimate made based on subsequent information such as the latest change in number of employees with vesting rights.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Share-based payments (Continued)

28.2 Cash-settled share-based payments

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Preference shares, perpetual bonds and other financial instruments

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

(1) The financial instruments do not include cash or other financial assets delivered to other parties, or contractual obligations to exchange financial assets or liabilities with other parties under potential disadvantages;

(2) When the Group's own equity instrument is required to or available to be used for settlement of the financial instrument, it does not include the contractual obligations to settle the Group's own variable equity instruments if it is a non-derivative instrument; if it is a derivative instrument, the Group can only settle the instrument by exchanging certain amount of its own equity instruments with fixed amount of cash or other financial assets.

Except for those satisfy the above criteria of classification as equity instruments, the Group's other financial instruments are classified as financial liabilities.

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Revenue

30.1 Disclosure of accounting policies adopted in revenue recognition and measurement in accordance with business types

The revenue of the Group is mainly from:

(1) Sale of goods and metal trading

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

(2) Metal flow transaction

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

Where a contract includes a variable consideration, the Group determines the best estimate of the variable consideration based on the volume of mineral reserve, the expected delivery time and quantity of goods and the expected market price of goods. The transaction price that includes variable consideration does not exceed the amount for which it is highly probable that there will be no material reversal of the revenue recognized in the aggregate when the relevant uncertainty is eliminated. At each balance sheet date, the Group re-estimates the amount of variable consideration to be included in the transaction price.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Revenue (Continued)

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

(3) Hotel services

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

(4) Other revenue

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

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

31. Government grants

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

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Government grants (Continued)

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

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

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

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

32. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identical asset for a period of time in exchange for consideration.

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

32.1 The Group as a lessee

32.1.1 Separating components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

32.1.2 Right-of-use assets

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Leases (Continued)

32.1 The Group as a lessee (Continued)

32.1.2 Right-of-use assets (Continued)

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Group makes provision for the depreciation of right-of-use assets in accordance with the Accounting Standards for Business Enterprises No. 4 – Fixed Assets. Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease terms are depreciated from commencement date to the end of their useful lives. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful lives and the lease terms.

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

32.1.3 Lease liabilities

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Leases (Continued)

32.1 The Group as a lessee (Continued)

32.1.3 Lease liabilities (Continued)

After the commencement date, the Group recognizes interest expenses in each accounting periods during the lease, based on a constant periodic rate of interest on the remaining balance of the lease liabilities, and charges to profit or loss or the related costs of assets for the current period.

After the commencement date, the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments and the corresponding right-of-use asset is adjusted, if the carrying amount of right-of-use assets has been reduced to zero, but the lease liability still needs to be further reduced, the difference is recognized in the profit or loss for the current period.

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

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

32.1.5 Lease modifications

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

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Leases (Continued)

32.1 The Group as a lessee (Continued)

32.1.5 Lease modifications (Continued)

For a lease modification that is not accounted for as a separate lease, the Group reallocates the consideration in the contract, and remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

For the decrease in scope of lease or the lease term arising from lease modification, the Group should decrease the carrying amount of right-of-use assets and recognizes the gains or losses relating to the partly or full derecognition of the lease into the profit or loss in current period. For remeasurement arising from lease modification, the Group should adjust the corresponding carrying amount of right-of-use assets.

33. Deferred tax assets/Deferred tax liabilities

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

33.1 Current income taxes

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

33.2 Deferred tax assets and deferred tax liabilities

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

33.2 Deferred tax assets and deferred tax liabilities (Continued)

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

33.3 Income tax offsetting

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

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

34. Stripping costs

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

35. Exploration, assessment and development expenditures

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

36. Other significant accounting policies and accounting estimates

36.1 Work safety expenses

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

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

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

36.1 Work safety expenses (Continued)

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

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

36.2 Hedge accounting

36.2.1 Basis of adopting hedge accounting and relevant accounting treatment

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

At the inception of the hedge, the Group designates hedging instruments and hedged items formally, and prepares written documents of the nature of hedging instruments, hedged items and hedged risks as well as the effective assessment methods of hedge (including analysis on the causes for effective hedging and the method to determine the hedging ratio).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

36.2 Hedge accounting (Continued)

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

The Group will terminate the application of hedge accounting if one of the following conditions is met:

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

Fair value hedges

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

36.2 Hedge accounting (Continued)

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

<u>Cash flow hedges</u>

The Group recognizes the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge in the other comprehensive income as cash flow hedges, and recognizes the portion that is determined to be an ineffective hedge in current profit or loss. The cash flow hedging reserve shall be determined to be the lesser of (in absolute amounts) 1) the cumulative gain or loss on the hedging instrument from inception of the hedge; and 2) the cumulative change in present value of the expected future cash flows on the hedged item from inception of the hedge.

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

When the Group terminates the application of hedge accounting to cash flow hedge, if the hedged future cash flow is still expected to happen, the accumulated cash flow hedging reserve should be reserved and an accounting treatment should be made in the above manner; if the hedged future cash flow is expected not to happen, the accumulated cash flow hedging reserve will be reclassified from other comprehensive income into current profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

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

36.2 Hedge accounting (Continued)

36.2.2 Method for assessing effectiveness of hedging

The Group assesses whether the hedging relationship conforms to the hedge effectiveness requirements at the inception date of the hedge and the subsequent periods continuously. A hedge is regarded as conforming to the hedge effectiveness requirement if all of the following conditions are met:

- An economic relationship exists between the hedged items and the hedging instruments.
- The effect of credit risk is not dominant in the changes in value arising from the economic relationship between the hedged items and the hedging instruments.
- The hedge ratio of hedging relationship is equal to the ratio between the quantity of actual hedged items of the Group and the actual quantity of hedging instruments to hedge them.

Where the hedging relationship no longer conforms to the hedging effectiveness requirement due to hedge ratio, but the risk management objective for such set of hedging relationship designated by the Group stays unchanged, the Group will rebalance the hedging relationship and adjust the quantity of the hedged items or hedging instruments having existed in the hedging relationship to make the hedge ratio conform to the hedge effectiveness requirement again.

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

37. Key assumptions and uncertainties in the accounting estimates

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

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

The following are the key assumptions and uncertainties in accounting estimates at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future periods:

Estimate of mineral reserve

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

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

Useful life of fixed assets

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

37. Key assumptions and uncertainties in the accounting estimates (Continued)

Impairment of non-current assets other than financial assets

The Group assesses whether there are any indicators of impairment of all non-current assets other than financial assets at the balance sheet date. Non-current assets other than financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. Intangible assets with indefinite useful life or not yet available for use and goodwill are tested for impairment annually, irrespective of whether there is any indication that the assets and goodwill may be impaired. If it is not practical to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs will be estimated. Impairment exists if the carrying amount of an asset or asset group is higher than recoverable amount, the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset or asset group. For the net amount of fair value less costs of disposal, it is determined by referring to the observable market prices less incremental costs for disposing of the asset. For the estimated future cash flows, the changes in assumptions adopted by the Group, such as budgeted gross profits, discount rates and inflation rates of raw material prices, may have a significant impact on the present value of future cash flows used in the impairment test.

Revenue recognition – metal flow transactions

The Group's metal cash flow transaction contract contains variable considerations and significant financing components. The unrecognized financing expenses are amortized in each reporting period, with the balance of contract liabilities and other non-current liabilities (metal flow transaction contract liabilities) adjusted accordingly. In application of Revenue Standards to account for the metal flow transactions, the key assumptions adopted by the Group include the discount rate of significant financing component, mineral reserves, expected time and quantity of delivery, as well as the forecasted market price of the goods, etc. The changes in the above estimates may have impact on the adjustment of variable considerations and the measurement of contract liabilities and other non-current liabilities (metal flow transaction contract liabilities).

Provision for closure, restoration and rehabilitation costs

Provision for closure, restoration and rehabilitation costs has been determined by the directors based on their best estimates. The directors estimated this liability for final reclamation and mine closure based upon detailed calculations of the amount and timing of future cash flows spending for a supplier to perform the required work, escalated for inflation, then discounted at a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability, such that the provision reflects the present value of the expenditures expected to be required to settle the obligation. However, in so far as the effect on the land and the environment from current mining activities becomes apparent in future periods, the estimate of the associated costs may be subject to change in the future. The provision is reviewed regularly to verify that it properly reflects the present value of the obligation arising from the current and past mining activities. The adjustments to the expected rehabilitation costs for the current year are detailed in Note (V) 14.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

37. Key assumptions and uncertainties in the accounting estimates (Continued)

Deferred tax assets

The realization of deferred tax assets mainly depends on actual future profits and taxable temporary differences. In cases where the actual future profits are less than the expected profits or the actual tax rates are lower than the expected tax rates, deferred tax assets recognized will be reversed and recognized in the consolidated profit or loss account for the period during which such reversals take place.

Income tax

Since the operating environment for subsidiaries of the Group situated in the Brazil and Congo (DRC) is special, and the final tax decisions on certain transactions made by local tax authorities have uncertainties. The income tax expenses accrued by the relevant subsidiaries during the reporting period are objectively estimated based on existing tax laws and other relevant tax policies. The provision for liabilities uses significant accounting estimates and is based on the management's best estimate of future income tax to be paid.

The subsidiaries of the Group situated in Congo (DRC) are subject to a series of local regulations in Congo (DRC), including but not limited to the Mining Law passed in 2018 ("2018 Mining Law of Congo (DRC)") and the constantly updated fiscal bill; under the relevant legal system, the Company may be exposed to a series of taxes and operating expenses, including royalties and excess profit tax. The tax regulations of Congo (DRC) are complicated and constantly updated. The relevant laws and regulations promulgated and updated at any time and the interpretation of relevant laws and regulations by local tax authorities may have a significant impact on the income tax currently recognized by the Group.

Contingent liabilities

The Group will face a wide range of legal disputes in the course of continuing operations, and the results of the relevant disputes are highly uncertain.

When the economic benefits related to a particular administrative and legal dispute are considered to be extremely likely to flow out and measurable, the management of the Group will make corresponding provisions according to the professional legal advice. The management uses judgment to determine whether a provision shall be made for the relevant administrative and legal dispute or whether the dispute shall be disclosed as a contingent liability. Details are set out in Note (V)38 and Note (XIII).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

37. Key assumptions and uncertainties in the accounting estimates (Continued)

Fair value measurement and valuation procedure

The Group's held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and trading inventories at fair value that are related with IXM business are measured at fair value. In determining the fair value of the underlying assets and liabilities, the management of the Group will adopt the appropriate valuation method and the input value of the fair value measurement according to the nature of the underlying assets and liabilities. For the selection of input values, the Group will use observable market data wherever possible. The Group will set up an internal valuation team or employs eligible appraisers from a third party to assess the part of financial instruments in respect of which the Level 1 inputs are not available. The financial department of the Group will cooperate with the valuation team or eligible external appraisers closely to determine suitable valuation technology and inputs of relevant model. For the relevant information relating to the valuation technology and input adopted in determining the fair value of assets and liabilities, refer to Note (X).

38. Newly implemented accounting standards for the current year

The Ministry of Finance issued the Interpretation No. 17 of the Accounting Standards for Business Enterprises ("Interpretation No. 17") and Interpretation No. 18 of the Accounting Standards for Business Enterprises ("Interpretation No. 17") on 25 October 2023 and 6 December 2024, respectively.

Interpretation No. 17 stipulates the classification of current and non-current liabilities and the accounting treatment of sale and leaseback transactions, and became effective from 1 January 2024.

Classification of current and non-current liabilities

Interpretation No. 17 amends and improves the principles for classification of current liabilities and non-current liabilities in Accounting Standards for Business Enterprises No. 30 – Presentation of Financial Statements, specifying (1) that a liability shall be classified as a current liability if the enterprise has no substantive right at the balance sheet date to defer the settlement of the liability for more than one year after the balance sheet date. The subjective likelihood of the enterprise's exercise of the aforesaid right does not affect the classification of a liability as current and non-current; (2) that where a liability is arising from the enterprise's loan arrangement and the enterprise's right to defer the settlement of the liability for more than one year after the balance sheet date may depend on covenants, the enterprise should distinguish the covenants to be complied with on or before the balance sheet date from those to be complied with after the balance sheet date in determining whether it has the right to defer the settlement of the liability at the balance sheet date; (3) that the associated settlement terms of a liability are irrelevant to the classification of the liability as current and non-current if the counterparty has the option to settle the liability with the enterprise's own equity instrument and the option is classified as an equity instrument and separately recognized; and (4) the disclosure requirements relating to a loan arrangement with covenants that is classified as a non-current liability. Meanwhile, enterprises are also required to adjust the information for comparative period in accordance with the provisions of the Interpretation upon initial application.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(III). SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

38. Newly implemented accounting standards for the current year (Continued)

Classification of current and non-current liabilities (Continued)

Upon assessment, the Group considers that the adoption of this Interpretation has no significant impact on the financial statements of the Group.

Accounting treatment of sale and leaseback transactions

Interpretation No. 17 stipulates that where the transfer of an asset in a sale and leaseback transaction is a sale, after the commencement date of the lease term, the lessee shall not determine the amount of the lease payments, or the amount of the lease payments after modification, in such a way as to result in the recognition of a gain or loss relating to the right-of-use the asset acquired by the lessee in a leaseback transaction, in the subsequent measurement of the lease liability arising from the sale and leaseback. If the lease modification results in a reduction in the lease scope or lease term, the gains or losses relevant to the lease partially of fully terminated will be included in profit or loss for the period, without being subject to the restrictions set out above. Enterprises should retrospectively adjust for sale and leaseback transactions conducted after the date of initial implementation of the Accounting Standards for Business Enterprises No. 21 – Leases.

Upon assessment, the Group considers that the adoption of this Interpretation has no significant impact on the financial statements of the Group.

Interpretation No. 18 stipulates the accounting treatment of assurance-type warranties that are not separate performance obligations. The interpretation became effective from 6 December 2024, and enterprises are allowed to implement it in advance from the year of release.

Accounting treatment of assurance-type warranties that are not separate performance obligations

Interpretation No. 18 stipulates that when accounting for provisions arising from assurance-type warranties which are not separate performance obligations in accordance with the Accounting Standards for Business Enterprises No. 14 – Revenue, the amount determined shall be debited to "principal operating costs" or "other operating costs" and credited to "provisions", and presented accordingly under "operating costs" in the income statement and "other current liabilities", "non-current liabilities due within one year" and "provisions" in the balance sheet in accordance with the Accounting Standards for Business Enterprises No. 13 – Contingencies. When the interpretation is initially applied, the enterprise shall retrospectively adjust the changes in accounts and items presented in the financial statements involving the accounting treatment of above assurance-type warranties as changes in accounting policies if such assurance-type warranties were included in "selling expenses".

Upon assessment, the Group considers that the adoption of this Interpretation has no significant impact on the financial statements of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(IV). TAXATION

1. Major categories of taxes and tax rates

Category of tax	Basis of tax assessment	Tax rate
Chinese VAT	The Company is a general taxpayer. Value-added Tax ("VAT") on sales is paid after deducting input VAT on purchases.	13%, 9%, 6%
Chinese urban maintenance and construction tax	Actual turnover tax	For city urban area, tax rate is 7%; For county town, tax rate is 5%; For others, tax rate is 1%.
Chinese resource tax	Sales volume of concentrate	6.5%, 8% collection on ad valorem basis *(Note 1)*
Chinese educational surtax and surcharge	Actual turnover tax	3%
Chinese regional educational surtax and surcharge	Actual turnover tax	2%
Transfer income from mining rights in China	Sales volume of relevant mineral products	2.3% for molybdenum concentrate, 2.3% for tungsten concentrate, 1.8% for iron ore concentrate and 1.2% for copper concentrate
Brazil social contribution tax and goods circulation tax	Brazil local social contribution tax (PIS & CONFINS) and the goods circulation tax (ICMS) are applicable to CMOC Brazil, of which the tax basis is the balance of income from rendering of goods and services in Brazil less the deductible costs. It is not required to pay social contribution tax and goods circulation tax for export goods.	The social contribution tax is 9.25% of the sales price of goods or services. The goods circulation tax is 4% -25% of the sales price of goods or services. The tax rates imposed by the local states of Brazil are different.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(IV). TAXATION (CONTINUED)

1. Major categories of taxes and tax rates (Continued)

Category of tax	Basis of tax assessment	Tax rate
Congo (DRC) VAT	VAT of the Democratic Republic of the Congo ("DRC") is applicable to CMOC Kisanfu Mining S.A.R.L ("KFM") and Tenke Fungurume Mining S.A. ("TFM")	The output VAT is calculated at 16% of the sales amount calculated in accordance with the relevant tax provisions.
Royalties of mining rights in Congo (DRC)	Sales of related products	*Note 2*
Congo (DRC) exchange tax	The amount of foreign currency paid to or received from countries other than Congo (DRC).	0.2%
Enterprise income tax	Taxable income: the amount of taxable income is computed on basis of adjusted pre-tax accounting profit of the period in accordance with the relevant provisions of the tax law multiplying by the statutory tax rate.	*Note 3*

Note 1: According to the Law of People's Republic of China on Resources Tax, the resources tax is price-based or quantity-based. The taxes on Tungsten and Molybdenum resources are price-based and are calculated at 6.5% and 8% respectively.

Note 2: In accordance with the new mining act of Congo (DRC), the Group calculates and pays royalties of mining rights at 3.5% and 10% respectively in respect of the revenue from sales of products relating to copper and cobalt business in Congo (DRC).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(IV). TAXATION (CONTINUED)

1. Major categories of taxes and tax rates (Continued)

Note 3: Applicable tax rates:

Except for the tax incentive disclosed below, the applicable enterprise income tax rate for the Company and its domestic subsidiaries is 25%.

According to the two-tier profits tax regime, the qualified HK companies apply profits tax rate of 8.25% to the first HKD2,000,000 taxable profit, and apply 16.5% to the portion of taxable profit exceeding HKD2,000,000. For related companies within a single Group, only one enterprise can be nominated for the benefit. China Molybdenum (Hong Kong) Company Limited and CMOC Holding Limited ("CMOC Limited") are incorporated in Hong Kong. The applicable enterprise income tax rate for China Molybdenum (Hong Kong) Company Limited is 16.5%; the applicable enterprise income tax rates for CMOC Limited are 8.25% and 16.5%.

CMOC UK Limited ("CMOC UK") is incorporated in the United Kingdom, thus is subject to the applicable income tax rate of 25%.

CMOC Brazil Mineração, Indústria e Participações Ltda. ("CMOC Brazil") are incorporated in Brazil, thus are subject to the income tax rate of 34%.

There's no enterprise income tax for the subsidiaries of the Group established in Bermuda and the British Virgin Islands ("BVI").

TFM and KFM are incorporated in Congo (DRC) and are subject to the enterprise income tax rate of 30%. In addition, when the prices of materials or commodities significantly increase by 25% on average basis comparing to the prices disclosed in the feasibility study report of the Company, the mining enterprises are required to pay excess profit tax at 50% of the profit.

IXM and its subsidiaries principally operate in Switzerland and China. Applicable income tax rate of its subsidiaries in Switzerland is 14.70%.

2. Tax incentive and approval

According to the Enterprise Income Tax Law of the People's Republic of China and corresponding Regulation on the Implementation, the revenue from products satisfying the state industrial policy produced by comprehensive utilization of resources may be partially deducted when calculating the taxable income. Such deduction represents that the enterprise's revenue from using the resources included in the Catalogue of Preferential Enterprise Income Tax for Comprehensive Utilization of Resources as the main raw material to produce the products that are neither restricted not forbidden by the state and satisfy the national and industrial standards is included in taxable income at 90%. The proportion of the aforesaid raw material to the total materials used to produce the product shall not be lower than the standards specified in the Catalogue of Preferential Enterprise Income Tax for Comprehensive Utilization of Resources. However, the Company sold powdered Tungsten (scheelite concentrates) is still within the scope of Catalogue of Preferential Enterprise Income Tax for Comprehensive Utilization of Resources. Therefore, the Company still recognized 90% of sales of powdered Tungsten (scheelite concentrates) to taxable income during the year 2023 and 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(IV). TAXATION (CONTINUED)

2. Tax incentive and approval (Continued)

In accordance with the Resource Tax Law of the People's Republic of China ("New Resource Tax Law"), the resource tax rate for molybdenum minerals is 8%, and the exemption or reduction of resource tax for associated mines is decided by the provincial people's congresses; in accordance with the decision of the Nineteenth Meeting of the Standing Committee of the Thirteenth People's Congress of Henan Province on 31 July 2020, associated mines are exempt from resource tax. Since 1 September 2020, the Company's associated tungsten, associated iron and other associated mines continue to be exempt from resource tax, and the symbiotic tungsten, symbiotic iron and other symbiotic minerals are levied for resource tax at the applicable preferential tax rate.

On 22 November 2023, the Company received a "high-tech enterprise certificate", No. GR202341002662, which was jointly issued by the Henan Science and Technology Department, the Henan Finance Department, the State Taxation Administration and the Henan Provincial Tax Service. The issuance of the high-tech enterprise certificate is a re-recognition after the expiration of the previous certificate, which is valid for 3 years. The Company will enjoy a preferential enterprise income tax from 1 January 2023 to 31 December 2025 and the applicable enterprise income rate during above period is 15% (2023: 15%).

In accordance with the Measures for the Implementation of the Enterprise Income Tax Policies of the Xizang Autonomous Region (Provisional) (Zang Zheng Fa (2022) No. 11) issued by the People's Government of the Xizang Autonomous Region, Article 5 of the above documents stipulates that enterprises meeting certain conditions shall be exempted from local share of enterprise income tax from 1 January 2021 to 31 December 2025. The subsidiary of the Group, TibetSchmocke Investment Co., Ltd. ("TibetSchmocke"), meets the condition for enjoying a preferential tax and the condition for exemption from local share of enterprise income tax stipulated in the above documents. Therefore, the applicable enterprise income rate of Xizang Schmoke is 15% during the year 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

RMB

Item	31 December 2024			31 December 2023		
	Amount in original currency	Exchange rate	Amount in RMB	Amount in original currency	Exchange rate	Amount in RMB
Cash:			3,062,041.30			3,109,309.28
RMB	2,172.77	1.0000	2,172.77	2,172.77	1.0000	2,172.77
USD	399,104.86	7.1884	2,868,925.37	413,838.94	7.0827	2,931,097.06
CDF	40,585,216.00	0.0025	101,463.04	64,019,400.00	0.0026	166,091.44
ZAR	232,778.67	0.3844	89,480.12	25,738.71	0.3865	9,948.01
Bank balance:			28,036,388,401.15			26,115,654,667.24
RMB	6,492,004,336.81	1.0000	6,492,004,336.81	10,554,299,407.74	1.0000	10,554,299,407.74
USD	2,786,564,573.90	7.1884	20,030,940,783.00	2,163,822,989.91	7.0827	15,325,709,088.79
EUR	1,417,268.80	7.5257	10,665,939.83	1,030,701.30	7.8245	8,064,728.58
HKD	4,488,284.98	0.9260	4,156,151.89	3,202,514.62	0.9070	2,904,557.97
AUD	960.28	4.5070	4,327.99	8.62	4.8231	41.58
BRL	154,624,447.14	1.1821	182,781,558.97	97,364,658.09	1.4630	142,442,043.27
GBP	154,877.41	9.0765	1,405,744.81	103,009.71	9.0204	929,186.85
SGD	269,580.35	5.3214	1,434,544.85	490,270.78	5.3755	2,635,474.37
CDF	2,362,182,340.00	0.0025	5,905,455.85	23,203,787,584.00	0.0026	59,828,234.20
ZAR	23,803,107.88	0.3844	9,149,914.67	31,574,085.11	0.3865	12,203,236.20
CHF	156,996.88	7.9977	1,255,613.93	226,753.59	8.4228	1,909,891.35
CLP	118,863,638.89	0.0072	855,818.20	52,981,172.00	0.0080	424,207.55
MXN	2,844,224.64	0.3498	994,909.78	4,938,096.85	0.4193	2,070,326.40
PEN	89,613.07	1.9067	170,865.25	1,086,115.26	1.9075	2,071,809.02
TRY	13,799.56	0.2051	2,830.29	1,974.19	0.2402	474.12
IDR	243,476,325.00	0.0004	97,390.53	352,872,526.00	0.0005	161,881.62
ZWD	1.94	0.2216	0.43	4,150.70	0.0187	77.63
JPY	28,020,827,144.37	0.0462	1,294,562,214.07	–	–	–
Other cash and bank balances:			2,387,807,946.81			4,597,313,232.44
RMB	1,082,848,542.55	1.0000	1,082,848,542.55	1,011,489,900.71	1.0000	1,011,489,900.71
USD	180,961,724.54	7.1884	1,300,825,260.68	505,550,691.44	7.0827	3,580,663,882.26
EUR	82.36	7.5257	619.78	200.96	7.8245	1,572.78
BRL	3,409,551.04	1.1821	4,030,430.28	3,525,608.66	1.4630	5,157,876.69
PEN	46,495.91	1.9067	88,653.75	–	–	–
CDF	5,775,908.00	0.0025	14,439.77	–	–	–
Total			30,427,258,389.26			30,716,077,208.96
Including: Total amount deposited abroad			18,979,805,446.96			17,233,756,701.75

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

1. Cash and bank balances (Continued)

Note: As at 31 December 2024, other cash and bank balances which are restricted for use mainly include deposits for mines, deposits for borrowings, certificates of deposit pledged for obtaining short-term borrowings, deposits for notes and other deposits, amounting to RMB70,718,040.15, RMB1,135,561,387.41, RMB1,000,000,000.00, RMB2,572,487.27 and RMB178,956,031.98 (31 December 2023: RMB52,701,895.53, RMB787,061,566.40, RMB200,000,000.00, RMB3,452,242,259.14 and RMB105,307,511.37).

2. Held-for-trading financial assets

RMB

Item	**Fair value at the end of the year**	Fair value at the beginning of the year
Financial assets at FVTPL		
Including: Receivables *(Note 1)*	**5,724,552,840.30**	7,751,071,843.39
Structured deposits *(Note 2)*	**750,400,253.77**	502,249,297.87
Wealth management products	**–**	10,149,030.84
Fund products of financial institutions	**21,168,198.07**	21,168,198.07
Others	**13,784,259.47**	–
Total	**6,509,905,551.61**	8,284,638,370.17

Note 1: The major products of the Group are copper, lead, zinc concentrates, cobaltous hydroxide, etc., selling price of which is provisionally determined according to the market price upon delivery. Generally, the price is finally determined according to the monthly average spot price quoted by the London Metals Exchange (LME) or other agreed pricing methods within a specified period or a period subsequent to the delivery. The Group classifies the accounts receivable generated from relevant business as financial assets at FVTPL.

As at 31 December 2024, the Group had no receivables pledged for obtaining short-term borrowings (2023: USD901,438,528.91 (equivalent to RMB6,384,618,668.71)).

Note 2: They are RMB structured deposits purchased by the Group from domestic financial institutions in the current year, the yield of which is linked to the Shanghai gold benchmark price of Shanghai Gold Exchange and exchange rate, and the Group classifies such deposits as financial assets at FVTPL.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Derivative financial assets

RMB

Item	Fair value at the end of the year	Fair value at the beginning of the year
Derivative financial instruments of which hedging relationship is not designated *(Note 1)*		
Forward commodity contracts	388,112,613.81	693,496,770.83
Forward foreign exchange contracts	162,070,544.16	60,971,669.73
Commodity futures contracts	790,280,665.00	1,429,986,975.53
Commodity option contracts	–	10,928,754.84
Derivative financial instruments of which hedging relationship is designated		
Commodity futures contracts *(Note 2)*	52,663,915.66	18,167,539.84
Total	1,393,127,738.63	2,213,551,710.77

Note 1: The Group uses commodity (copper, lead, zinc concentrates, refined metals, etc.) futures contracts, forward commodity contracts and commodity option contracts to manage the risk of commodity purchases and future sales so as to avoid bearing the risk of significant changes in the price of relevant products arising from the fluctuation of the market price. Besides, the Group uses forward foreign exchange contracts for risk management to avoid the Group's exchange rate risk.

The above forward commodity contracts, forward foreign exchange contracts, commodity futures contracts and commodity option contracts are not designated as hedging instruments. The gains or losses arising from changes in fair value of these contracts shall be directly recorded into profit or loss. See Note (V)56.

Note 2: It refers to the commodity futures contracts purchased by the Group, which are used to hedge fair value risks caused by price fluctuations in some copper products of the Group or cash flow risks caused by expected sales. The Group accounts for the above hedging instruments and corresponding hedged items in accordance with hedge accounting. See Note (V)66 for details.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable

(1) Disclosure by aging

RMB

	31 December 2024		
Aging	**Accounts receivable**	**Loss allowance**	**Proportion (%)**
Within 1 year	**675,764,284.20**	**28,407,335.41**	**4.20**
1 to 2 years	**558,060.91**	**77,235.63**	**13.84**
2 to 3 years	**108,298.58**	**67,029.35**	**61.89**
Over 3 years	**20,071,332.29**	**20,071,332.29**	**100.00**
Total	**696,501,975.98**	**48,622,932.68**	**6.98**

RMB

	31 December 2023		
Aging	Accounts receivable	Loss allowance	Proportion (%)
Within 1 year	1,176,353,599.92	44,995,130.13	3.82
1 to 2 years	602,954.78	69,694.48	11.56
2 to 3 years	268,431.20	156,346.84	58.24
Over 3 years	20,016,173.85	20,016,173.85	100.00
Total	1,197,241,159.75	65,237,345.30	5.45

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(2) Credit risk of accounts receivable

The Group classifies its customers into different groups based on aging at the balance sheet date and historical repayments, and determines expected loss rate for each group of accounts receivable. At the balance sheet date, the Group recognizes the expected credit loss allowance for accounts receivable based on impairment matrix.

RMB

	31 December 2024				31 December 2023			
Internal credit rating	Expected average loss rate	Book balance	Loss allowance	Carrying amount	Expected average loss rate	Book balance	Loss allowance	Carrying amount
Low risk	0.11%	360,383,431.92	407,335.49	359,976,096.43	0.08%	287,944,020.37	238,399.95	287,705,620.42
Normal	4.76%	287,964,257.93	13,713,109.14	274,251,148.79	2.83%	846,020,079.27	23,965,445.14	822,054,634.13
Attention	10.26%	3,779,011.77	387,901.16	3,391,110.61	9.86%	1,329,703.51	131,088.10	1,198,615.41
Doubtful (impaired)	49.30%	20,237,379.49	9,976,692.02	10,260,687.47	44.79%	38,114,673.43	17,069,728.94	21,044,944.49
Loss (impaired)	100.00%	24,137,894.87	24,137,894.87	-	100.00%	23,832,683.17	23,832,683.17	-
Total		696,501,975.98	48,622,932.68	647,879,043.30		1,197,241,159.75	65,237,345.30	1,132,003,814.45

The expected average loss rate is measured based on historical actual impairment rate with the current situation and prediction on future economy taken into consideration. There are no changes in assessment approach and significant assumption in 2024 and 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(3) Changes in expected credit loss allowance for accounts receivable

RMB

	Lifetime ECL
1 January 2024	65,237,345.30
Provision of ECL for the year	1,092,001.56
Reversal of ECL for the year	11,211,405.75
Changes in exchange rate	(6,495,008.43)
31 December 2024	48,622,932.68

(4) Top five accounts receivable balances at the end of the reporting period based on debtors:

RMB

Name of entity	**Amount**	**Proportion of the amount to the total accounts receivable (%)**	**Credit impairment loss**
31 December 2024			
BT	**122,214,871.48**	**17.55**	**170,123.12**
HK Brunp Resource Recycling Technology Co. Limited ("HKBRRT") *(Note (XI)6)*	**92,423,435.81**	**13.27**	**–**
BU	**91,177,665.60**	**13.09**	**126,919.32**
BM	**77,093,961.90**	**11.07**	**947,068.11**
BC	**58,978,658.89**	**8.47**	**82,098.29**
Total	**441,888,593.68**	**63.45**	**1,326,208.84**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(4) Top five accounts receivable balances at the end of the reporting period based on debtors: (Continued)

RMB

Name of entity	Amount	Proportion of the amount to the total accounts receivable (%)	Credit impairment loss
31 December 2023			
HKBRRT *(Note (XI)6)*	520,744,775.10	43.50	–
BM	66,762,937.67	5.58	6,545,970.28
BA	64,929,560.74	5.42	1,645,574.79
BC	25,319,670.63	2.11	30,957.12
BN	22,563,085.46	1.88	29,168.26
Total	700,320,029.60	58.49	8,251,670.45

5. Financing with receivables

RMB

Category	**31 December 2024**	31 December 2023
Notes receivable	**80,435,196.69**	260,311,068.16
Including: Bank acceptances	**80,435,196.69**	260,311,068.16
Total	**80,435,196.69**	260,311,068.16

Part of notes receivable are endorsed or discounted by the Group based on its daily fund needs, and thus classified as financial assets at FVTOCI.

At 31 December 2024, the Group considers that the likelihood of incurring significant losses due to bank defaults is low, and therefore the bank acceptances held are not exposed to significant credit risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Financing with receivables (Continued)

(1) Financing with receivables endorsed or discounted and not yet matured of the Group at balance sheet date at the end and beginning of the year respectively are as follows:

RMB

Category	**Amount derecognized at the end of 2024**	Amount derecognized at the end of 2023
Bank acceptances	**1,760,824,690.62**	2,311,782,673.46
Total	**1,760,824,690.62**	2,311,782,673.46

(2) As at 31 December 2024, the Group had no financing with receivables pledged to issue notes payable (31 December 2023: RMB234,755,241.41).

6. Prepayments

(1) Aging analysis of prepayments is as follows:

RMB

	31 December 2024		31 December 2023	
Aging	**Amount**	**Proportion (%)**	Amount	Proportion (%)
Within 1 year	**1,072,509,158.76**	**96.24**	1,154,734,879.55	97.71
1 to 2 years	**37,988,865.94**	**3.41**	24,879,900.40	2.11
2 to 3 years	**1,939,432.19**	**0.17**	–	–
Over 3 years	**1,958,084.50**	**0.18**	2,155,667.71	0.18
Total	**1,114,395,541.39**	**100.00**	1,181,770,447.66	100.00

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Prepayments (Continued)

(2) Top five prepayments balances at the end of the year based on debtors

RMB

31 December 2024			31 December 2023		
Name of entity	**Amount**	**Proportion of the amount to the total prepayments (%)**	Name of entity	Amount	Proportion of the amount to the total prepayments (%)
BW	**222,008,964.64**	**19.92**	BE	118,776,483.08	10.05
BY	**160,189,548.57**	**14.37**	BF	68,673,427.44	5.81
BZ	**83,155,366.34**	**7.46**	BG	52,558,942.84	4.45
CA	**69,690,928.78**	**6.25**	G	50,562,000.01	4.28
P	**43,107,726.29**	**3.87**	BH	46,621,803.43	3.95
Total	**578,152,534.62**	**51.87**	Total	337,192,656.80	28.54

7. Other receivables

7.1 Summary of other receivables

RMB

Item	31 December 2024	31 December 2023
Interest receivable	**277,967,881.17**	263,164,810.93
Dividends receivable	**210,000,000.00**	13,108,902.07
Other receivables	**5,036,896,666.21**	3,975,864,680.05
Total	**5,524,864,547.38**	4,252,138,393.05

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

7.2 Interest receivable

RMB

Item	31 December 2024	31 December 2023
Interest receivable on bank deposits	**123,343,943.24**	94,098,798.35
Interest receivable from related parties *(Note (XI) 6)*	**147,962,010.09**	121,439,999.13
Interest receivable from third parties	**6,661,927.84**	47,626,013.45
Total	**277,967,881.17**	263,164,810.93

7.3 Dividends receivable

RMB

Name of entity	31 December 2024	31 December 2023
Luoyang Huanyu Molybdenum Co., Ltd. ("Huan Yu")	**163,600,000.00**	–
Luoyang Fuchuan Mining Co., Ltd. ("Fu Chuan")	**46,400,000.00**	–
Zhejiang Youqing Trade Co., Ltd ("You Qing Trade")	**–**	9,958,646.03
Tongxiang Huaang Trade Co., Ltd. ("Tongxiang Huaang")	**–**	3,150,256.04
Total	**210,000,000.00**	13,108,902.07

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

7.4 Other receivables

(1) Other receivables disclosed by nature

RMB

Nature of other receivables	31 December 2024	31 December 2023
VAT refunds and other taxes receivable *(Note 1)*	**4,573,730,785.78**	3,291,825,248.44
Deductible Brazil social contribution tax *(Note 2)*	**108,209,608.39**	226,407,457.32
Deposits	**59,496,000.25**	25,484,157.08
Gains in close position *(Note 3)*	**3,161,212.12**	26,231,718.55
Others	**339,138,609.34**	434,327,814.88
Total	**5,083,736,215.88**	4,004,276,396.27

Note 1: It mainly refers to the VAT refundable amount generated from the Group's export business. The entity has applied for tax refunds from the government.

Note 2: See Note (V) 21 Note (3) for details.

Note 3: This represents the gains that will be received at the settlement after the period from the Group's forward commodity contracts that have been closed out.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

7.4 Other receivables (Continued)

(2) Credit risk of other receivables

The Group has other receivables of which the loss allowance is recognized on the basis of ECL as below:

RMB

	31 December 2024			31 December 2023		
	Book balance	**Loss allowance**	**Carrying amount**	Book balance	Loss allowance	Carrying amount
Other receivables of which the loss allowance is recognized on the basis of ECL	**5,083,736,215.88**	**46,839,549.67**	**5,036,896,666.21**	4,004,276,396.27	28,411,716.22	3,975,864,680.05

At 31 December 2024, the management of the Group believes that there's no significant ECL on other receivables as their credit risk has not been increased significantly since the initial recognition, except for which impairment has been provided.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

7.4 Other receivables (Continued)

(3) Top five other receivables balances at the end of the year based on debtors

RMB

Name of entity	Closing balance	Proportion of the amount to the total other receivables (%)	Nature	Aging	Closing balance of bad debt provision
31 December 2024					
CB	**4,573,730,785.78**	**89.97**	Tax refunds receivable	**Within 5 years**	**–**
Federal government of Brazil	**108,209,608.39**	**2.13**	Deductible tax	**Within 2 years**	**–**
Federal government of Brazil	**77,890,349.72**	**1.53**	Tax refunds receivable	**Within 1 year**	**–**
Lianyungang Customs District P.R China	**35,717,606.53**	**0.70**	Deductible tax	**Within 1 year**	**–**
People's Government of Luanchuan	**25,920,200.00**	**0.51**	Land concession fees	**Within 2 years**	**–**
Total	**4,821,468,550.42**	**94.84**			**–**
31 December 2023					
Congo (DRC) government	3,291,825,248.44	82.21	Tax refunds receivable	Within 4 years	–
Federal government of Brazil	226,407,457.32	5.65	Deductible tax	Within 2 years	–
BS	155,819,400.00	3.89	Advances receivable	Within 1 year	–
BK	60,828,633.66	1.52	Account current	Within 1 year	–
BR	42,506,708.89	1.06	Account current	Within 1 year	–
Total	3,777,387,448.31	94.33			–

(4) There are no other receivables concerning government grants during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories

RMB

Item	**31 December 2024 Carrying amount**	31 December 2023 Carrying amount
Inventories:		
– Measured at cost	**29,128,715,494.28**	25,947,043,464.89
– Measured at fair value	**7,974,442,170.35**	12,620,111,905.70
Total	**37,103,157,664.63**	38,567,155,370.59
Including: Inventories included in non-current assets	**7,224,831,357.59**	7,136,659,350.36

Note: As at 31 December 2024, the carrying amount of the inventories, which are pledged by the Group to obtain short-term borrowings, is USD1,152,418,000.00, equivalent to RMB8,284,041,551.20 (31 December 2023: USD1,820,375,085.09, equivalent to RMB12,893,170,615.17).

(1) Inventories measured at cost

(a) Categories of inventories

RMB

Item	**31 December 2024 Book balance**	**31 December 2024 Provision for decline in value**	**31 December 2024 Carrying amount**	31 December 2023 Book balance	31 December 2023 Provision for decline in value	31 December 2023 Carrying amount
Current:						
Raw materials	**8,144,244,914.80**	**50,245,028.99**	**8,093,999,885.81**	5,854,562,293.87	43,695,082.42	5,810,867,211.45
Work in progress	**5,941,706,395.00**	**–**	**5,941,706,395.00**	5,076,700,334.99	60,202,950.00	5,016,497,384.99
Finished goods	**4,732,836,320.70**	**186,574,648.84**	**4,546,261,671.86**	4,396,462,793.89	1,783,359.59	4,394,679,434.30
Trading inventories	**3,422,011,785.99**	**–**	**3,422,011,785.99**	3,704,863,492.78	–	3,704,863,492.78
Sub-total	**22,240,799,416.49**	**236,819,677.83**	**22,003,979,738.66**	19,032,588,915.53	105,681,392.01	18,926,907,523.52
Non-current:						
Raw materials *(Note)*	**7,124,735,755.62**	**–**	**7,124,735,755.62**	7,020,135,941.37	–	7,020,135,941.37
Sub-total	**7,124,735,755.62**	**–**	**7,124,735,755.62**	7,020,135,941.37	–	7,020,135,941.37
Total	**29,365,535,172.11**	**236,819,677.83**	**29,128,715,494.28**	26,052,724,856.90	105,681,392.01	25,947,043,464.89

Note: Non-current raw materials are minerals reserved by the Group for future production or sales, mainly including the low-grade ores produced from Tenke Copper-Cobalt mine in Congo (DRC). As the ore recovery process is further demanded in the future, the management estimates that these ores will not be ready for sales within one year, so it is presented as non-current assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

(1) Inventories measured at cost (Continued)

(b) Provision for decline in value of inventories

RMB

Categories of inventories	1 January 2024	Increase	Decrease		Translation differences of financial statements denominated in foreign currencies	31 December 2024
		Provision	Reversal	Write-off		
Raw materials	43,695,082.42	8,912,998.11	–	3,025,567.47	662,515.93	**50,245,028.99**
Work in progress	60,202,950.00	–	–	60,652,175.00	449,225.00	**-**
Finished goods	1,783,359.59	185,202,928.80	–	1,783,359.29	1,371,719.74	**186,574,648.84**
Total	105,681,392.01	194,115,926.91	–	65,461,101.76	2,483,460.67	**236,819,677.83**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

(2) Inventories measured at fair value

(a) Categories of inventories

RMB

Item	**31 December 2024 Carrying amount**	31 December 2023 Carrying amount
Current: Trading inventories outside the PRC	**7,874,346,568.38**	12,503,588,496.71
Non-current: Consumable biological assets	**100,095,601.97**	116,523,408.99
Total	**7,974,442,170.35**	12,620,111,905.70

(b) Changes in consumable biological assets are set out below:

RMB

Item	Quantity	1 January 2024	Increase	Decrease		Translation differences of financial statements denominated in foreign currencies	31 December 2024
			Transfer from construction in progress	Changes in fair value	Utilization		
Eucalyptus forest in Brazil	1951 hectares	116,523,408.99	3,312,837.00	16,889,178.25	4,456,860.39	1,605,394.62	**100,095,601.97**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Non-current assets due within one year

RMB

Item	31 December 2024	31 December 2023
Borrowings due from SNEL *(Note (V) 21)*	**231,499,113.61**	85,014,547.11
Loans to suppliers *(Note (V) 21)*	**9,094,415.19**	7,082,700.00
Certificates of deposit due within one year *(Note (V) 21)*	**428,491,666.67**	1,000,492,291.92
Total	**669,085,195.47**	1,092,589,539.03

10. Other current assets

RMB

Item	31 December 2024	31 December 2023
Derivative financial instruments deposits *(Note)*	**1,764,513,234.39**	1,964,801,843.90
VAT input to be deducted	**866,961,508.99**	668,029,632.24
Prepayment of enterprise income tax	**138,776,816.23**	290,049,878.37
Prepaid insurance expenses	**5,108,902.93**	4,839,619.44
Prepayment of VAT	**110,423,182.10**	128,423,592.05
Others	**43,331,649.82**	27,862,210.18
Total	**2,929,115,294.46**	3,084,006,776.18

The Group accounts the financial assets in other current assets according to ECL model. At 31 December 2024, the management believes that the relevant financial assets have a low credit risk.

Note: It is the deposit paid by the Group to acquire derivative financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments

RMB

Investee	Note	1 January 2024	Changes for the year: Additional investments	Decreased investments	Investment income recognized under equity method	Cash dividends or profits declared for distribution	Provision for impairment losses	Translation differences of financial statements denominated in foreign currencies	Others	31 December 2024
I. Joint ventures										
Huan Yu	Note 1	479,159,658.15	-	-	250,623,155.15	210,000,000.00	-	-	-	**519,782,813.30**
USHAKA CARGO TERMINAL PROPRIETARY LIMITED ("USHAKA")	Note 2	1,928,619.29	-	-	-	-	-	258,333.89	-	**2,186,953.18**
PHOENIX COMMODITIES LLC ("PHOENIX")	Note 3	-	7,420,972.00	-	-	-	-	54,964.00	-	**7,475,936.00**
Sub-total		481,088,277.44	7,420,972.00	-	250,623,155.15	210,000,000.00	-	313,297.89	-	**529,445,702.48**
II. Associates										
Luoyang Yulu Mining Co., Ltd. ("Yulu Mining")	Note 4	77,813,496.06	-	-	97,349,617.49	88,300,000.00	-	-	-	**86,863,113.55**
Caly Nanomoly Development, Inc. ("Nanomoly Development")	Note 5	-	-	-	-	-	-	-	-	**-**
Luoyang Shenyu Molybdenum Co., Ltd ("Luoyang Shenyu")	Note 6	5,264,497.21	-	-	2,261,109.86	1,500,000.00	-	-	-	**6,025,607.07**
You Qing Trade	Note 7	5,842,179.47	-	-	2,386,270.49	-	-	-	-	**8,228,449.96**
Walvis Bay Cargo Terminal Pty. Ltd ("WalvisBay")	Note 8	23,928,615.95	-	-	3,910,728.37	13,621,569.08	-	446,061.36	-	**14,663,836.60**
PT.Huayue Nickel Cobalt ("Huayue Nickel Cobalt")	Note 9	1,623,145,735.20	-	-	438,686,251.97	-	-	27,451,334.25	(2,856,369.23)	**2,086,426,952.19**
Beijing Youhong Yongsheng Science & Technology Co., Ltd. ("Beijing Youhong")	Note 10	-	-	-	-	-	-	-	-	**-**
Tongxiang Huaang	Note 11	3,439,948.60	-	-	3,309,963.94	-	-	-	-	**6,749,912.54**
ENERLOG SA	Note 12	240,811.82	-	-	-	-	-	3,593.80	-	**244,405.62**
Hong Kong CBC Investment Limited ("CBC")	Note 13	-	-	-	-	-	-	-	-	**-**
Guochuang Intelligent Mining Equipment Research Institute (Luoyang) Co., Ltd. ("Guochuang Intelligent")	Note 14	3,927,560.33	-	-	27,343.30	-	-	-	-	**3,954,903.63**
Ningbo Bangya Trading Co., Ltd. ("Ningbo Bangya")	Note 15	4,045,660.00	-	-	(2,236,460.69)	-	-	-	-	**1,809,199.31**
LUALABA POWER SA ("LUALABA")	Note 16	-	542,301,800.00	-	(7,821,201.93)	-	-	3,958,671.67	-	**538,439,269.74**
RESOURCE SUSTAINABLE TECHNOLOGIES B.V. ("RESOURCE")	Note 17	-	7,716.38	-	-	-	-	57.14	-	**7,773.52**
Sub-total		1,747,648,504.64	542,309,516.38	-	537,873,622.80	103,421,569.08	-	31,859,718.22	(2,856,369.23)	**2,753,413,423.73**
Total		2,228,736,782.08	549,730,488.38	-	788,496,777.95	313,421,569.08	-	32,173,016.11	(2,856,369.23)	**3,282,859,126.21**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments (Continued)

Note 1: Huan Yu, a joint venture where the Group holds 50% equity, holds 90% equity in Fu Chuan. Meanwhile, the Group directly holds 10% equity in Fu Chuan.

According to the agreement with local government, the local government is entitled to 8% of the dividend rights of Fu Chuan.

Note 2: In April 2023, USHAKA was incorporated and in October 2023, the Group, as a shareholder with a 50% equity therein, made a cash contribution of ZAR5,000,000, while the Company assigned two directors to USHAKA, accounting for it as a joint venture.

Note 3: In December 2024, the Group, as a shareholder with a 50% equity therein, made a cash contribution of USD1,040,000 to incorporate PHOENIX, which is accounted for as a joint venture.

Note 4: The Group holds a 40% equity interest in Yulu Mining. According to the resolution of Yulu Mining's 2007 annual general meeting of shareholders, both investors would share the net profit at 50% respectively since year 2008.

Note 5: The Group holds 40% of Nanomoly Development's equity and accounts investment therein based on equity method. In accordance with Articles of Association of Nanomoly Development, the Group does not assume any additional liabilities for additional loss. As at the end of the current year, the Group has written down its investment in Nanomoly Development to zero.

Note 6: In April 2016, the Company entered into a collaboration agreement with a third party, and the Company invested RMB1.5 million by way of intangible assets and the counterparty invested RMB8.5 million of cash to incorporate Luoyang Shenyu. Meanwhile, the Company appointed a director and a supervisor to Luoyang Shenyu. Therefore, Luoyang Shenyu is accounted for as an associate due to the Company's significant influence.

Note 7: In October 2019, the Company signed an equity transfer agreement with a third party, purchasing 30% of equity in You Qing Trade held by a third party at a cash consideration price of RMB1.5 million. In 2022, in accordance with the Articles of Association, the Company supplemented its capital by RMB1.5 million, and the shareholding ratio remained unchanged. At the same time, the Company assigned two directors and one supervisor. Therefore, it is accounted for as a joint venture due to the Company's significant influence.

Note 8: Walvis Bay is an associate of IXM Holding SA, which is a wholly-owned subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments (Continued)

Note 9: In November 2019, the Group's wholly-owned subsidiary CMOC Limited signed an equity transfer agreement with Newstride Limited, acquiring 100% of equity in W-Source Holding Limited ("W-Source Holding") at a consideration price of USD1,125.87, and indirectly acquiring 21% share of PT.Huayue Nickel Cobalt held by W-Source Holding. On 25 July 2020, CMOC Limited increased its equity held in PT.Huayue Nickel Cobalt to 30% in the way of subscribing the registered capital newly increased by PT.Huayue Nickel Cobalt through W-Source Holding. W-Source Holding assigned a director and a supervisor to PT.Huayue Nickel Cobalt. Therefore, it is accounted for as an associate due to the Company's significant influence.

Note 10: Beijing Youhong was incorporated in August 2020 and the Company, as a shareholder with 30% equity therein, contributed RMB900,000 in cash and assigned one director and one supervisor. Therefore, Beijing Youhong is accounted for as an associate due to the Company's significant influence. The Group does not assume any additional liabilities for excess loss. As at the end of the current year, the Group has written down its investment in Beijing Youhong to zero.

Note 11: Tongxiang Huaang was incorporated in August 2019 and the Company, as a shareholder with 30% equity therein, contributed RMB600,000 in cash. In 2022, in accordance with the Articles of Association, the Company supplemented its capital by RMB900,000, and the shareholding ratio remained unchanged. The Company assigned one director and one supervisor. Therefore, Tongxiang Huaang is accounted for as an associate due to the Company's significant influence.

Note 12: In July 2021, the Company, as a shareholder with 34% equity therein, contributed USD34,000. Therefore, ENERLOG SA is accounted for as an associate due to the Company's significant influence.

Note 13: In March 2022, the Company, as a shareholder with 34% equity therein, contributed USD3,400 and assigned one director. Therefore, CBC is accounted for as an associate due to the Company's significant influence. In 2023, CBC transferred shareholder's borrowings of USD1,020,000 to capital, and the shareholding ratio of the Company remained unchanged.

Note 14: In February 2023, the Company contributed RMB4 million in cash to Guochuang Intelligent, accounting for 20% equity therein, and assigned one director. Therefore, Guochuang Intelligent Mining Equipment Research Institute (Luoyang) Co., Ltd. is accounted for as an associate due to the Company's significant influence.

Note 15: Ningbo Bangya was incorporated in March 2023 and the Company, as a shareholder with 34% equity therein, contributed RMB6.8 million in cash in April 2023. The Company assigned one director and one supervisor. Therefore, Ningbo Bangya is accounted for as an associate due to the Company's significant influence.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments (Continued)

Note 16: In May 2024, the Group entered into an equity transfer agreement with a third party to purchase 44% equity interest in LUALABA held by the third party at a cash consideration of USD65 million with two directors, which is accounted for as an associate due to the significant influence over it. In the same year, the Company and other shareholders increased their capital in proportion to their shareholdings, and the Company increased its capital by USD11 million, with no change in its shareholding proportion.

Note 17: In April 2024, the Group, as a shareholder with a 33% equity therein, made a cash contribution of USD1,080 and assigned one director, which is accounted for as an associate because of the significant influence over it.

There are no circumstances relating to the Group's long-term equity investments that restrict the ability to transfer funds to the investees.

The enterprises in which the Group has long-term equity investments are all unlisted companies.

12. Investments in other equity instruments

RMB

Item	1 January 2024	Changes for the period: Additional investments	Changes for the period: Decreased investments	Changes for the period: Losses included in other comprehensive income for the period	Changes for the period: Others	31 December 2024	Accumulated losses included in other comprehensive income
Z company equity	1,933,614.16	–	–	(590,008.16)	–	**1,343,606.00**	(98,656,394.00)
AA company equity	5,795,576.24	–	–	–	–	**5,795,576.24**	–
Total	7,729,190.40	–	–	(590,008.16)	–	**7,139,182.24**	(98,656,394.00)

Note: As the investments in equity instruments of the Group and its subsidiaries are the investments that the Group and its subsidiaries plan to hold for a long term, they are designated as financial assets at FVTOCI.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Other non-current financial assets

The Group's financial assets at FVTPL are as follows:

RMB

Item	1 January 2024	Increase	Changes in fair value	Disposal	Translation differences of financial statements denominated in foreign currencies	31 December 2024	Dividends
Entrusted wealth management products of banking financial institutions *(Note 1)*	68,034,904.38	–	1,818,542.50	(27,346,460.00)	–	**42,506,986.88**	–
AC Partnership shares *(Note 2)*	538,110,778.70	–	(181,178,454.32)	(99,248,555.38)	–	**257,683,769.00**	181,987,047.53
AD Partnership shares	138,728,723.36	–	25,876,471.64	–	–	**164,605,195.00**	2,502,201.20
AE Partnership shares	67,258,049.58	–	(1,867,452.78)	–	989,906.65	**66,380,503.45**	–
AF Fund shares	250,312,154.42	–	(16,009,137.67)	–	3,617,007.49	**237,920,024.24**	–
Target asset management plan *(Note 3)*	1,117,850,742.75	–	186,447,023.66	(351,760,122.32)	15,458,050.67	**967,995,694.76**	–
AI company equity	184,576.58	–	–	(185,953.86)	1,377.28	**–**	–
AJ company equity	121,171,366.49	–	5,936,145.96	–	1,852,290.10	**128,959,802.55**	–
AK Fund shares	575,169,599.23	–	(42,657,630.34)	–	8,267,704.22	**540,779,673.11**	–
AL Partnership	252,188,533.24	50,000,000.00	(12,349,047.24)	(440,073.00)	–	**289,399,413.00**	7,781,197.23
AM company equity	1,557,466.61	–	(1,080,194.54)	–	15,242.60	**492,514.67**	–
IXM fund investment *(Note 4)*	68,812,606.67	–	152,941.88	–	1,028,085.55	**69,993,634.10**	–
Others	5,352.98	–	38,138,805.35	(185.52)	4.98	**38,143,977.79**	–
Total	3,199,384,854.99	50,000,000.00	3,228,014.10	(478,981,350.08)	31,229,669.54	**2,804,861,188.55**	192,270,445.96

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Other non-current financial assets (Continued)

Note 1: It is the non-principle preservation wealth management products with floating yield purchased by the Group from banks and financial institutions in China, with an expected yield of 5.00% over a period of 5 years. Part of the investment cost recovered for the period is RMB27,346,460.00.

Note 2: It is the Group's partnership share. According to the partnership agreement, the Group recovered the investment cost of RMB99,248,555.38 and investment income of RMB181,987,047.53 from the partnership in the current year.

Note 3: It is the Group's target asset management plan, which mainly include shares and fund investments.

Note 4: It is the investment in Efficient Pure Trend Fund by IXM, a wholly-owned subsidiary of the Company. The Fund mainly invests in commodities and related derivative instruments.

14. Fixed assets

(1) Fixed assets

RMB

Item	Buildings and mining projects	Machinery and equipment	Electronic equipment, fixture and furniture	Transportation equipment	Total
I. Total original carrying amount:					
1. Balance at 1 January 2024	24,258,470,246.18	28,610,363,440.15	283,107,247.75	147,889,401.34	53,299,830,335.42
2. Increase	6,772,574,780.68	5,717,704,539.00	28,999,242.97	37,876,154.30	12,557,154,716.95
(1) Purchase	1,812,967,618.86	12,054,194.06	14,263,676.71	1,544,214.89	1,840,829,704.52
(2) Transfer from CIP	5,039,107,966.88	5,688,428,386.26	13,798,450.69	36,080,838.32	10,777,415,642.15
(3) Increase due to business combination	50,143,992.78	17,221,958.68	937,115.57	251,101.09	68,554,168.12
(4) Revaluation of rehabilitation and asset retirement cost *(Note)*	(129,644,797.84)	–	–	–	(129,644,797.84)
3. Decrease	28,230,773.59	363,093,896.88	30,262,720.40	6,709,702.59	428,297,093.46
(1) Disposal or retirement	28,230,773.59	363,093,896.88	30,262,720.40	6,709,702.59	428,297,093.46
4. Translation differences of financial statements denominated in foreign currencies	348,917,814.54	463,088,273.47	1,401,139.16	1,214,028.37	814,621,255.54
5. Balance at 31 December 2024	31,351,732,067.81	34,428,062,355.74	283,244,909.48	180,269,881.42	66,243,309,214.45

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Fixed assets (Continued)

(1) Fixed assets (Continued)

Item	Buildings and mining projects	Machinery and equipment	Electronic equipment, fixture and furniture	Transportation equipment	Total
II. Accumulated depreciation					
1. Balance at 1 January 2024	7,193,488,857.73	10,174,952,136.23	191,656,781.83	58,449,963.65	17,618,547,739.44
2. Increase	1,764,318,659.66	2,441,703,396.93	38,864,106.95	20,768,563.70	4,265,654,727.24
(1) Provision	1,764,318,659.66	2,441,703,396.93	38,864,106.95	20,768,563.70	4,265,654,727.24
3. Decrease	16,250,269.53	313,340,390.74	17,994,274.02	6,616,632.77	354,201,567.06
(1) Disposal or retirement	16,250,269.53	313,340,390.74	17,994,274.02	6,616,632.77	354,201,567.06
4. Translation differences of financial statements denominated in foreign currencies	82,129,292.03	153,996,885.06	366,433.16	264,697.64	236,757,307.89
5. Balance at 31 December 2024	9,023,686,539.89	12,457,312,027.48	212,893,047.92	72,866,592.22	21,766,758,207.51
III. Impairment provision					
1. Balance at 1 January 2024	28,624,485.76	47,310,312.34	1,581,369.35	108,398.92	77,624,566.37
2. Increase	743,576.33	–	197,264.78	–	940,841.11
(1) Provision	743,576.33	–	197,264.78	–	940,841.11
3. Decrease	314,331.52	23,661,225.95	526,604.87	63,152.33	24,565,314.67
(1) Disposal or retirement	314,331.52	23,661,225.95	526,604.87	63,152.33	24,565,314.67
4. Translation differences of financial statements denominated in foreign currencies	5,507.35	281,004.12	1,699.46	–	288,210.93
5. Balance at 31 December 2024	29,059,237.92	23,930,090.51	1,253,728.72	45,246.59	54,288,303.74
IV. Carrying amount					
1. Closing carrying amount	22,298,986,290.00	21,946,820,237.75	69,098,132.84	107,358,042.61	44,422,262,703.20
2. Opening carrying amount	17,036,356,902.69	18,388,100,991.58	89,869,096.57	89,331,038.77	35,603,658,029.61

Note: At the end of the year, the Group reviewed the future rehabilitation and asset retirement cost in Congo (DRC), and adjusted the carrying amount of rehabilitation and asset retirement cost according to the updated rehabilitation plan.

As at the 31 December 2024, no fixed assets are used as collateral.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Fixed assets (Continued)

(2) At the end and the beginning of the year, the Group has no fixed assets leased out under operating leases.

(3) *Details of the fixed assets without certificate of titles*

RMB

Item	Carrying amount	Reason for not completing the certificate of title
High-pressure roller mill workshop	19,435,901.88	Completed and settled, with asset title in progress
Tungsten and molybdenum extraction and separation workshop	4,881,999.03	Completed and settled, with asset title in progress
Main decomposition workshop	4,782,977.15	Completed and settled, with asset title in progress
Main extraction workshop	4,696,205.89	Completed and settled, with asset title in progress
Office staff dining hall	4,455,600.95	Completed and settled, with asset title in progress
Main crystallization workshop	3,940,013.23	Completed and settled, with asset title in progress
Sandaogou tailing pond pressurized pumping station	2,779,908.90	Completed and settled, with asset title in progress
Others	11,937,354.63	Completed and settled, with asset title in progress
Total	56,909,961.66	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Construction in progress

(1) *Construction in progress:*

RMB

	31 December 2024			31 December 2023		
Item	Book balance	Impairment provision	Net carrying amount	Book balance	Impairment provision	Net carrying amount
House acquisition and decoration project	1,011,608,864.77	-	1,011,608,864.77	1,002,710,747.10	–	1,002,710,747.10
Copebras phosphorus production plant maintenance project	403,371,430.72	-	403,371,430.72	397,864,370.88	–	397,864,370.88
Niobras niobium production plant maintenance project	276,889,897.72	-	276,889,897.72	131,691,511.86	–	131,691,511.86
Project replacing Xuansan Tailing	237,350,724.54	-	237,350,724.54	94,825,326.46	–	94,825,326.46
Main body and supporting engineering of KFM Phase I project	118,968,358.94	-	118,968,358.94	200,311,048.65	–	200,311,048.65
TFM dehydration equipment installation project	84,736,674.25	-	84,736,674.25	45,790,343.73	–	45,790,343.73
Xinjiang Hami Donggobi Molybdenum Project	101,688,279.82	31,615,388.19	70,072,891.63	105,515,426.89	31,615,388.19	73,900,038.70
Copebras phosphorus production process improvement project	69,720,817.86	-	69,720,817.86	53,673,051.62	–	53,673,051.62
TFM copper-cobalt mixed ore project	49,268,027.66	-	49,268,027.66	7,459,720,387.62	–	7,459,720,387.62
Niobras tailings dam heightening project	38,512,914.36	-	38,512,914.36	16,783,997.00	–	16,783,997.00
TFM mine power distribution project	37,740,026.79	-	37,740,026.79	26,471,172.59	–	26,471,172.59
TFM production process modeling and evaluation project	17,457,217.23	-	17,457,217.23	10,022,679.62	–	10,022,679.62
TFM mine transportation road repair and construction project	-	-	-	36,084,813.18	–	36,084,813.18
Tungsten No. 2 Company Sandaogou tailing pond phase II construction project	-	-	-	21,933,071.48	–	21,933,071.48
Tungsten No. 2 Company Sandaogou tailing pond phase I construction project – Beizhigou flood drainage system project	-	-	-	16,784,880.05	–	16,784,880.05
Others	1,638,852,534.79	-	1,638,852,534.79	1,032,540,409.79	–	1,032,540,409.79
Total	4,086,165,769.45	31,615,388.19	4,054,550,381.26	10,652,723,238.52	31,615,388.19	10,621,107,850.33

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Construction in progress (Continued)

(2) Changes in significant construction in progress

RMB

Item	Budget	1 January 2024	Increase	Transfer to fixed assets	Translation differences of financial statements denominated in foreign currencies	31 December 2024	Proportion of project investment to budget amount (%)	Project progress (%)	Accumulated interest capitalization	Including: interest capitalization for the year	Source of fund
House acquisition and decoration project	1,449,347,323.21	1,002,710,747.10	8,898,117.67	-	-	1,011,608,864.77	70	70	-	-	Funds in hand
Copebras phosphorus production plant maintenance project	1,472,739,665.16	397,864,370.88	207,956,898.02	208,179,500.50	5,729,662.32	403,371,430.72	72	72	-	-	Funds in hand
Niobras niobium production plant maintenance project	732,551,452.48	131,691,511.86	257,781,755.21	112,681,097.62	97,728.27	276,889,897.72	95	95	-	-	Funds in hand
Project replacing Xuansan Tailing	348,730,000.00	94,825,326.46	142,525,398.08	-	-	237,350,724.54	40	40	-	-	Funds in hand
Main body and supporting engineering of KFM Phase I project	13,274,550,799.64	200,311,048.65	359,842,859.80	444,020,843.41	2,835,293.90	118,968,358.94	55	55	-	-	Funds in hand
TFM dehydration equipment installation project	122,746,961.88	45,790,343.73	37,981,655.69	-	964,674.83	84,736,674.25	99	99	-	-	Funds in hand
Xinjiang Hami Donggobi Molybdenum Project	2,849,000,000.00	73,900,038.70	2,309,641.47	6,136,788.54	-	70,072,891.63	3	3	-	-	Funds in hand
Copebras phosphorus production process improvement project	341,499,933.62	53,673,051.62	81,957,571.97	66,822,901.67	913,095.94	69,720,817.86	93	93	-	-	Funds in hand
TFM copper-cobalt mixed ore project	18,042,884,000.00	7,459,720,387.62	1,873,817,645.28	9,353,145,306.10	68,875,300.86	49,268,027.66	90	90	312,080,675.99	80,876,246.03	Funds in hand/raised
Niobras tailings dam heightening project	167,170,441.10	16,783,997.00	51,755,679.36	30,435,153.24	408,391.24	38,512,914.36	93	93	-	-	Funds in hand
TFM mine power distribution project	130,071,294.52	26,471,172.59	10,793,861.14	-	474,993.06	37,740,026.79	98	98	-	-	Funds in hand
TFM production process modeling and evaluation project	2,209,714,160.00	10,022,679.62	24,129,547.05	16,898,144.71	203,135.27	17,457,217.23	99	99	-	-	Funds in hand
TFM mine transportation road repair and construction project	169,664,462.59	36,084,813.18	-	36,623,331.65	538,518.47	-	100	100	-	-	Funds in hand
Tungsten No. 2 Company Sandaogou tailing pond phase II construction project	43,800,000.00	21,933,071.48	18,398,093.79	40,331,165.27	-	-	100	100	-	-	Funds in hand
Tungsten No. 2 Company Sandaogou tailing pond phase I construction project – Beizhigou flood drainage system project	18,880,000.00	16,784,880.05	1,299.98	16,786,180.03	-	-	100	100	-	-	Funds in hand

As at 31 December 2024, the management of the Group does not identify any indication of impairment in construction in progress, therefore, no impairment test is performed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Right-of-use assets

RMB

Item	Buildings	Machinery and equipment	Total
I. Total original carrying amount:			
1. Balance at 1 January 2024	418,975,951.56	205,812,503.86	624,788,455.42
2. Increase	51,442,803.58	57,925,371.80	109,368,175.38
(1) Leasehold	51,442,803.58	57,925,371.80	109,368,175.38
3. Decrease	102,807,591.19	22,288,956.55	125,096,547.74
(1) Disposal	102,807,591.19	22,288,956.55	125,096,547.74
4. Translation differences of financial statements denominated in foreign currencies	3,172,904.91	3,328,750.17	6,501,655.08
5. Balance at 31 December 2024	370,784,068.86	244,777,669.28	615,561,738.14
II. Accumulated depreciation			
1. Balance at 1 January 2024	221,351,033.03	57,731,189.28	279,082,222.31
2. Increase	68,598,912.77	83,599,740.53	152,198,653.30
(1) Provision	68,598,912.77	83,599,740.53	152,198,653.30
3. Decrease	57,712,321.76	19,122,543.82	76,834,865.58
(1) Disposal	57,712,321.76	19,122,543.82	76,834,865.58
4. Translation differences of financial statements denominated in foreign currencies	1,797,323.12	1,332,442.40	3,129,765.52
5. Balance at 31 December 2024	234,034,947.16	123,540,828.39	357,575,775.55
III. Impairment provision			
1. Balance at 1 January 2024	–	–	–
2. Balance at 31 December 2024	–	–	–
IV. Carrying amount			
1. Closing carrying amount	136,749,121.70	121,236,840.89	257,985,962.59
2. Opening carrying amount	197,624,918.53	148,081,314.58	345,706,233.11

The Group's lease liabilities and interest expense on lease liabilities are set out in Note (V) 36, and Note (V) 53 respectively. As at 31 December 2024, except for the Group's payment of deposit to the lessor as guarantee for leasehold assets, lease agreements have no other additional guarantee terms.

As at 31 December 2024, the Group has no leases that have been entered into but not yet commenced.

As at 31 December 2024, the management of the Group does not identify any indication of impairment in right-of-use assets, therefore, no impairment test is performed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Intangible assets

Details of intangible assets

RMB

Item	Land use rights	Exploration and mining rights	Copper supply concessions *(Note)*	Supplier relationship *(Note)*	Others	Total
I. Total original carrying amount:						
1. Balance at 1 January 2024	319,814,053.29	31,462,239,821.46	135,843,500.03	290,390,700.00	408,559,692.35	32,616,847,767.13
2. Increase	36,469,447.33	–	–	–	31,905,508.93	68,374,956.26
(1) Purchase	27,600,287.72	–	–	–	30,523,622.46	58,123,910.18
(2) Transfer from CIP	–	–	–	–	1,127,706.44	1,127,706.44
(3) Increase due to business combination	8,869,159.61	–	–	–	254,180.03	9,123,339.64
3. Decrease	9,009,132.86	–	–	–	–	9,009,132.86
(1) Disposal	9,009,132.86	–	–	–	–	9,009,132.86
4. Translation differences of financial statements denominated in foreign currencies	–	447,528,169.37	2,027,285.91	4,333,700.00	5,339,917.90	459,229,073.18
5. Balance at 31 December 2024	347,274,367.76	31,909,767,990.83	137,870,785.94	294,724,400.00	445,805,119.18	33,135,442,663.71
II. Accumulated amortization						
1. Balance at 1 January 2024	102,619,693.25	9,160,235,118.98	74,709,915.19	67,153,211.26	231,260,690.97	9,635,978,629.65
2. Increase	7,509,176.98	1,608,258,877.92	20,019,881.76	29,935,017.26	17,525,149.21	1,683,248,103.13
(1) Provision	7,509,176.98	1,608,258,877.92	20,019,881.76	29,935,017.26	17,525,149.21	1,683,248,103.13
3. Decrease	3,494,234.36	–	–	–	–	3,494,234.36
(1) Disposal	3,494,234.36	–	–	–	–	3,494,234.36
4. Translation differences of financial statements denominated in foreign currencies	–	142,431,082.45	1,263,226.21	1,223,889.52	3,021,904.90	147,940,103.08
5. Balance at 31 December 2024	106,634,635.87	10,910,925,079.35	95,993,023.16	98,312,118.04	251,807,745.08	11,463,672,601.50

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Intangible assets (Continued)

Details of intangible assets (Continued)

Item	Land use rights	Exploration and mining rights	Copper supply concessions (Note)	Supplier relationship (Note)	Others	Total
III. Impairment provision						
1. Balance at 1 January 2024	–	20,484,319.60	–	–	–	20,484,319.60
2. Increase	–	–	–	–	2,379.49	2,379.49
(1) Provision	–	–	–	–	2,379.49	2,379.49
3. Decrease	–	–	–	–	–	–
(1) Disposal	–	–	–	–	–	–
4. Translation differences of financial statements denominated in foreign currencies	–	–	–	–	17.63	17.63
5. Balance at 31 December 2024	–	20,484,319.60	–	–	2,397.12	20,486,716.72
IV. Carrying amount						
1. Closing carrying amount	240,639,731.89	20,978,358,591.88	41,877,762.78	196,412,281.96	193,994,976.98	21,651,283,345.49
2. Opening carrying amount	217,194,360.04	22,281,520,382.88	61,133,584.84	223,237,488.74	177,299,001.38	22,960,384,817.88

As at 31 December 2024, the Group has no intangible assets formed through internal research and development.

As at 31 December 2024, there are no land use rights or mining rights used as collateral.

As at 31 December 2024, the Group has no land use rights without certificates of title.

The land use rights are acquired with the lease period of 50 years and are situated in the PRC.

Note: Copper supply concessions and supplier relationship are acquired through acquisition of IXM.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Goodwill

(1) Original carrying amount of goodwill

RMB

Investee	1 January 2024	Translation differences of financial statements denominated in foreign currencies	Provision of impairment	31 December 2024
Brazil phosphorus business	669,535,608.82	9,991,940.05	–	**679,527,548.87**

(2) Provision for impairment losses of goodwill

RMB

Investee	1 January 2024	Translation differences of financial statements denominated in foreign currencies	31 December 2024
Brazil phosphorus business	239,394,468.09	3,572,648.17	**242,967,116.26**

(3) Information of the asset group or portfolio of asset groups with goodwill

Name	Constitution and basis of the asset group or portfolio	Operating segment and basis	Consistent with prior years or not?
Brazil phosphorus business	Major cash inflows from Brazil phosphorus business of CMOC Brazil are independent of other assets or asset groups	Niobium-and-phosphorus-related products segment Classified according to product types	Yes

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Goodwill (Continued)

(4) Specific determination of recoverable amount

The recoverable amount is determined according to the present value of the expected future cash flows.

RMB

Item	Carrying amount	Recoverable amount	Impairment amount	Length of the expected period	Key parameters in the expected period	Basis of parameters in the expected period	Key parameters in the stable period	Basis of key parameters in the stable period
Brazil phosphorus business	5,111,265,240.00	5,736,343,200.00	-	5 years	Budgeted gross profit, discount rate	Market price of metal, remaining years of mining rights	Budgeted gross profit, discount rate	Market price of metal, remaining years of mining rights

The recoverable amount of the asset group of Brazil phosphorus business is determined according to the present value of the expected future cash flows. Future cash flows are determined based on the financial budget of the next five years approved by the management and based on the production life of available reserves and future mining plans, and discount rate of 10.91% is used. As the sale of the products in phosphorus business is priced in USD and settled in BRL, the management believes that the inflation risk faced with by the relevant business in the operation process mainly comes from the inflation risk in the environment denominated in USD. Therefore, the inflation rate used to infer the cash flow from the asset group after 5 years is 2.50% (based on the USD environment).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Long-term prepaid expenses

RMB

Item	1 January 2024	Increase	Amortization	Translation differences of financial statements denominated in foreign currencies	31 December 2024
Relocation compensation *(Note 1)*	39,613,339.22	615,200.42	6,443,013.47	–	33,785,526.17
Geological Museum project *(Note 2)*	23,400,000.00	–	600,000.00	–	22,800,000.00
Tailing pond maintenance fee *(Note 3)*	59,475,238.65	73,094,341.26	8,496,462.66	–	124,073,117.25
Others	105,277,839.27	32,269,736.59	38,308,041.56	16,734.83	99,256,269.13
Total	227,766,417.14	105,979,278.27	53,847,517.69	16,734.83	279,914,912.55

Note 1: The Company paid relocation compensation to the villagers around the areas of tailing dams and the industrial park.

Note 2: According to the Geological Museum use right agreement signed by Luanchuan Finance Bureau and the Company on 18 December 2012, the Company would be allocated with 2,000 square meters showroom area in the Geological Museum for promoting the Company's product for 50 years from 1 January 2013.

Note 3: The Company paid the maintenance fee for the Secao Lake tailing pond seepage prevention project.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Deferred tax assets/Deferred tax liabilities

(1) Deferred tax assets that are not offset

RMB

	31 December 2024		31 December 2023	
Item	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for asset impairment	1,145,671,082.56	338,188,792.08	387,413,825.73	113,657,899.29
Deductible losses	196,016,701.70	41,461,089.51	242,324,697.12	60,115,890.17
Unrealized gross profit	5,844,640,003.43	1,321,911,136.53	6,239,028,221.59	1,363,087,054.46
Deferred income from government grants	28,502,327.90	5,559,575.27	37,092,783.50	7,548,630.59
Gains or losses from fair value changes	64,711,249.12	16,177,812.28	56,702,232.74	14,993,951.71
Outstanding expenses – net	2,229,765,876.93	479,193,388.59	2,556,199,156.68	563,214,051.91
Equity incentives not yet unlocked	44,252,574.28	11,063,143.57	34,888,798.56	8,722,199.64
Differences in depreciation of fixed assets	23,058,105.08	6,639,525.32	16,857,022.33	4,838,663.16
Lease liabilities	273,423,229.29	84,220,390.83	360,645,474.23	104,809,050.87
Differences in inventory costs	60,541,826.19	18,162,547.86	–	–
Others	224,112,027.88	61,499,896.54	152,000,942.01	44,671,639.79
Total	10,134,695,004.36	2,384,077,298.38	10,083,153,154.49	2,285,659,031.59

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

(2) Deferred tax liabilities that are not offset

RMB

Item	31 December 2024 Taxable temporary differences	31 December 2024 Deferred tax liabilities	31 December 2023 Taxable temporary differences	31 December 2023 Deferred tax liabilities
Accrued interest income	**362,329,067.59**	**55,709,360.42**	429,482,483.62	73,512,461.72
Effect of exchange rate of non-monetary items *(Note 1)*	**2,377,914,086.47**	**735,009,313.80**	599,298,603.77	216,275,987.93
Differences in depreciation of fixed assets	**9,656,560,166.00**	**2,900,762,297.06**	8,152,435,110.79	2,451,579,819.27
Gains or losses from fair value changes	**260,224,669.09**	**46,308,148.92**	698,450,651.52	141,466,134.37
Additional provision under Switzerland tax laws *(Note 2)*	**3,936,464,429.81**	**579,399,385.03**	3,315,289,617.99	497,293,442.68
Adjustment to the fair value of assets in business combination not involving enterprises under common control *(Note 3)*	**9,862,208,954.73**	**2,937,577,899.41**	10,454,616,334.27	3,117,372,476.04
Differences in inventory costs	**–**	**–**	14,383,653.40	4,315,096.02
Right-of-use assets	**254,737,170.72**	**74,612,587.53**	337,534,633.50	97,861,819.00
Others	**140,706,943.96**	**34,490,455.09**	46,632,601.84	11,717,640.63
Total	**26,851,145,488.37**	**7,363,869,447.26**	24,048,123,690.70	6,611,394,877.66

Note 1: Certain enterprises of the Group's business in Brazil adopt USD as functional currency, while make tax declaration and annual filing in BRL for the operating activities in Brazil in accordance with local tax regulations in Brazil. Non-monetary items including inventories and fixed assets of such enterprises on the balance sheet are recognized and subsequently measured at historical exchange rate, resulting temporary difference between their tax bases and carrying amounts upon tax accounting, the Company accordingly recognize the relevant temporary difference as a deferred tax asset/liability.

Note 2: It represents the taxable temporary differences arising from additional provision made to certain extent based on the carrying amount of inventories under Switzerland tax laws.

Note 3: It mainly represents the deferred tax liabilities arising from the adjustments on fair values of assets in the acquisitions of Congo (DRC) business in 2016, Brazil business in 2016 and Switzerland metal trading platform business in 2019. The Group made structural reorganization in 2020 to consolidate the three legal entities of the niobium phosphorus business in Brazil, redetermine the tax basis of their carrying assets and liabilities and adjust the deferred income tax liabilities mentioned above.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

(3) Deferred tax assets and deferred tax liabilities that are presented at the net amount after offset

RMB

Item	Offset amount between deferred tax assets and liabilities at the end of the period	Closing balance of deferred tax assets or liabilities after offset	Offset amount between deferred tax assets and liabilities at the beginning of the period	Opening balance of deferred tax assets or liabilities after offset
Deferred tax assets	791,115,476.71	1,592,961,821.67	620,215,951.75	1,665,443,079.84
Deferred tax liabilities	791,115,476.71	6,572,753,970.55	620,215,951.75	5,991,178,925.91

The increase in deferred tax assets this year due to the translation of financial statements denominated in foreign currencies was RMB7,354,343.37, and the increase in deferred tax liabilities this year due to the translation of financial statements denominated in foreign currencies was RMB116,264,432.45.

(4) Details of unrecognized deferred tax assets

RMB

Item	31 December 2024	31 December 2023
Deductible losses	**122,925,940.87**	162,391,568.52
Deductible temporary differences	**84,358,506.56**	76,615,194.42
Sub-total	**207,284,447.43**	239,006,762.94

Note: Due to the uncertainty in availability of sufficient taxable income in the future, deferred tax assets are not recognized.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

(5) Deductible losses, for which deferred tax assets are not recognized, will expire in the following years:

RMB

Year	31 December 2024	31 December 2023
2024	–	21,539,923.95
2025	20,550,465.97	31,388,110.61
2026	19,019,006.62	49,202,064.55
2027	47,401,866.63	47,401,866.63
2028	12,859,602.78	12,859,602.78
2029	23,094,998.87	–
Sub-total	122,925,940.87	162,391,568.52

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Other non-current assets

RMB

Item	31 December 2024	31 December 2023
Borrowings due from SNEL *(Note 1)*	**1,806,825,178.96**	1,793,209,596.46
Amount due from TFM minority shareholders *(Note 2)*	**–**	495,458,667.48
Brazil deductible social contribution tax *(Note 3)*	**115,574,213.83**	134,012,223.75
Prepayments for water charges *(Note 4)*	**63,000,000.00**	63,000,000.00
Compensatory assets *(Note 5)*	**147,885,987.65**	133,411,133.27
Litigation guarantee *(Note 6)*	**105,171,941.79**	69,579,701.33
Loans to suppliers *(Note 7)*	**30,796,194.00**	28,330,800.00
Related party borrowings *(Note 8)*	**410,702,756.25**	404,663,682.00
Certificates of deposit due after one year *(Note 9)*	**1,595,177,096.63**	1,673,016,233.39
Prepayments for construction and equipment	**1,430,877,919.40**	1,186,620,198.94
Others	**9,902,379.59**	11,516,909.89
Less: Non-current assets due within one year *(Note (V) 9)*	**669,085,195.47**	1,092,589,539.03
Total	**5,046,828,472.63**	4,900,229,607.48

The Group recognizes ECL allowance of relevant financial assets in the other non-current assets on the basis of ECL. At 31 December 2024, the management of the Group believes that the credit risk of the relevant financial assets has not increased significantly since its initial recognition, and there is no significant ECL.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Other non-current assets (Continued)

Note 1: It represents Congo (DRC) subsidiary's loan due from SNEL. The applicable interest rate for the loan is determined by 6-months Libor interest rate plus 3%, which will be settled by electricity charges payable in the future. Therein, the portion expected to be deductible within one year is detailed in Note (V) 9.

Note 2: It represents Congo (DRC) subsidiary's loan due from La Généraledes Carrièresetdes Mines ("Gécamines"). In the year, the amount was settled.

Note 3: It represents Brazil social contribution tax applicable to CMOC Brazil, of which the tax base is the balance of income from the sales of goods and rendering of services in Brazil after deducting deductible cost. As it is not required to pay the social contribution tax and goods circulation tax for export goods, the company has no tax retained at the end of the year. The social contribution tax is levied by the Brazil's federal government, so the tax credit can be used to deduct the enterprise income tax levied by the federal government without expiry date. The portion of deductible balance within one year is accounted for as other receivables by the Group. See Note (V) 7 for details.

Note 4: It represents prepayments for water charges of Xinjiang Luomu Mining Co., Ltd ("Xin Kuang Luo Mu").

Note 5: Based on the agreement between the Group and Anglo American in the course of the acquisition of the Brazilian Niobium Phosphorus business, if CMOC Brazil subsidiary has incurred cash outflows in the course of the business due to tax-related contingencies, compensation will be provided by Anglo American. The Group recognized a liability for CMOC Brazil subsidiary related contingencies at fair value (Note (V) 38), accordingly recognizes the right of relevant tax related compensation as non-current assets.

Note 6: It represents CMOC Brazil's disputes and litigation arising from some of the tax, labor and civil related legal proceedings in the course of business. Some of these proceedings require the submission of litigation collateral at the request of the court. The deposit is restricted for use and the interest is calculated at the Brazilian benchmark interest rate during this period. After the end of the litigation, according to the results, the Company can call back the deposit or settle the litigation by the deposit.

Note 7: It represents loans that IXM provided to its suppliers. As at 31 December 2024, balance of loans to suppliers includes USD4,284,151.41 (equivalent to RMB30,796,194.00) provided by the Group to the third party supplier B and supplier C at the annual interest rate of 8%. Therein, the portion due within one year is detailed in Note (V) 9.

Note 8: It represents the borrowings lent by the Group to the shareholders of Huayue Nickel Cobalt.

Note 9: As at 31 December 2024, among the Group's large certificates of deposit, the certificate of deposit with carrying amount of RMB910,000,000.00 (including the portion due within one year) is pledged to obtain short-term borrowings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Assets with restrictions on ownership or use right

RMB

Item	31 December 2024		31 December 2023	
	Book balance	Reason for restriction	Book balance	Reason for restriction
Cash and bank balances	2,387,807,946.81	Collateral, deposits for short-term borrowings	4,597,313,232.44	Collateral, deposits for short-term borrowings
Held-for-trading financial assets	–	/	6,384,618,668.71	Collateral for short-term borrowings
Financing with receivables	–	/	234,755,241.41	Collateral for issuance of notes payable
Inventories	8,284,041,551.20	Collateral for short-term borrowings	12,893,170,615.17	Collateral for short-term borrowings
Non-current assets due within one year	250,000,000.00	Collateral for short-term borrowings	925,000,000.00	Collateral for long-term borrowings due within one year
Other non-current assets	660,000,000.00	Collateral for short-term borrowings	–	/
Total	11,581,849,498.01	/	25,034,857,757.73	/

23. Short-term borrowings

(1) Categories of short-term borrowings:

RMB

Item	31 December 2024	31 December 2023
Credit borrowings	4,813,270,876.12	4,221,837,631.73
Secured borrowings *(Note)*	9,146,966,209.16	20,732,412,285.30
Total	13,960,237,085.28	24,954,249,917.03

Note: Details for secured borrowings are set out in Note (V) 1, 2, 8 and 21.

(2) At the end of this year, there are no outstanding short-term borrowings of the Group that are overdue.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Held-for-trading financial liabilities

RMB

Item	**Fair value at the end of the year**	Fair value at the beginning of the year
1. Liabilities from forward commodity contract and gold lease measured at fair value *(Note 1)*	**–**	418,253,537.70
2. Payables at FVTPL *(Note 2)*	**2,835,872,062.19**	2,530,326,825.46
Total	**2,835,872,062.19**	2,948,580,363.16

Note 1: The Group concluded gold lease agreement with the bank. During the lease term, the Group may sell the leased gold to a third party, and then return the gold in the same specification and with the same weight to the bank until the lease is matured. The obligation of the Group to return the gold is recognized as a financial liability at fair value. Meanwhile, in order to hedge the risk in commodity price of related liabilities, the Group uses gold forward contract to manage the risk in the obligations to return the gold with the same quantity and quality to the bank under the gold lease agreement so as to evade the risk undertaken by the Group in the fluctuation of fair value of held-for-trading financial liabilities with the fluctuation of gold market price. At the end of the year, the related liabilities were repaid.

Note 2: The major products of the Group are copper, lead and zinc and concentrates etc., purchasing price of which is provisionally determined according to the market price upon delivery. Generally, the price is finally determined according to the spot price quoted by the London Metals Exchange (LME) with additional mark-ups and discounts within a specified period or a period subsequent to the delivery. The Group classifies payables generated from relevant business as financial liabilities at FVTPL.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Derivative financial liabilities

RMB

Item	31 December 2024	31 December 2023
Derivative financial instruments of which hedging relationship is not designated *(Note 1)*		
Commodity futures contracts	**737,115,667.79**	452,681,705.25
Forward foreign exchange contracts and exchange rate option contracts	**141,410,570.72**	203,227,841.98
Forward commodity contracts	**576,212,014.85**	411,077,859.85
Derivative financial instruments of which hedging relationship is designated		
Commodity futures contracts *(Note 2)*	**–**	41,808,874.96
Total	**1,454,738,253.36**	1,108,796,282.04

Note 1: See Note (V) 3 note 1 for details.

Note 2: It refers to the commodity futures contracts purchased by the Group, which are used to hedge fair value risks caused by price fluctuations in some copper products of the Group or cash flow risks caused by expected sales. The Group accounts for the above hedging instruments and corresponding hedged items in accordance with hedge accounting. See Note (V) 66 for details.

26. Notes payable

RMB

Category	31 December 2024	31 December 2023
Bank acceptances	**606,097,172.74**	1,141,803,023.40
Commercial acceptances	**212,868.31**	222,858.31
Total	**606,310,041.05**	1,142,025,881.71

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. Accounts payable

RMB

Item	31 December 2024	31 December 2023
Payables for purchase of goods	3,221,000,014.62	2,334,813,883.56
Others	1,586,065,036.89	1,221,338,733.42
Total	4,807,065,051.51	3,556,152,616.98

Aging analysis on accounts payable is set out as follows:

RMB

Item	31 December 2024	31 December 2023
Within 1 year	4,406,631,087.70	3,353,086,776.83
1 to 2 years	350,725,275.80	190,080,109.00
Over 2 years	49,708,688.01	12,985,731.15
Total	4,807,065,051.51	3,556,152,616.98

28. Contract liabilities

RMB

Item	31 December 2024	31 December 2023
Receipts in advance for sales of goods *(Note)*	2,345,405,271.54	2,515,301,405.33
Metal flow transaction contract liabilities *(Note (V) 40 Note 1)*	275,950,257.75	–
Total	2,621,355,529.29	2,515,301,405.33

Note: The Group recognizes the receipts in advance for sales of goods collected on a basis of commodity sales contract as contract liabilities, and relevant contract liabilities are recognized as revenue when the control over the goods were transferred to the customers.

The receipts in advance for sales of goods at the beginning of year have been recognized as revenue in the current year. At the end of year, the contract liabilities with carrying amount of RMB2,342,614,153.87 are expected to be recognized as revenue in 2025, and the contract liabilities with carrying amount of RMB10,724,171,607.30 (including contract liabilities in other non-current liabilities) are expected to be recognized as revenue in 2026 or subsequent years.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Employee benefits payable

(1) Details of employee benefits payable are as follows:

RMB

Item	1 January 2024	Increase	Decrease	Translation differences of financial statements denominated in foreign currencies	31 December 2024
1. Short-term benefits	1,463,331,236.73	3,724,330,480.72	3,721,698,809.08	(32,108,060.43)	**1,433,854,847.94**
2. Post-employment benefits — defined contribution plan	3,299,849.43	105,847,164.21	105,859,728.17	9.60	**3,287,295.07**
3. Others	5,881,833.29	3,563,290.47	3,565,210.58	86,144.54	**5,966,057.72**
Total	1,472,512,919.45	3,833,740,935.40	3,831,123,747.83	(32,021,906.29)	**1,443,108,200.73**

(2) Details of short-term benefits are as follows:

RMB

Item	1 January 2024	Increase	Decrease	Translation differences of financial statements denominated in foreign currencies	31 December 2024
I. Wages or salaries, bonuses, allowances and subsidies	1,389,442,691.02	3,344,573,474.49	3,345,690,538.41	(30,288,416.96)	**1,358,037,210.14**
II. Staff welfare	379,733.22	39,846,153.68	39,734,671.18	1,960.87	**493,176.59**
III. Social security contributions	60,561,890.02	240,152,593.65	237,223,874.90	(1,821,939.41)	**61,668,669.36**
Including: Medical insurance	48,189,249.96	135,156,615.39	131,989,968.45	702,048.41	**52,057,945.31**
Work injury insurance	12,372,640.06	104,995,978.26	105,233,906.45	(2,523,987.82)	**9,610,724.05**
IV. Housing funds	1,507,045.05	81,273,231.28	81,072,408.68	–	**1,707,867.65**
V. Union running costs and employee education costs	11,439,877.42	18,485,027.62	17,977,315.91	335.07	**11,947,924.20**
Total	1,463,331,236.73	3,724,330,480.72	3,721,698,809.08	(32,108,060.43)	**1,433,854,847.94**

All employee benefits payables are not overdue and not related to non-monetary benefits, which is expected to be paid out within 12 months.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Employee benefits payable (Continued)

(3) Post-employment benefits – defined contribution plans

RMB

Item	1 January 2024	Increase	Decrease	Translation differences of financial statements denominated in foreign currencies	31 December 2024
1. Basis pension insurance	3,219,967.82	101,806,330.89	101,822,498.35	9.60	**3,203,809.96**
2. Unemployment insurance	79,881.61	4,040,833.32	4,037,229.82	–	**83,485.11**
Total	3,299,849.43	105,847,164.21	105,859,728.17	9.60	**3,287,295.07**

The Group participates, as required, in the pension insurance and unemployment insurance plan established by government institutions. According to such plans, the Group contributes monthly to such plans based the employee's basic salary. Except for above monthly contributions, the Group does not assume further payment obligations. The related expenditures are either included in cost of related assets or charged to profit or loss in the period when they are incurred.

In this year, the Group should contribute RMB101,806,330.89 and RMB4,040,833.32 (2023: RMB107,161,946.62 and RMB3,576,304.09) to pension insurance and unemployment insurance plans respectively. As at 31 December 2024, the Group has contributions payable of RMB3,203,809.96 and RMB83,485.11 (31 December 2023: RMB3,219,967.82 and RMB79,881.61) which are due in this reporting period but not yet paid to pension insurance and unemployment plans respectively. The relevant contributions have been paid after the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Taxes payable

RMB

Item	31 December 2024	31 December 2023
PRC enterprise income tax	**284,024,506.07**	160,086,783.27
Overseas enterprise income tax	**4,506,311,625.44**	1,364,811,596.87
Urban maintenance and construction tax	**3,485,596.46**	2,936,757.63
Value-added taxes (“VAT”)	**190,862,470.05**	112,923,796.42
Resource tax and royalties of mineral rights	**393,119,665.20**	304,873,515.05
Educational surcharge	**3,332,101.24**	2,837,094.81
Individual income tax	**53,201,387.45**	50,617,731.77
Congo (DRC) exchange tax	**4,036,154.91**	6,002,486.40
Others	**91,402,661.51**	113,115,621.98
Total	**5,529,776,168.33**	2,118,205,384.20

31. Other payables

(1) Summary of other payables

RMB

Item	31 December 2024	31 December 2023
Dividends payable	**34,063,210.06**	27,885,796.67
Other payables	**5,126,757,103.99**	4,745,915,934.31
Total	**5,160,820,314.05**	4,773,801,730.98

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Other payables (Continued)

(2) Dividends payable

RMB

Name of entity	31 December 2024	31 December 2023
Luanchuan Hongji Mining Co., Ltd. *(Note)*	**15,943,017.89**	15,943,017.89
Luanchuan Chengzhi Industrial Co., Ltd. *(Note)*	**11,497,082.93**	5,319,669.54
Luanchuan Taifeng Industry and Trading Co., Ltd. *(Note)*	**6,623,109.24**	6,623,109.24
Total	**34,063,210.06**	27,885,796.67

Note: Minority shareholders of subsidiaries of the Group.

(3) Other payables

(a) Other payables by nature:

RMB

Item	31 December 2024	31 December 2023
Project and equipment funds	**3,017,258,105.48**	1,972,602,370.20
Royalties due to Gécamines	**135,898,663.21**	197,831,534.21
Service and transportation expenses	**107,106,078.11**	68,961,940.96
Deposits, guarantees and advances	**421,832,761.34**	672,713,042.43
Service fees payable	**319,468,958.76**	483,703,789.24
Resource expenses payable	**12,072,743.91**	16,402,893.63
Production progress fees due to Gécamines	**–**	35,413,500.00
Obligations to repurchase restricted stock	**39,210,628.85**	39,210,628.85
Amounts due to related parties *(Note 1)*	**–**	973,871,250.00
Earnest money for equity transfer *(Note 2)*	**500,000,000.00**	–
Amount due to LUALABA for equity *(Note (V) 11 Note 16)*	**222,840,400.00**	–
Others	**351,068,764.33**	285,204,984.79
Total	**5,126,757,103.99**	4,745,915,934.31

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Other payables (Continued)

(3) Other payables (Continued)

(a) Other payables by nature (Continued):

Note 1: On 21 July 2022, KFM Holding Limited entered into an agreement with one of its shareholders, Hongkong Brunp and CATL Co., Ltd. ("Brunp and CATL"), under which Brunp and CATL made a related party payment amounting to USD137,500,000 (equivalent to RMB973,871,250.00) to the Group. On 24 June 2024, KFM Holding Limited, together with Brunp and CATL and another shareholder of KFM Holding Limited, Natural Resource Elite Investment Limited, entered into a debt-to-equity conversion agreement. Under the terms of the agreement, the aforementioned payable to the related party was converted into Brunp and CATL's equity interest in KFM Holding Limited by way of debt-to-equity conversion.

Note 2: On 19 June 2024, the Company entered into an equity transfer agreement with a third party, intending to sell its 65.1% equity interest in Xinjiang Luomu Mining Co., Ltd ("Xin Kuang Luo Mu") at a price of RMB2.9 billion to the third party. As at the end of the year, the Company had received an earnest money of RMB500 million from the third party. However, the effectiveness of the agreement is subject to substantial conditions that had not been met by year-end.

32. Non-current liabilities due within one year

RMB

Item	31 December 2024	31 December 2023
Long-term borrowings due within one year *(Note (V) 34)*	**3,309,172,093.10**	2,043,334,309.40
Bonds payable due within one year *(Note (V) 35)*	**2,058,515,068.46**	211,004,520.60
Lease liabilities due within one year *(Note (V) 36)*	**138,308,953.05**	167,419,827.96
Other liabilities due within one year *(Note (V) 40)*	**704,962,821.28**	1,348,241,122.01
Total	**6,210,958,935.89**	3,769,999,779.97

33. Other current liabilities

RMB

Item	31 December 2024	31 December 2023
Accrued expenses	**830,355,325.34**	620,646,123.74
Total	**830,355,325.34**	620,646,123.74

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Long-term borrowings

(1) Categories of long-term borrowings

RMB

Item	31 December 2024	31 December 2023
Secured borrowings *(Note)*	**4,305,368,475.33**	7,374,391,266.67
Credit borrowings	**8,337,643,733.50**	13,436,660,587.66
Less: long-term borrowings due within one year *(Note (V) 32)*	**3,309,172,093.10**	2,043,334,309.40
Total	**9,333,840,115.73**	18,767,717,544.93

Note: This represents the borrowings obtained by the Group through pledge of equities of subsidiaries. The Group pledges the 100% equity interest in CMOC DRC to the bank and provides a joint guarantee.

(2) Maturity analysis of long-term borrowings due over one year:

RMB

Maturity date	31 December 2024	31 December 2023
No more than 2 years	**8,013,040,115.73**	4,701,524,647.91
More than 2 years but no more than 5 years	**1,320,800,000.00**	12,950,459,756.32
More than 5 years	**–**	1,115,733,140.70
Total	**9,333,840,115.73**	18,767,717,544.93

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Long-term borrowings (Continued)

(3) Other explanations

As at 31 December 2024, the annual interest rates for the above borrowings range from 2.1000% to 7.8214% (31 December 2023: 2.5000% to 8.1723%).

According to the borrowing agreements entered into between the Group and some banks, the Group is required to satisfy a series of specified financial indicators and requirements. Where the Group violates relevant terms, the banks may request for early repayment from the Company. As of 31 December 2024, the Group has no breach of relevant terms.

35. Bonds payable

(1) Bonds payable

RMB

Item	31 December 2024	31 December 2023
Medium-term notes	**2,058,515,068.46**	2,211,004,520.60
Less: Bonds payable due within one year *(Note (V) 32)*	**2,058,515,068.46**	211,004,520.60
Total	**–**	2,000,000,000.00

(2) Maturity analysis of bonds payable due over one year:

RMB

Item	31 December 2024	31 December 2023
No more than 2 years	**–**	2,000,000,000.00
More than 2 years but no more than 5 years	**–**	–
Total	**–**	2,000,000,000.00

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35. Bonds payable (Continued)

(3) *Changes in bonds payable*

RMB

Name	Par value	Coupon rate (%)	Issue date	Term	Issue amount	1 January 2024	Issue amount for the year	Accrued interest at par value	Amortization of premiums or discounts	Repayment in the year	31 December 2024	Amount due within one year	Default or not?
20 Luanchuan Molybdenum MTN001 *(Note 1)*	1,000,000,000.00	4.20	26 May 2020	5 years	1,000,000,000.00	1,000,000,000.00	-	42,115,068.49	-	16,915,068.50	-	1,025,199,999.99	No
21 Luanchuan Molybdenum MTN001 (green) *(Note 2)*	150,000,000.00	3.90	14 July 2021	3 years	150,000,000.00	-	-	3,141,369.86	-	3,141,369.86	-	-	No
22 Luanchuan Molybdenum MTN001 (sustainable linkage) *(Note 3)*	1,000,000,000.00	3.80	14 February 2022	3 years	1,000,000,000.00	1,000,000,000.00	-	38,104,109.48	-	4,789,041.01	-	1,033,315,068.47	No
Total					2,150,000,000.00	2,000,000,000.00	-	83,360,547.83	-	24,845,479.37	-	2,058,515,068.46	

Note 1: On 26 May 2020, the Company issued medium-term notes, which are traded in national inter-bank bond market. The proceeds from issuing the medium-term notes are allocated to the Company and subsidiaries as the working capital and for repayment of bank borrowings. The interest on the medium-term notes is paid once a year over their term.

Note 2: On 14 July 2021, the Company issued green medium-term notes, which are traded in national inter-bank bond market. The proceeds from issuing the medium-term notes are used in construction of low-carbon industrial transformation projects. The interest on the medium-term notes is paid once a year over their term. As at 31 December 2024, principal and interest have been fully repaid.

Note 3: On 14 February 2022, the Company issued sustainable linkage medium-term notes, which are traded in national inter-bank bond market. The proceeds from issuing the medium-term notes are used in construction of energy-saving industrial transformation projects. The interest on the medium-term notes is paid once a year over their term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Lease liabilities

RMB

Item	31 December 2024	31 December 2023
Operating lease payables	**275,179,629.85**	398,358,355.54
Less: Lease liabilities included in non-current liabilities due within one year *(Note (V) 32)*	**138,308,953.05**	167,419,827.96
Total	**136,870,676.80**	230,938,527.58

The Group is not exposed to significant liquidity risk related to lease liabilities.

(1) Maturity analysis of lease liabilities due over one year:

RMB

Maturity date	31 December 2024	31 December 2023
No more than 2 years	**43,276,877.72**	56,634,717.82
More than 2 years but no more than 5 years	**67,641,464.70**	131,395,218.72
More than 5 years	**25,952,334.38**	42,908,591.04
Total	**136,870,676.80**	230,938,527.58

37. Long-term employee benefits payable

RMB

Item	31 December 2024	31 December 2023
1. Post-employment benefits – net liability of defined benefit plans	**521,266,904.86**	459,735,819.08
2. Other long-term benefits		
– Long service leave *(Note)*	**7,125,486.33**	9,694,433.30
– Others	**2,263,929.07**	2,230,639.70
Total	**530,656,320.26**	471,660,892.08

Note: It represents liabilities relating to annual leave and long service leave accrued for employees by overseas companies of the Group, in which the portion expected to be paid within 12 months is accounted for in employee benefits payable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Provisions

RMB

Item	31 December 2024	31 December 2023
Rehabilitation and asset retirement cost *(Note 1)*	**2,583,716,971.60**	2,559,804,098.29
Lawsuit *(Note 2)*	**246,814,224.09**	277,283,554.68
Total	**2,830,531,195.69**	2,837,087,652.97

Note 1: The Group has the obligation of rehabilitation, environmental restoration and dismantling of related assets due to the environmental impact caused by mineral production and development activities. The management's best estimate of future economic benefits outflow generated from the above obligations is recognized as provision upon discounting. The above estimate is determined based on the industry practices and the current local laws and regulations, and significant changes in related laws and regulations may have a significant impact on the Group's estimate.

Note 2: The Group's Niobium-Phosphorus business in Brazil is facing with a series of local litigations and disputes related to tax matters, labors and other civil cases. When the relevant litigations are likely to lose and result in economic benefits outflow, the management of the Group estimates the amount of potential economic benefits outflow and make corresponding provisions.

39. Deferred income

RMB

Item	31 December 2024	31 December 2023
Refunds of land concession fees *(Note 1)*	**12,660,067.10**	13,045,652.90
Demonstration base project subsidies *(Note 2)*	**12,842,260.80**	19,847,130.60
Others	**28,491,118.68**	5,640,000.00
Total	**53,993,446.58**	38,532,783.50

Note 1: It represents the refunds of land concession fees received by the Group, which is included in deferred income, and amortized in the period of land use with the straight-line method.

Note 2: It represents the special funds for major science and technology of Henan Province, the special funds for mineral resources conservation and comprehensive utilization and the subsidies for the central mineral resources comprehensive utilization demonstration base received by the Group, which are to be used for the study of key technologies for molybdenum-tungsten dressing and deep processing, included in deferred income, and recognized as an other income when related technology research expenses are incurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Other non-current liabilities

RMB

Item	31 December 2024	31 December 2023
Cash-settled share-based payments	1,039,354.44	5,724,883.28
Metal flow transaction contract liabilities *(Note 1)*	6,235,069,968.83	6,134,900,956.16
Contract liabilities	10,721,380,489.63	12,472,267,950.66
Royalty payable *(Note 2)*	2,414,447,111.21	3,082,073,973.64
Others	3,015,930.31	–
Total	19,374,952,854.42	21,694,967,763.74

Note 1: On 9 December 2022, the Group and a third party signed a metal flow agreement. In accordance with the agreement, the third party is required to pay a prepayment of USD830 million in cash to the Group, and for mineral products delivered under the metal flow agreement, the third party shall pay an additional payment to the Group at a certain proportion of the spot price of the mineral products upon actual delivery. In accordance with the metal purchase and sale agreement, the Group is required to deliver a certain proportion of its own mineral products sold in its own mining area to a third party based on the metal purchase and sale agreement. The metal purchase and sale agreement does not stipulate a minimum delivery quantity. As at 31 December 2024, the liabilities under the above metal flow business (including the portion due within one year) are RMB6,511,020,226.58 (31 December 2023: RMB6,134,900,956.16).

Note 2: It represents the additional royalty for additional reserves of copper metal (hereinafter referred to as the "additional royalty") calculated and paid by the Group to Gécamines (minority shareholder of the Group) in accordance with the Amended and Restated Mining Convention signed on 28 September 2005 and the Addendum No. 1 to the Amended and Restated Mining Convention signed on 11 December 2010 by and between the DRC government, Gécamines, Lundin Holdings Limited (subsequently renamed as TF Holdings Limited) and TFM (hereinafter referred to as the "Mining Convention"), and the Amended and Restated Shareholders Agreement signed on 28 September 2005 and the Addendum No. 1 to the Amended and Restated Shareholders Agreement signed on 11 December 2010 by and between TFM, Lundin Holdings Limited (subsequently renamed as TF Holdings Limited), Chui LTD, Faru LTD, Mboko LTD, Mofia LTD, Tembo LTD and Gécamines (together referred to as the "Shareholders Agreement"). Since the third quarter of 2021, the management teams of the Group and its TFM copper and cobalt business have been conducting continuous meetings and communications with relevant Congolese parties to discuss the intended increase of mineral reserves for the TFM Mixed Ore Development Project under implementation belonging to the TFM copper and cobalt business in the DRC, as well as the corresponding additional royalty payable to the minority shareholder, Gécamines, based on such reserves.

On 18 April 2023, the Group and Gécamines reached a consensus on the above-mentioned royalty. According to the settlement agreement signed with Gécamines, TFM shall pay Gécamines a total settlement of USD800 million, which will be paid in installments within six years from 2023 to 2028. The Group recognized the present value of the relevant settlement of USD701,982,485.00 (equivalent to RMB4,930,479,277.46) as an intangible asset. Meanwhile, the Group presented the relevant amount as other non-current liabilities and non-current liabilities due within one year according to the payment progress.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Share capital

As at 31 December 2024, the Company has issued a total of 21,599,240,583 shares, with par value of RMB0.2 per share and the total share capital of RMB4,319,848,116.60. The structures and types of shares are shown as follow:

Unit: Shares

		Changes for the year		
	1 January 2024	**Increase**	**Decrease**	**31 December 2024**
I. Shares restricted for trading				
1. Shareholding of state-owned legal person	–	–	–	**–**
2. Other domestic-owned shares	–	–	–	**–**
Total shares restricted for trading	–	–	–	**–**
II. Unrestricted trading shares				
1. RMB ordinary shares	17,665,772,583	–	–	**17,665,772,583**
2. Foreign-owned shares listed overseas	3,933,468,000	–	–	**3,933,468,000**
Total unrestricted trading shares	21,599,240,583	–	–	**21,599,240,583**
III. Total shares	21,599,240,583	–	–	**21,599,240,583**

Note: On 10 December 2024, the Company held its 2024 First Extraordinary General Meeting, where it approved the resolution titled "Proposal on Cancellation of Certain Repurchased Shares and Reduction of Registered Capital". The resolution agreed to cancel the second tranche of treasury shares totaling 99,999,964 shares, which were repurchased under the 2021 Phase I Employee Stock Ownership Plan, and accordingly reduce the registered capital. After the completion of this cancellation, the Company's total share capital will decrease from 21,599,240,583 shares to 21,499,240,619 shares, and the Company's registered capital will decrease from RMB4,319,848,116.60 to RMB4,299,848,123.80. The aforementioned treasury shares were canceled on 6 February 2025.

42. Other equity instruments

RMB

Item	**31 December 2024**	31 December 2023
Renewable corporate bonds – phase I *(Note)*	**1,000,000,000.00**	1,000,000,000.00

Note: In December 2022, the Company publicly offered renewable corporate bonds – phase I to professional investors on the Shanghai Stock Exchange, with a total principal of RMB1 billion. According to the issuing terms of the bond, the Group has no contractual obligation to deliver cash or other financial assets. The Company believes that the bond fails to meet the definition of financial liabilities and includes it in other equity instruments instead. During the year, the Company has distributed dividends of RMB56,200,000.00 to bond investors.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Capital reserve

RMB

Item	1 January 2024	Increase	Decrease	31 December 2024
2024:				
Total capital premium	**27,602,242,178.42**	**–**	**–**	**27,602,242,178.42**
Including: Capital contribution from investors	**27,603,120,138.42**	**–**	**–**	**27,603,120,138.42**
Others	**(877,960.00)**	**–**	**–**	**(877,960.00)**
Other capital reserve *(Note)*	**92,583,097.59**	**14,108,930.92**	**–**	**106,692,028.51**
Total	**27,694,825,276.01**	**14,108,930.92**	**–**	**27,708,934,206.93**

Item	1 January 2023	Increase	Decrease	31 December 2023
2023:				
Total capital premium	27,602,242,178.42	–	–	27,602,242,178.42
Including: Capital contribution from investors	27,603,120,138.42	–	–	27,603,120,138.42
Others	(877,960.00)	–	–	(877,960.00)
Other capital reserve *(Note)*	79,675,908.83	41,951,356.50	29,044,167.74	92,583,097.59
Total	27,681,918,087.25	41,951,356.50	29,044,167.74	27,694,825,276.01

Note: Increase in other capital reserve for the period represents the cost of incentives allocated from the restricted stock incentive plan.

44. Treasury shares

RMB

Item	1 January 2024	Increase	Decrease	31 December 2024
Repurchase of treasury shares	1,266,543,810.15	–	–	**1,266,543,810.15**
Total	1,266,543,810.15	–	–	**1,266,543,810.15**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Other comprehensive income

RMB

Item	1 January 2024	Amount incurred in the current year: Amount incurred for current year before tax	Amount incurred in the current year: Less: Amount previously included in other comprehensive income and transferred to profit or loss for the period	Amount incurred in the current year: Less: Income tax expenses	Amount incurred in the current year: Attributable to shareholders of the parent company after tax	Amount incurred in the current year: Attributable to minority interests after tax	Amount incurred in the current year: Less: Amount included in other comprehensive income in prior period and transferred to the cost of long-term assets in the current period	31 December 2024
I. Other comprehensive income that cannot be reclassified subsequently to profit or loss	(68,364,405.33)	(3,839,075.89)	-	(822,484.33)	(3,402,604.48)	386,012.92	-	**(71,767,009.81)**
Including: Changes in fair value of investments in other equity instruments	(82,044,135.63)	(590,008.16)	-	(147,502.04)	(442,506.12)	-	-	**(82,486,641.75)**
Remeasurement of changes in net liabilities or net assets of defined benefit plans	13,679,730.30	(3,249,067.73)	-	(674,982.29)	(2,960,098.36)	386,012.92	-	**10,719,631.94**
II. Other comprehensive income that will be reclassified subsequently to profit or loss	1,642,628,127.66	1,122,463,174.91	(286,911,393.08)	48,475,276.87	1,169,068,690.37	191,830,600.75	-	**2,811,696,818.03**
Including: Cash flow hedge reserve	(65,387,021.36)	(95,668,970.70)	(286,911,393.08)	48,475,276.87	142,767,145.51	-	-	**77,380,124.15**
Translation differences of financial statements denominated in foreign currencies	1,708,015,149.02	1,218,132,145.61	-	-	1,026,301,544.86	191,830,600.75	-	**2,734,316,693.88**
Total other comprehensive income	1,574,263,722.33	1,118,624,099.02	(286,911,393.08)	47,652,792.54	1,165,666,085.89	192,216,613.67	-	**2,739,929,808.22**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

46. Special reserve

RMB

Item	**1 January 2024**	**Increase**	**Decrease**	**31 December 2024**
2024:				
Work safety expenses	**140,310,748.25**	**206,058,997.45**	**78,872,663.07**	**267,497,082.63**
Total	**140,310,748.25**	**206,058,997.45**	**78,872,663.07**	**267,497,082.63**

Item	1 January 2023	Increase	Decrease	31 December 2023
2023:				
Work safety expenses	22,655,587.06	199,607,810.60	81,952,649.41	140,310,748.25
Total	22,655,587.06	199,607,810.60	81,952,649.41	140,310,748.25

47. Surplus reserve

RMB

Item	**1 January 2024**	**Increase**	**Decrease**	**31 December 2024**
2024:				
Statutory surplus reserve *(Note)*	**2,099,837,960.76**	**60,086,097.54**	**–**	**2,159,924,058.30**

Item	1 January 2023	Increase	Decrease	31 December 2023
2023:				
Statutory surplus reserve *(Note)*	1,684,388,527.69	415,449,433.07	–	2,099,837,960.76

Note: In accordance with the related laws and regulations of the PRC, the transfer to statutory surplus reserve may be ceased when the accumulated amount has reached 50% of the paid-in capital. The Company transferred a total of RMB60,086,097.54 (2023: RMB415,449,433.07) to statutory surplus reserve in 2024, and the relevant balance has reached 50% of the paid-in capital.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Retained profits

RMB

Item	2024	2023
Retained profits at the beginning of current year	**23,977,727,693.23**	18,019,893,163.56
Add: Net profit attributable to shareholders of the parent company	**13,532,035,002.94**	8,249,711,872.51
Less: Appropriation to statutory surplus reserve *(Note 1)*	**60,086,097.54**	415,449,433.07
Ordinary stock dividends payable *(Note 2)*	**3,300,072,344.65**	1,820,227,909.77
Perpetual bonds dividends payable *(Note (V) 42)*	**56,200,000.00**	56,200,000.00
Retained profits at the end of current year	**34,093,404,253.98**	23,977,727,693.23

Note 1: Refer to Note (V) 47 for details.

Note 2: Cash dividends have been approved at the Annual General Meeting for the year.

As resolved at the Company's 2023 Annual General Meeting on 7 June 2024, the Company distributed cash dividends to all shareholders at RMB1.5425 per 10 shares, totaling RMB3,300,072,344.65 (2023: RMB1,820,227,909.77).

Note 3: Profit distribution declared after the balance sheet date.

According to a proposal of the board of directors, calculating on the basis of 21,394,310,176 issued shares (net of the number of shares in the Company's dedicated repurchase account) (with par value of RMB0.2 per share), the Company proposed to distribute cash dividends to all shareholders at RMB2.55 (tax included) per 10 shares in 2024 (2023: RMB1.5425 per 10 shares (tax included)).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

49. Operating income, operating costs

(1) Operating income (by business type)

RMB

	2024		2023	
Item	**Income**	**Cost**	Income	Cost
Principal operating activities	**212,846,413,390.40**	**177,690,380,675.16**	185,980,661,358.67	167,893,798,728.84
Other operating activities	**182,251,444.39**	**83,605,616.75**	288,310,561.87	264,399,058.10
Total	**213,028,664,834.79**	**177,773,986,291.91**	186,268,971,920.54	168,158,197,786.94

Refer to Note (XV) 2 for details of income by business segment.

(2) Principal operating activities (by products)

RMB

	2024		2023	
Name of products	**Operating income**	**Operating costs**	Operating income	Operating costs
Molybdenum, tungsten and related products	**8,119,300,885.56**	**4,724,079,253.61**	8,611,050,600.20	4,860,031,543.84
Niobium, phosphorus and related products	**6,540,617,623.77**	**4,517,055,235.70**	6,324,032,238.92	4,714,605,946.47
Copper, cobalt and related products	**50,599,672,668.95**	**25,803,395,209.80**	28,000,921,415.43	17,665,317,074.20
Copper, gold and related products *(Note)*	**–**	**–**	1,581,973,794.18	1,245,985,769.74
Concentrates metal trading	**64,627,956,322.98**	**61,205,023,496.33**	44,278,866,267.80	43,548,982,414.97
Refined metal trading	**82,958,425,296.28**	**81,440,420,344.12**	97,183,718,131.99	95,858,783,993.36
Others	**440,592.86**	**407,135.60**	98,910.15	91,986.26
Total	**212,846,413,390.40**	**177,690,380,675.16**	185,980,661,358.67	167,893,798,728.84

Note: The Group disposed of its copper and gold related products business in 2023, please refer to Note (XV) 1 for details.

(3) Performance obligations

Refer to Note (III) 30 for details of accounting policies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Taxes and levies

RMB

Item	2024	2023	Basis of calculation
Urban maintenance and construction tax	**30,923,149.70**	38,454,277.99	*Note (IV)*
Educational surcharge	**30,709,798.37**	38,159,448.83	*Note (IV)*
Resource tax and royalties of mineral rights	**3,673,839,235.89**	2,700,186,600.80	*Note (IV)*
Others	**399,728,760.78**	307,575,105.59	
Total	**4,135,200,944.74**	3,084,375,433.21	

51. Selling expenses

RMB

Item	2024	2023
Wages or salaries, bonus and allowances	**41,147,256.33**	38,980,941.01
Entertainment expenditures	**1,971,880.95**	3,488,586.91
Traveling expenses	**2,840,374.93**	3,122,392.78
Market consulting fees	**29,374,696.77**	91,382,091.32
Others	**17,498,443.78**	18,441,611.42
Total	**92,832,652.76**	155,415,623.44

52. Administrative expenses

RMB

Item	2024	2023
Wages or salaries, bonus and allowances	**1,196,111,654.69**	1,348,833,979.00
Depreciation and amortization	**187,772,001.77**	278,832,114.45
Consulting and agency fees	**207,723,589.00**	284,986,620.34
Entertainment expenditures	**32,792,720.67**	36,921,765.55
Insurance costs	**73,247,480.95**	83,706,602.38
Traveling expenses	**76,128,840.93**	89,691,374.83
Rental expenses	**21,184,223.55**	17,076,601.08
Others	**332,576,627.97**	246,481,089.51
Total	**2,127,537,139.53**	2,386,530,147.14

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

53. Financial expenses

RMB

Item	2024	2023
Interest expenses on bonds	**83,360,547.83**	88,877,431.73
Interest expenses on lease liabilities	**30,415,730.81**	34,315,770.43
Interest expenses on bank borrowings and others	**3,647,053,586.81**	3,646,014,948.54
Metal flow project financing expenses	**282,471,778.02**	368,844,059.18
Total interest expenses	**4,043,301,643.47**	4,138,052,209.88
Less: Interest income	**1,649,638,853.86**	1,643,253,592.10
Exchange differences	**163,952,950.55**	223,809,616.04
Gold lease charges	**1,104,264.00**	6,310,860.10
Others	**320,140,560.92**	278,924,152.05
Total	**2,878,860,565.08**	3,003,843,245.97

54. Other income

RMB

Classified by nature	2024	2023
Government grants related to assets	**10,401,536.92**	7,390,455.60
Government grants related to income	**140,600,398.46**	104,751,583.26
Total	**151,001,935.38**	112,142,038.86

55. Investment income

RMB

Item	2024	2023
Income from long-term equity investments under equity method	**788,496,777.95**	374,876,198.04
Investment income from other non-current financial assets during the holding period *(Note (V) 13)*	**192,270,445.96**	18,311,395.31
Investment income from disposal of subsidiaries *(Note (XV) 1)*	**–**	2,120,720,536.76
Others	**(21,962,025.83)**	(30,605,272.23)
Total	**958,805,198.08**	2,483,302,857.88

There are no significant restrictions on remittance of investment income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

56. Gains (Losses) from changes in fair value

RMB

	2024	2023
Source resulting in losses from changes in fair value:		
(Losses) Gains from changes in fair value of derivative financial instruments	**(1,405,947,577.50)**	1,386,527,245.63
Losses from changes in fair values of gold lease and forward contract measured at fair value *(Note (V) 24)*	**(1,400,610.31)**	(3,833,633.96)
(Losses) Gains from changes in fair value of consumable biological assets *(Note (V) 8)*	**(16,889,178.25)**	22,699,579.14
Gains (Losses) from changes in fair value of other non-current financial assets at FVTPL *(Note (V) 13)*	**3,228,014.10**	(81,639,703.61)
Gains from changes in fair value of structured deposits	**64,197,750.89**	48,056,375.03
(Losses) Gains from changes in fair value of other held-for-trading financial assets	**(18,787,537.42)**	308,693,693.22
Total	**(1,375,599,138.49)**	1,680,503,555.45

57. Gains (Losses) from credit impairment

RMB

Sources of credit impairment	**2024**	2023
Gains from credit impairment of financing with receivables	**2,250,000.00**	–
Gains (Losses) from credit impairment of accounts receivable	**10,119,404.19**	(3,664,369.40)
Losses from credit impairment of other receivables	**(18,232,083.64)**	–
Total	**(5,862,679.45)**	(3,664,369.40)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

58. Gains (losses) from assets impairment

RMB

Item	2024	2023
Losses on decline in value of inventories	**(194,115,926.91)**	(139,975,172.80)
Impairment losses on fixed assets	**(940,841.11)**	(689,861.48)
Impairment losses on intangible assets	**(2,379.49)**	–
Total	**(195,059,147.51)**	(140,665,034.28)

59. Non-operating income

RMB

Item	2024	2023
Fines, liquidated damages and insurance claims	**36,488,629.24**	59,922.39
Gains on disposal of waste materials	**193,908.82**	–
Relocation incentive	**–**	25,113,098.00
Total	**36,682,538.06**	25,173,020.39

60. Non-operating expenses

RMB

Item	2024	2023
Donations	**46,542,561.51**	17,888,511.28
Losses from retirement of non-current assets	**26,910,512.46**	19,853,483.34
Others	**105,226,653.66**	67,445,888.89
Total	**178,679,727.63**	105,187,883.51

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

61. Income tax expenses

RMB

Item	2024	2023
Current tax expenses calculated according to tax laws and relevant requirements	**8,244,200,153.69**	5,172,316,109.28
Differences arising on settlement of prior-year income tax	**934,551,833.87**	446,343,790.77
Adjustments to deferred income tax	**485,842,753.24**	(941,319,235.63)
Total	**9,664,594,740.80**	4,677,340,664.42

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

RMB

	2024	2023
Accounting profit	**25,124,037,230.75**	13,207,963,293.26
Income tax expenses calculated at 15% (2023: 15%)	**3,768,605,584.61**	1,981,194,493.99
Effect of non-deductible expenses	**1,148,132,191.04**	289,982,919.36
Effect of tax-free income/additional deduction items	**(650,130,122.16)**	(363,305,580.42)
Effect of using previously unrecognized deductible losses and deductible temporary differences	**(6,070,909.01)**	(7,209,426.48)
Effect of unrecognized deductible losses and deductible temporary differences	**4,543,550.27**	3,591,919.40
Effect of exchange rate of non-monetary items and corporate restructuring *(Note) (Note (V) 20 (2) Note 1 & 3)*	**257,210,347.28**	(67,493,319.66)
Deductible losses arising from tax return	**–**	28,897,754.07
Effect of different tax rates of subsidiaries operating in other jurisdictions	**4,207,752,264.90**	2,365,338,113.39
Differences arising on settlement of prior-year income tax	**934,551,833.87**	446,343,790.77
Total	**9,664,594,740.80**	4,677,340,664.42

Note: The effect of exchange rate of non-monetary items represents the effect of the difference between the carrying amount and the tax basis of non-monetary assets held by CMOC Brazil due to the difference between the U.S. dollar, the functional currency, and the Brazilian real, the tax return currency.

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Notes to items in the cash flow statement

(1) Cash relating to operating activities

Other cash receipts relating to operating activities

RMB

Item	2024	2023
IXM's receipts of net investment income from derivative financial instruments	**–**	639,075,467.55
Receipts of interest income	**1,059,154,654.28**	1,163,279,598.02
Receipt of subsidy income	**140,600,398.46**	104,751,583.26
Cash receipts from metal flow transactions	**–**	1,615,439,500.00
Others	**100,902,538.05**	21,262,168.45
Total	**1,300,657,590.79**	3,543,808,317.28

Other cash payments relating to operating activities

RMB

Item	2024	2023
Payments of consulting fee, technology development fee and transportation fee, etc.	**561,936,768.78**	649,449,086.18
Payments of bank charges, etc.	**60,075,359.91**	56,448,066.43
Payments of donations and penalty, etc.	**69,599,706.79**	39,124,400.17
Payments of net investment income or loss from derivative financial instruments	**220,681,103.62**	–
Others	**48,619,849.20**	114,549,933.19
Total	**960,912,788.30**	859,571,485.97

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Notes to items in the cash flow statement (Continued)

(2) Cash relating to investing activities

Significant cash receipts relating to investing activities

RMB

Item	2024	2023
Cash receipts from withdrawal of bank structured deposits and wealth management products of other financial institutions	**13,527,447,834.40**	3,563,432,410.32
Cash receipts from withdrawal of other non-current financial assets	**671,251,796.04**	449,085,200.17

Significant cash payments relating to investing activities

RMB

Item	2024	2023
Cash payments for purchase of bank structured deposits and wealth management products of other financial institutions	**12,558,327,866.99**	5,274,035,364.85
Purchase of non-current financial assets	**50,000,000.00**	120,872,769.85
Settlement of derivative financial instruments	**–**	237,902,387.00
Investments in associates or joint ventures	**326,890,088.38**	–

Other cash receipts relating to investing activities

RMB

Item	2024	2023
Cash receipts of repayments from third parties and related parties	**387,890,907.81**	596,070,181.89
Receipts of earnest money for equity transfer	**500,000,000.00**	–
Total	**887,890,907.81**	596,070,181.89

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Notes to items in the cash flow statement (Continued)

(2) Cash relating to investing activities (Continued)

Other cash payments relating to investing activities

RMB

Item	2024	2023
Loans to third parties	**216,219,493.37**	528,753,292.07
Deposits for derivative financial instruments	**609,939.69**	44,250,221.88
Total	**216,829,433.06**	573,003,513.95

(3) Cash relating to financing activities

Other cash receipts relating to financing activities

RMB

Item	2024	2023
Cash receipts from gold lease business	**–**	415,518,801.15
Cash receipts from discharge of pledged certificates of deposits	**1,725,000,000.00**	2,735,000,000.00
Total	**1,725,000,000.00**	3,150,518,801.15

Other cash payments relating to financing activities

RMB

Item	2024	2023
Cash payments for gold leasing business	**419,654,148.01**	677,611,623.00
Commission charge related to gold leasing business and loans	**1,104,264.00**	6,310,860.10
Deposits for borrowing and arrangement fee	**348,499,821.01**	49,319,297.69
Payments of lease liabilities	**259,226,282.52**	172,310,742.30
Cash payments for pledged certificates of deposit	**2,800,000,000.00**	1,925,000,000.00
Payments of royalty	**1,582,110,000.00**	–
Total	**5,410,594,515.54**	2,830,552,523.09

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Supplementary information to the cash flow statement

(1) Supplementary information to the cash flow statement

RMB

Supplementary Information	2024	2023
1. Reconciliation of net profit to cash flow from operating activities:		
Net profit	15,459,442,489.95	8,530,622,628.84
Add: Provision for impairment on assets (gains areindicated with "-")	195,059,147.51	140,665,034.28
Provision for credit impairment (gains are indicated with "-")	5,862,679.45	3,664,369.40
Depreciation of fixed assets	4,265,654,727.24	2,194,248,780.26
Depreciation of right-of-use assets	152,198,653.30	118,159,013.12
Amortization of intangible asset	1,683,248,103.13	500,974,830.70
Amortization of long-term prepaid expenses	53,847,517.69	65,490,241.44
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are indicated with "-")	-66,475,010.13	-2,834,594.73
Losses (Gains) from changes in fair value	1,375,599,138.49	-1,680,503,555.45
Financial expenses	4,468,424,059.03	4,590,648,771.64
Investment income	-958,805,198.08	-2,483,302,857.88
Changes in deferred tax assets/liabilities	554,284,638.49	-665,124,764.99
Decrease in inventories	1,366,646,288.45	411,755,387.37
Decrease in operating receivables (increase is indicated with "-")	235,820,968.06	-2,637,805,522.83
Increase in operating payables (decrease is indicated with "-")	3,122,136,342.14	5,792,176,657.20
Increase in provisions	93,451,386.18	76,457,958.18
Amortization of deferred income	-10,401,536.92	-7,390,455.60
Increase in special reserve	127,186,334.38	117,655,161.19
Losses on retirement of fixed assets	26,910,512.46	19,853,483.34
Transfer from OCI to profit or loss for the period	236,564,300.90	456,592,930.26
Net Cash Flow from Operating Activities	32,386,655,541.72	15,542,003,495.74
2. Significant investing and financing activities that do not involving cash receipts or payments:		
Conversion of debt into capital	988,405,000.00	2,124,810,000.00
3. Net changes in cash and cash equivalents:		
Closing balance of cash	27,280,717,697.81	26,118,763,976.52
Less: Opening balance of cash	26,118,763,976.52	29,045,548,650.93
Add: Closing balance of cash equivalents	–	–
Less: Opening balance of cash equivalents	–	–
Net increase (decrease) in cash and cash equivalents	1,161,953,721.29	-2,926,784,674.41

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Supplementary information to the cash flow statement (Continued)

(2) Net cash paid to acquire subsidiaries for the period

RMB

Item	Amount
Cash or cash equivalents paid in current period for business combination incurred in current period	**20,000,000.00**
Including: Zhonghe Metallurgical Charging Co., Ltd. ("Zhonghe Metallurgical")	**20,000,000.00**
Less: Cash and cash equivalents held by subsidiaries at the date of purchase	**15,014,211.46**
Including: Zhonghe Metallurgical	**15,014,211.46**
Net cash paid to acquire subsidiaries	**4,985,788.54**

(3) Composition of cash and cash equivalents

RMB

Item		31 December 2024	31 December 2023
I.	Cash	**27,280,717,697.81**	26,118,763,976.52
	Including: Cash on hand	**3,062,041.30**	3,109,309.28
	Bank deposits that can be readily withdrawn on demand	**27,277,655,656.51**	26,115,654,667.24
II.	Cash equivalents	**–**	–
III.	Closing balance of cash and cash equivalents	**27,280,717,697.81**	26,118,763,976.52

Cash and cash equivalents exclude restricted cash and cash equivalents of the Company and subsidiaries as well as cash and bank balances due over 3 months.

(4) Cash and bank balances that are not cash and cash equivalents

RMB

Item	31 December 2024	31 December 2023	Reason
Bank deposits	**758,732,744.64**	–	Time deposits with maturities over 3 months
Other cash and bank balances	**2,387,807,946.81**	4,597,313,232.44	Pledged certificates of deposit and deposits
Total	**3,146,540,691.45**	4,597,313,232.44	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Foreign currency monetary items

(1) Foreign currency monetary items

RMB

Item	Balance in original currencies at 31 December 2024	Exchange rate	Balance in RMB at 31 December 2024
Cash and bank balances			
Including: RMB	402,945,609.17	1.0000	402,945,609.17
USD	414,635,621.16	7.1884	2,980,566,699.15
EUR	1,417,351.16	7.5257	10,666,559.61
HKD	4,488,284.98	0.9260	4,156,151.89
AUD	960.28	4.5070	4,327.99
BRL	158,033,998.18	1.1821	186,811,989.25
GBP	154,877.41	9.0765	1,405,744.81
SGD	269,580.35	5.3214	1,434,544.85
CDF	2,408,543,464.00	0.0025	6,021,358.66
ZAR	24,035,886.55	0.3844	9,239,394.79
CHF	156,996.88	7.9977	1,255,613.93
CLP	118,863,638.89	0.0072	855,818.20
MXN	2,844,224.64	0.3498	994,909.78
PEN	136,108.98	1.9067	259,519.00
TRY	13,799.56	0.2051	2,830.29
IDR	243,476,325.00	0.0004	97,390.53
ZWD	1.94	0.2216	0.43
JPY	28,020,827,144.37	0.0462	1,294,562,214.07
Short-term borrowings			
Including: MXN	168,938,832.62	0.3498	59,094,803.65
PEN	109,864,601.32	1.9067	209,478,835.34
Non-current liabilities due within one year			
Including: RMB	32,133,801.37	1.0000	32,133,801.37
Long-term borrowings			
Including: RMB	315,000,000.00	1.0000	315,000,000.00

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Foreign currency monetary items (Continued)

(2) Description of significant overseas operating entities

Name of the subsidiary	Main place of operation	Functional currency	Basis for determining the functional currency
COMC Brazil	Brazil	USD	Determined based on the primary economic environment in which it operates
TFM and KFM	Congo (DRC)	USD	Determined based on the primary economic environment in which it operates
IXM Holding SA	Switzerland	USD	Determined based on the primary economic environment in which it operates

65. Leases

(1) As a lessee

The Group has leased multiple assets, including leases of buildings, machinery and equipment and transportation equipment, with lease terms of about 1-11 years, 1-5 years and 4 years, respectively. The above mentioned right-of-use assets cannot be used for purposes such as loan pledge and guarantee. Lease terms are negotiated on an individual basis, including variable terms and conditions. In determining lease terms and assessing the lengths of the irrevocable period, the Group applies the definition of contract and determines the enforceable period of contract.

The Group's lease payments are fixed payments.

Short-term lease expenses under simplified approach recognized in profit or loss for the year amount to RMB21,184,223.55 (2023: RMB17,076,601.08), without lease of low-value assets.

Total lease-related cash outflows for the year are RMB280,410,506.07 (2023: RMB189,387,343.38).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Hedges

Cash flow hedges

Interest rate swaps contracts

The Group enters into interest rate swaps contracts to mitigate the cash flow risk arising from its floating-rate borrowings, i.e., some of the floating-rate borrowings are converted into fixed-rate borrowings. The Group designated the acquired interest rate swaps contracts as hedging instrument, and the critical terms of these interest rate swaps contracts are similar to those of the borrowings. Through qualitative analysis, the Group determines that the quantitative ratio between hedging instrument and the hedged items is 1:1, and considers the hedge to be highly effective.

At the balance sheet date, the Group has no gain or loss arising from the changes in fair value of cash flow hedging instruments recognized in the other comprehensive income (2023: RMB-6,573,507.92). The interest rate swaps contracts held by the Group have all expired.

During the year, the Group has no amount reclassified from other comprehensive income to profit or loss by the Group (2023: RMB49,902,849.36).

Commodity futures contracts

The Group engages in the business of mining and selling copper products and is exposed to cash flow risk arising from changes in the copper price for the copper products it expects to sell. Therefore, the Group uses copper futures contracts to reduce the cash flow risk arising from changes in the commodity prices of copper products expected to be sold. The refined copper produced and sold by the Group is the same as the refined copper corresponding to the copper futures contracts. Through qualitative analysis, the Group determines that the quantitative ratio between hedging instrument and the hedged items is 1:1, and considers the hedge to be highly effective.

As at the balance sheet date, the gain or loss arising from the changes in fair value of cash flow hedging instruments recognized in other comprehensive income amounted to RMB-93,797,155.39 (2023: RMB-88,488,584.61).

During the year, the amount reclassified from other comprehensive income to profit or loss is RMB-236,564,300.90 (2023: RMB-456,592,930.26)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(V). NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Hedges (Continued)

Fair value hedges

Refined copper futures contracts

The Group adopts refined copper futures contracts to hedge its exposure to price fluctuations in refined copper inventories. Through qualitative analysis, the Group determines that the quantitative ratio between hedging instrument and the hedged items is 1:1, and considers the hedge to be highly effective. As at the balance sheet date, inventories include fair value changes of RMB-11,078,337.96 (2023: RMB9,018,316.92) accounted for as hedged items.

Hedging instruments

Key information on the Group's hedging instruments is as follows:

	31 December 2024 Carrying amount of hedging instruments	**Items including hedging instruments as presented on the balance sheet**
Cash flow hedges		
Commodity price risk – Commodity futures contracts	52,663,915.66	Derivative financial assets
Fair value hedges		
Commodity price risk – Commodity futures contracts	11,078,337.96	Derivative financial assets

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VI). CHANGES IN SCOPE OF CONSOLIDATION

1. Business combinations not involving enterprises under common control

(1) Business combinations not involving enterprises under common control incurred in the current year

RMB

Name of acquiree	Timing of equity acquisition	Acquisition cost	Proportion acquired (%)	Acquisition approach	Acquisition date	Determination basis of acquisition date	Revenue of the acquiree from the date of purchase to the period-end	Net profit of the acquiree from the date of purchase to the period-end	Cash flows of the acquiree from the date of purchase to the period-end
Zhonghe Metallurgical	29 May 2024	20,000,000.00	51	With cash	29 May 2024	Control has been transferred	110,364,301.72	15,483,857.20	13,854,554.26

On 16 January 2024, the Company entered into an equity transfer agreement with third parties, Luanchuan Zhongcheng Industry and Trade Co., Ltd., Luanchuan Xingtai Industry and Trade Co., Ltd. and Zhonghe Metallurgical to transfer 24.48% of the shares of Zhonghe Metallurgical held by Luanchuan Zhongcheng Industry and Trade Co., Ltd. and 26.52% of the shares of Zhonghe Metallurgical held by Luanchuan Xingtai Industry and Trade Co., Ltd. at a consideration of RMB20,000,000.00. The equity transfer was completed on 29 May 2024 for settlement.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VI). CHANGES IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations not involving enterprises under common control (Continued)

(2) Combination cost and goodwill

RMB

Combination cost	Zhonghe Metallurgical
– Cash	20,000,000.00
Total combination cost	20,000,000.00
Less: Share of fair value of identifiable net asset acquired	(20,000,000.00)
Amount of goodwill/combination cost less than share of fair value of identifiable net assets	–

(3) Identifiable assets and liabilities of the acquiree at the date of acquisition

RMB

Item	Fair value at acquisition date	Carrying amount at acquisition date
Assets:	125,739,850.69	79,137,179.21
Cash and bank balances	15,014,211.46	15,014,211.46
Accounts receivable	20,995,932.57	20,995,932.57
Prepayments	188,317.06	188,317.06
Other receivables	3,398,526.72	3,398,526.72
Inventories	6,910,295.02	6,910,295.02
Other current assets	1,555,060.10	1,555,060.10
Fixed assets	68,554,168.12	29,126,608.52
Intangible assets	9,123,339.64	1,948,227.76
Liabilities:	86,524,164.42	74,873,496.55
Accounts payable	24,132,735.79	24,132,735.79
Employee benefits payable	7,079,621.34	7,079,621.34
Taxes payable	3,829,890.96	3,829,890.96
Other payables	10,351,144.96	10,351,144.96
Other non-current liabilities	14,318,003.50	14,318,003.50
Provisions	15,162,100.00	15,162,100.00
Deferred tax liabilities	11,650,667.87	–
Net assets	39,215,686.27	4,263,682.66
Less: Minority interests	19,215,686.27	2,089,204.50
Net assets acquired	20,000,000.00	2,174,478.16

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VII). INTERESTS IN OTHER ENTITIES

1. Interests in subsidiaries

(1) Constitution of the Group

Name of the subsidiary	Main place of operation	Paid-in capital	Place of incorporation	Nature of business	Shareholding ratio (%) Direct	Shareholding ratio (%) Indirect	Acquisition method
China Molybdenum Metal Material Company Limited ("Metal Material")	China	RMB170,000,000.00	Luoyang, Henan	Processing and sales of mineral products	100	–	Investment establishment
China Molybdenum Tungsten Co., Ltd. ("Wu Ye")	China	RMB100,000,000.00	Luanchuan, Henan	Refining and sales of mineral products	100	–	Investment establishment
Luanchuan Fu Kai Trading Co., Ltd. ("Fu Kai")	China	RMB100,000.00	Luanchuan, Henan	Trading of molybdenum and tungstenic products	100	–	Investment establishment
China Molybdenum (Hong Kong) Company Limited ("CMOC HK")	Hong Kong, China	HKD2,148,552,236.38	Hong Kong, China	Sales of mineral products	100	–	Investment establishment
Luoyang Mudu International Hotel Co., Ltd. ("Luoyang International")	China	RMB290,000,000.00	Luoyang, Henan	Hotel	100	–	Investment establishment
Xin Kuang Luo Mu	China	RMB1,400,000,000.00	Hami	Selection and sales of mineral products	65.1	–	Investment establishment
Luanchuan County Jiuyang Mining Co., Ltd. ("Jiu Yang")	China	RMB33,390,000.00	Luanchuan, Henan	Refining and sales of mineral products	51	–	Investment establishment
Luanchuan County Sanqiang Molybdenum Tungsten Co., Ltd. ("San Qiang")	China	RMB55,480,000.00	Luanchuan, Henan	Refining and sales of mineral products	51	–	Investment establishment
Luanchuan County Dadongpo Tungsten Molybdenum Co., Ltd. ("Da Dong Po")	China	RMB65,654,411.50	Luanchuan, Henan	Refining and sales of mineral products	51	–	Investment establishment
China Molybdenum Sales Co., Ltd. ("Sales Company")	China	RMB50,000,000.00	Luanchuan, Henan	Sales of mineral products	100	–	Investment establishment
CMOC Limited	Hong Kong, China	USD3,731,449,582.10	Hong Kong, China	Investment holding	100	–	Investment establishment
Schmoke (Shanghai) International Trading Co., Ltd. ("Schmocke")	China	RMB660,000,000.00	Shanghai	Import and export of goods and technology	100	–	Investment establishment
Beijing Yongbo Resources Investment Holding Co., Ltd. ("Beijing Yongbo")	China	RMB267,800,000.00	Beijing	Consulting, asset management and sales	100	–	Investment establishment
CMOC DRC Limited ("CMOC DRC")	Hong Kong, China	–	Hong Kong, China	Mining services	–	100	Investment establishment
CMOC UK	UK	USD1.30	UK	Mining services and sales	–	100	Investment establishment

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VII). INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Constitution of the Group (Continued)

Name of the subsidiary	Main place of operation	Paid-in capital	Place of incorporation	Nature of business	Shareholding ratio (%) Direct	Shareholding ratio (%) Indirect	Acquisition method
CMOC Luxembourg S.A.R.L ("CMOC Luxembourg")	Luxembourg	USD600,020,000.00	Luxembourg	Investment holding	–	100	Investment establishment
CMOC Capital Limited ("CMOC Capital")	BVI	–	BVI	Investment holding	–	100	Investment establishment
Shanghai Ruichao Investment Co., Ltd. ("Ruichao")	China	RMB250,000,000.00	Shanghai	Consulting, enterprise operating and management	–	100	Investment establishment
TibetSchmocke	China	RMB10,000,000.00	Tibet	Consulting, asset management and sales	–	100	Investment establishment
Shanghai Donghe Trading Co., Ltd. ("Dong He")	China	RMB 50,000,000.00	Shanghai	Metal material, sales of mineral products	–	100	Investment establishment
Shanghai Hongmu Technology Services Co., Ltd.	China	–	Shanghai	Technology services	–	100	Investment establishment
Natural Resource Elite Investment Limited ("NREIL")	Hong Kong, China	USD212,400,000.00	Hong Kong, China	Investment holding	–	100	Investment establishment
W-Source Holding Limited	Hong Kong, China	USD1,125.87	Hong Kong, China	Investment holding	–	100	Business combinations not involving enterprises under common control
Ridgeway Commodities S.A.	Switzerland	USD99,108.42	Switzerland	Metal trading	–	100	Investment establishment
IXM Holding SA	Switzerland	USD102,818.49	Switzerland	Investment holding	–	100	Business combinations not involving enterprises under common control
IXM B.V. and its subsidiaries	Switzerland	USD0.05	Netherland	Metal trading	–	100	Business combinations not involving enterprises under common control
Luoyang Dinghong Trading Co., Ltd. ("Dinghong")	China	RMB211,120,000.00	Luoyang, Henan	Metal material, sales of mineral products, etc.	–	100	Investment establishment
CMOC Singapore Pte. Ltd.	Singapore	–	Singapore	Metal trading	–	100	Investment establishment
KFM Holding Limited	Hong Kong, China	USD5,000.00	Hong Kong, China	Investment holding	–	75	Investment establishment

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VII). INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Constitution of the Group (Continued)

Name of the subsidiary	Main place of operation	Paid-in capital	Place of incorporation	Nature of business	Shareholding ratio (%) Direct	Shareholding ratio (%) Indirect	Acquisition method
CMOC Brasil Mineração, Indústria e Participações Ltda. ("CMOC Brazil")	Brazil	USD830,000,000.00	Brazil	Mining, processing and sales of mineral products	–	100	Investment establishment
Ningbo Baiya Investment Co., Ltd. ("Ningbo Baiya")	China	RMB11,000,000.00	Ningbo, Zhejiang	Investment management	–	100	Investment establishment
Hainan Muxing Trading Co., Ltd. ("Hainan Muxing")	China	–	Haikou, Hainan	Import and export trading	–	100	Investment establishment
Purveyors South Africa Mine Services CMOC ("CMOC South Africa")	Republic of South Africa	–	Republic of South Africa	Logistics transportation	–	100	Business combinations not involving enterprises under common control
CMOC International DRC Holdings Limited ("CIDHL")	Bermuda	–	Bermuda	Investment holding	–	100	Business combinations not involving enterprises under common control
BHR Newwood Investment Management Limited ("BHR")	BVI	USD470,000,000.00	BVI	Investment holding	–	100	Business combinations not involving enterprises under common control
Congo Construction Company SARL	Congo (DRC)	USD100,000.00	Congo (DRC)	Refining and sales of mineral products	–	100	Business combinations not involving enterprises under common control
TF Holdings Limited ("TFHL")	Bermuda	USD8,400.00	Bermuda	Investment holding	–	100	Business combinations not involving enterprises under common control
Shanghai Aoyide Trading Co., Ltd. ("Shanghai Aoyide")	China	RMB60,000,000.00	Shanghai	Domestic non-ferrous trading	–	100	Investment establishment
Shanghai Moju Engineering Consulting Co., Ltd.	China	RMB10,000,000.00	Shanghai	Consulting	–	100	Investment establishment
Shanghai Fuyi Engineering Consulting Co., Ltd.	China	RMB10,000,000.00	Shanghai	Consulting	–	100	Investment establishment
Kisanfu Holding Ltd.	Bermuda	USD97,876,162.00	Bermuda	Investment holding	–	75	Asset acquisition

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VII). INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Constitution of the Group (Continued)

Name of the subsidiary	Main place of operation	Paid-in capital	Place of incorporation	Nature of business	Shareholding ratio (%) Direct	Indirect	Acquisition method
Tenke Fungurume Mining S.A. ("TFM")	Congo (DRC)	–	Congo (DRC)	Mining and processing	–	80	Business combinations not involving enterprises under common control
CMOC Kisanfu Mining S.A.R.L.	Congo (DRC)	USD102,132,800.00	Congo (DRC)	Mining and processing	–	71.25	Asset acquisition
CMOC Commodity	Hong Kong, China	–	Hong Kong, China	Investment holding	–	100	Investment establishment
Shanghai Muchao Enterprise Management Co., Ltd.	China	–	Shanghai	Consulting services	–	100	Investment establishment
Artemida Limited	Hong Kong, China	–	Hong Kong, China	Metal trading	–	100	Investment establishment
CMOC Zeta Limited	Hong Kong, China	–	Hong Kong, China	Investment holding		100	Investment establishment
CMOC Fortune Limited	Hong Kong, China	–	Hong Kong, China	Investment holding		100	Investment establishment
CMOC New Resources Limited	Hong Kong, China	–	Hong Kong, China	Investment holding	–	100	Investment establishment
CMOC ZIMBABWE (PRIVATE) LIMITED	Zimbabwe	USD 1,000,000.00	Harare	Mining development and sales		100	Investment establishment
Hongde Kuangxin	China	RMB60,000,000.00	Shanghai	Technical services and software development	–	100	Investment establishment
Zhonghe Metallurgical *(Note 1)*	China	RMB20,000,000.00	Luanchuan, Henan	Selection and sales of mineral products	51	–	Business combinations not involving enterprises under common control
CMOC Power Limited *(Note 2)*	Hong Kong, China	–	Hong Kong, China	Investment holding	–	100	Investment establishment
Shanghai Xiaoxin Trading Co., Ltd. *(Note 3)*	China	RMB67,000,000.00	Shanghai	Consulting, asset management and sales	–	100	Investment establishment

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VII). INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Constitution of the Group (Continued)

Note 1: It represents the subsidiary acquired under business combinations not involving enterprises under common control for the year, see Note (VI) 1 for details.

Note 2: On 7 June 2024, the Group established a secondary subsidiary, CMOC Power Limited, in Hong Kong. It mainly engages in investment holding.

Note 3: On 12 September 2024, the Group established a secondary subsidiary, Shanghai Xiaoxin Trading Co., Ltd., in Shanghai. It mainly engages in consulting, asset management and sales.

The subsidiaries of the Group incorporated in China are all limited liability companies.

As at 31 December 2024, the Company's subsidiaries had no bonds in issue.

2. Interests in joint ventures and associates

(1) Significant joint ventures and associates

Name	Main place of operation	Place of incorporation	Nature of business	Shareholding ratio (%) Direct	Shareholding ratio (%) Indirect	Accounting treatments for investments in joint ventures and associates
Huan Yu	Luoyang, Henan	Luoyang, Henan	Investment	50	–	Equity method
Yulu Mining	Luoyang, Henan	Luoyang, Henan	Refining and sales of mineral products	40	–	Equity method
Huayue Nickel Cobalt	Indonesia	Indonesia	Refining and sales of mineral products	–	30	Equity method
LUALABA	Congo (DRC)	Congo (DRC)	Power generation	–	44	Equity method

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VII). INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint ventures and associates (Continued)

(2) Major financial information of significant joint ventures

RMB

Joint ventures	**31 December 2024/ 2024 Huan Yu** *(Note 1)*	31 December 2023/ 2023 Huan Yu *(Note 1)*
Current assets	**308,888,985.38**	375,207,616.44
Including: Cash and cash equivalents	**200,489,987.01**	84,258,894.16
Non-current assets	**1,824,785,814.07**	1,738,227,617.64
Total assets	**2,133,674,799.45**	2,113,435,234.08
Current liabilities	**760,749,906.73**	944,763,453.61
Non-current liabilities	**176,008,938.74**	182,414,045.26
Total liabilities	**936,758,845.47**	1,127,177,498.87
Minority interests	**19,020,851.18**	(4,850,206.05)
Equity attributable to equity holders of the Company	**1,177,895,102.80**	991,107,941.26
Share of net assets calculated based on shareholding ratio	**588,947,551.40**	495,553,970.63
Adjusting events *(Note 2)*	**(69,164,738.10)**	(16,394,312.48)
Carrying amount of equity investments in joint ventures	**519,782,813.30**	479,159,658.15
Fair value of equity investments in joint ventures where there is quoted price	**N/A**	N/A
Operating income	**1,377,968,752.41**	838,558,282.34
Financial expenses	**34,252,081.44**	33,972,148.67
Income tax expenses	**235,037,351.80**	65,235,937.19
Net profit (loss)	**507,246,704.17**	(40,329,495.96)
Total comprehensive income	**507,246,704.17**	(40,329,495.96)
Dividends received from joint ventures in the current year	**210,000,000.00**	–

Note 1: The joint venture of the Group, Huan Yu, has 90% equity interest in Fu Chuan; meanwhile, the Company directly holds the remaining 10% interest in Fu Chuan.

Note 2: According to the agreement with local government, the local government is entitled to 8% of the dividend rights of Fu Chuan. Thus, the Group actually holds 47% of the profit or loss of Fu Chuan under equity method.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VII). INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint ventures and associates (Continued)

(3) *Major financial information of significant associates*

RMB

	31 December 2024/2024			31 December 2023/2023	
Associate	**Yulu Mining** *(Note)*	**Huayue Nickel Cobalt**	**LUALABA**	Yulu Mining *(Note)*	Huayue Nickel Cobalt
Current assets	**200,097,154.09**	**3,995,250,293.56**	**79,870,415.34**	163,477,163.93	3,357,236,547.81
Including: Cash and cash equivalents	**411,263.12**	**771,714,725.55**	**15,653,554.37**	458,561.59	141,857,305.65
Non-current assets	**48,733,030.14**	**8,660,054,436.37**	**1,162,458,059.86**	49,641,474.27	9,171,225,702.08
Total assets	**248,830,184.23**	**12,655,304,729.93**	**1,242,328,475.20**	213,118,638.20	12,528,462,249.89
Current liabilities	**47,135,210.55**	**675,095,364.23**	**1,925,774.16**	30,536,266.95	1,058,712,006.84
Non-current liabilities	**–**	**5,075,957,787.82**	**16,677,088.00**	–	6,059,264,459.05
Total liabilities	**47,135,210.55**	**5,751,053,152.05**	**18,602,862.16**	30,536,266.95	7,117,976,465.89
Minority interests	**–**	**–**	**–**	–	–
Equity attributable to equity holders of the Company	**201,694,973.68**	**6,904,251,577.88**	**1,223,725,613.04**	182,582,371.25	5,410,485,784.00
Share of net assets calculated based on shareholding ratio	**80,677,989.47**	**2,071,275,473.36**	**538,439,269.74**	73,032,948.50	1,623,145,735.20
Adjusting events *(Note)*	**6,185,124.08**	**15,151,478.83**	**–**	4,780,547.56	–
Carrying amount of equity investments in associates	**86,863,113.55**	**2,086,426,952.19**	**538,439,269.74**	77,813,496.06	1,623,145,735.20
Fair value of equity investments in associates where there is quoted price	**N/A**	**N/A**	**N/A**	N/A	N/A
Operating income	**409,761,906.89**	**6,974,755,425.87**	**–**	367,556,361.42	6,788,427,872.44
Financial expenses	**(588.18)**	**(363,131,104.32)**	**–**	1,456.02	(381,779,835.52)
Income tax expenses	**(52,315,080.05)**	**(637,596.71)**	**–**	(50,932,713.83)	2,188,705.18
Net profit (loss)	**194,699,234.98**	**1,462,287,506.57**	**(17,775,458.93)**	163,988,327.45	914,521,380.82
Other comprehensive income	**–**	**91,504,447.50**	**8,996,981.07**	–	80,374,768.08
Total comprehensive income	**194,699,234.98**	**1,553,791,954.07**	**(8,778,477.86)**	163,988,327.45	994,896,148.90
Dividends received from associates in the current year	**88,300,000.00**	**–**	**–**	73,100,000.00	–

Note: The Group holds 40% equity interest in Yulu Mining, but shares 50% dividend rights. For details, refer to Note (V) 11.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Group's major financial instruments are included in accounts such as cash and bank balances, held-for-trading financial assets, derivative financial assets, accounts receivable, financing with receivables, other receivables, non-current assets due within one year, other current assets, investments in other equity instruments, other non-current financial assets, other non-current assets, held-for-trading financial liabilities, derivative financial liabilities, notes payable, accounts payable, other payables, borrowings, non-current liabilities due within one year, bonds payable and other non-current liabilities. Details of these financial instruments are disclosed in Note (V). The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure the risks are monitored within a certain range.

RMB'000

	31 December 2024	31 December 2023
Financial assets		
At FVTPL		
Held-for-trading financial assets	**6,509,906**	8,284,638
Derivative financial assets	**1,393,128**	2,213,552
Other non-current financial assets	**2,804,861**	3,199,385
At FVTOCI		
Financing with receivables	**80,435**	260,311
Investments in other equity instruments	**7,139**	7,729
At amortized cost		
Cash and bank balances	**30,427,258**	30,716,077
Accounts receivable	**647,879**	1,132,004
Other receivables	**842,924**	1,509,478
Other current assets	**1,764,513**	1,964,802
Non-current assets due within one year	**437,586**	1,007,575
Other non-current assets	**1,852,148**	1,301,427
Financial liabilities		
At FVTPL		
Held-for-trading financial liabilities	**2,835,872**	2,948,580
Derivative financial liabilities	**1,454,738**	1,108,796
At amortized cost		
Short-term borrowings	**13,960,237**	24,954,250
Notes payable	**606,310**	1,142,026
Accounts payable	**4,807,065**	3,556,153
Other payables	**5,160,820**	4,773,802
Non-current liabilities due within one year	**6,072,650**	3,602,580
Long-term borrowings	**9,333,840**	18,767,718
Bonds payable	**–**	2,000,000
Other non-current liabilities	**2,414,447**	3,082,074

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The Group adopts sensitivity analysis technique to analyze how the profit or loss for the period and shareholders' equity would have been affected by reasonably possible changes in the relevant risk variables. As it is unlikely that risk variables will change in an isolated manner, and the interdependence among risk variables will have significant effect on the amount ultimately influenced by the changes in a single risk variable, the following are based on the assumption that the change in each risk variable is on a stand-alone basis.

1. Risk management objectives, policies and procedures, and changes for the period

The Group's risk management objectives are to achieve a proper balance between risks and benefits, and minimize the adverse impacts of risks on the Group's operation performance, and maximize the benefits of the shareholders and other stakeholders. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyze the Group's exposure to various risks, establish an appropriate maximum tolerance to risk and practice risk management, and monitor these exposures regularly and effectively to ensure the risks are controlled within a certain range.

1.1. Market risk

1.1.1. Foreign exchange risk

Foreign exchange risk refers to the risk of loss due to exchange rate changes. The Group is subject to foreign exchange risk mainly related to USD, RMB, BRL, CDF, JPY, MXN and PEN. The principal business activities of the subsidiaries in the PRC are denominated and settled in RMB. The Group's Niobium and Phosphorus businesses in Brazil are principally denominated and settled in USD and BRL and the Group's Copper-Cobalt business in Congo (DRC) is principally denominated and settled in USD and CDF. Foreign currency transactions are mainly domestic financing activities settled in USD, operating activities of subsidiaries in Brazil of which the functional currency is USD settled in BRL, and operating activities of subsidiaries in Congo (DRC) of which the functional currency is USD settled in CDF. The Group pays close attention to the influence of exchange rate changes on the foreign exchange risk, and manages foreign exchange risk by purchasing forward exchange contracts and exchange rate option contracts. For details, refer to Note (V) 3 & 25.

As at 31 December 2024, the Group's financial assets and financial liabilities denominated in foreign currencies are presented as follows. The foreign exchange risk arising from the assets and liabilities of such foreign currency balances may have an impact on the Group's operating results.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.1. Foreign exchange risk (Continued)

RMB'000

	31 December 2024	31 December 2023
USD		
Cash and bank balances	**2,980,567**	999,946
Sub-total	**2,980,567**	999,946
RMB		
Cash and bank balances	**402,946**	7,862
Non-current liabilities due within one year	**(32,134)**	(35,054)
Long-term borrowings	**(315,000)**	(703,235)
Sub-total	**55,812**	(730,427)
BRL		
Cash and bank balances	**186,812**	147,600
Sub-total	**186,812**	147,600
CDF		
Cash and bank balances	**6,021**	59,994
Sub-total	**6,021**	59,994
JPY		
Cash and bank balances	**1,294,562**	–
Sub-total	**1,294,562**	–
MXN		
Cash and bank balances	**995**	2,070
Short-term borrowings	**(59,095)**	–
Sub-total	**(58,100)**	2,070
PEN		
Cash and bank balances	**260**	2,072
Short-term borrowings	**(209,479)**	(318,224)
Non-current liabilities due within one year	**–**	(3,030)
Long-term borrowings	**–**	(321,247)
Sub-total	**(209,219)**	(640,429)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.1. Foreign exchange risk (Continued)

The following table is a sensitivity analysis on exchange rate risk, which reflects that, where all other variables are held constant, the reasonably possible changes in the foreign exchange rate of foreign currencies (USD, RMB, BRL, JPY, etc.) may have the following pre-tax effect on the profit or loss for the period and shareholders' equity. The Group does not consider the effect of current forward foreign exchange contracts and foreign exchange option contracts in the sensitivity analysis as below.

RMB'000

		2024		2023	
Item	**Changes in exchange rate**	**Effect on profit**	**Effect on shareholders' equity**	Effect on profit	Effect on shareholders' equity
Entities which are denominated in RMB					
Profit and equity	Depreciation by 10% of USD against RMB	**(298,057)**	**(298,057)**	(84,995)	(84,995)
Entities which are denominated in USD					
Profit and equity	Depreciation by 10% of RMB against USD	**(5,581)**	**(5,581)**	60,991	60,991
	Depreciation by 10% of BRL against USD	**(18,681)**	**(18,681)**	(9,742)	(9,742)
	Depreciation by 10% of JPY against USD	**(129,456)**	**(129,456)**	–	–
	Depreciation by 10% of CDF against USD	**(602)**	**(602)**	(5,999)	(5,999)
	Depreciation by 10% of PEN against USD	**20,922**	**20,922**	64,043	64,043
	Depreciation by 10% of MXN against USD	**5,810**	**5,810**	(207)	(207)

The management of the Group believes that the year-end foreign currency risk cannot reflect the foreign currency risk of the year, and the sensitivity analysis cannot reflect the inherent foreign currency risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.2. Interest rate risk

The Group's interest rate risk mainly arises from interest-bearing debts such as long-term bank borrowings and short-term bank borrowings. Financial liabilities with floating interest rate expose the Group to cash flow interest rate risk, while financial liabilities with fixed interest rate expose the Group to fair value interest rate risk. The Group determines the relative proportion of fixed interest rate and floating interest rate contracts according to the market environment at that time. See Note (V) 23 and 34 for details of the Group's bank borrowings, among which the balance of the Group's borrowings with floating interest rate at the end of the year is RMB22,229,481,000.

Sensitivity analysis on interest rate risk assumes: Changes in market interest rates affect the interest income or expenses of floating-rate financial instruments.

On the basis of the above assumption, where all other variables are held constantly, the reasonably possible changes in the interest rate may have the following pre-tax effect on the profit or loss for the year and shareholders' equity:

RMB'000

		2024		2023	
Item	**Changes in interest rates**	**Effect on profit**	**Effect on shareholders' equity**	Effect on profit	Effect on shareholders' equity
Floating interest rate	Increase 50 base points of interest rate	**(111,147)**	**(111,147)**	(135,767)	(135,767)
Floating interest rate	Decrease 50 base points of interest rate	**111,147**	**111,147**	135,767	135,767

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1. Market risk (Continued)

1.1.3. Commodity price risk

International copper prices have a significant impact on the operating results of the Group's subsidiaries in Congo (DRC). Copper prices fluctuated in the past and the factors causing the fluctuation were beyond the control of the Group. The Group does not hedge against the fluctuation risk of copper prices. In addition, IXM engages in business related to metal trading platform, of which the operating result is significantly affected by the international price fluctuation of metals such as aluminum and nickel. IXM hedges the risk of the metal price fluctuation through commodity futures contract and commodity option contract. Details are set out in Note (V) 3 and 25.

The table below shows the sensitivity analysis of the price of copper on the balance sheet date, which reflects the pre-tax effect of unpricing accounts receivable of the Group at the end of the year on the total profit and shareholders' equity when the market price of copper is changed reasonably and possibly under the assumption that other variables remain unchanged.

RMB'000

		2024		2023	
Item	**Increase/(Decrease) percentage**	**Effect on profit**	**Effect on shareholders' equity**	Effect on profit	Effect on shareholders' equity
Market price of copper	5%	**27,783**	**27,783**	–	–
Market price of copper	(5%)	**(27,783)**	**(27,783)**	–	–

1.1.4. Other price risk

The equity instrument investments held by the Group, including other non-current financial assets measured at fair value, are measured at fair value at each balance sheet date. As at the end of the reporting period, the equity instrument investments held by the Group mainly comprise listed securities and assets management plans, therefore, the Group is directly or indirectly exposed to the risk of fluctuation of securities market price. If the equity price of the equity instrument investments held by the Group increases or decreases by 5% while other variables remain unchanged, the shareholders' equity and profit or loss of the Group will increase or decrease by RMB75,846,000 at the end of the year (excluding the impact of income tax) (2023: RMB95,688,000).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.2. Credit risk

As at 31 December 2024, the Group's maximum exposure to credit risk which will cause a financial loss to the Group is due to the failure of counterparties to fulfill an obligation, including the carrying amount of the financial assets recognized in the balance sheet of the Group.

In order to minimize the credit risk, the Group has specific personnel of the credit management department responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of financial assets at each balance sheet date to ensure that adequate expected credit losses are made for irrecoverable amounts. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

The Group's policies on assessment of significant increase in credit risk since initial recognition, basis for determination of credit impairment on financial assets, classification of financial instruments on expected credit loss on a portfolio basis, and direct written-down of financial instruments are set out in Note (III) 11.2.1, Note (III) 11.2.2, Note (III) 11.2.3, and Note (III) 11.2.4.

The credit risk on cash and bank balances is low because they are deposited with banks with high credit ratings.

The Group holds bank acceptances, of which most bank acceptances are issued by banks with higher credit rating, therefore, the management of the Group believes relevant credit risk on bank acceptances is low. Details are set out in Note (V) 5.

The Group only trades with recognized, creditworthy customers. Total amount of top five entities with the largest balances of accounts receivable as at 31 December 2024 accounts for 63.45% of the amount of total accounts receivable (31 December 2023: 58.49%). Accounts receivable balances are monitored on an ongoing basis with the result that the Group's exposure to credit risk is controlled. Products are sold only to companies whose credit information is in an acceptable range. Credit limits have been set for most of the customers and they are monitored systematically. For overseas sales, letters of credit are generally used. Details of analysis on related credit risk are set out in Note (V) 4.

For credit risk arising from other receivables, other current assets and other non-current assets, the Group's exposure to credit risk arising from default of counterparties is limited as most of the counterparties are entities with good credit standing and the Group does not expect any significant loss for uncollected advances to these entities, except for those items for which provision for impairment has been made. Details of analysis on related credit risk are set out in Note (V) 7, 10 and 21.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.3. Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilization of bank borrowings and ensures compliance with loan covenants.

The following is the maturity analysis for financial liabilities held by the Group which is based on undiscounted remaining contractual obligations:

RMB'000

2024	Within 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Non-derivative financial liabilities					
Short-term borrowings	14,600,733	–	–	–	14,600,733
Long-term borrowings	3,555,622	8,259,490	1,353,762	–	13,168,874
Held-for-trading financial liabilities	2,835,872	–	–	–	2,835,872
Notes payable	606,310	–	–	–	606,310
Accounts payable	4,807,065	–	–	–	4,807,065
Other payables	5,160,820	–	–	–	5,160,820
Bonds payable	2,080,743	–	–	–	2,080,743
Lease liabilities	144,118	46,988	78,985	33,219	303,310
Other non-current liabilities	873,840	873,840	1,747,680	–	3,495,360
Derivative financial instruments					
Derivative financial liabilities	1,454,738	–	–	–	1,454,738
Total	36,119,861	9,180,318	3,180,427	33,219	48,513,825

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(VIII). FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.3. Liquidity risk (Continued)

RMB'000

2023	Within 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Non-derivative financial liabilities					
Short-term borrowings	25,609,299	–	–	–	25,609,299
Long-term borrowings	2,316,909	4,975,099	13,394,862	1,125,656	21,812,526
Held-for-trading financial liabilities	2,948,580	–	–	–	2,948,580
Notes payable	1,142,026	–	–	–	1,142,026
Accounts payable	3,556,153	–	–	–	3,556,153
Other payables	4,773,802	–	–	–	4,773,802
Bonds payable	234,551	2,022,228	–	–	2,256,779
Lease liabilities	174,451	61,492	153,286	54,923	444,152
Other non-current liabilities	1,571,540	863,270	2,589,810	–	5,024,620
Derivative financial instruments					
Derivative financial liabilities	1,108,796	–	–	–	1,108,796
Total	43,436,107	7,922,089	16,137,958	1,180,579	68,676,733

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(IX). GOVERNMENT GRANTS

1. Items of liabilities related to government grants

RMB

Item of liabilities	1 January 2024	Increase	Included in other income	31 December 2024	Related to assets/income
Low-grade scheelite demonstration project	19,847,130.60	–	(7,004,869.80)	**12,842,260.80**	Related to assets
Nannihu land transfer compensation	13,045,652.90	–	(385,585.80)	**12,660,067.10**	Related to assets
Others	5,640,000.00	25,862,200.00	(3,011,081.32)	**28,491,118.68**	Related to assets
Total	38,532,783.50	25,862,200.00	(10,401,536.92)	**53,993,446.58**	

2. Government grants included in profit or loss for the period

RMB

Item	2024	2023
Government subsidies for stabilizing job posts	**10,638,271.02**	6,298,783.66
Nannihu land transfer compensation	**385,585.80**	385,585.80
Low-grade scheelite demonstration project	**7,004,869.80**	7,004,869.80
R&D rewards	**219,000.00**	2,745,000.00
Special manufacturing development fund	**4,180,000.00**	5,000,000.00
Tax refunds	**107,698,178.35**	62,867,793.04
Bonded area support fund	**2,000,000.00**	16,803,434.37
Sinosure fiscal support fund	**6,000,000.00**	3,164,100.00
Personal tax charges refunded by tax authorities	**991,127.98**	2,271,011.86
Special awards and subsidies	**1,154,000.00**	5,142,070.96
Award for research on comprehensive utilization of associated resources of molybdenum and tungsten ore	**1,200,000.00**	–
Others	**9,530,902.43**	459,389.37
Total	**151,001,935.38**	112,142,038.86

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(X). DISCLOSURE OF FAIR VALUE

1. Closing fair value of assets and liabilities measured at fair value

RMB'000

Item	Fair value at 31 December 2024 Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
1. Continuous fair value measurement				
(1) Held-for-trading financial assets:				
1. Financial assets at FVTPL	–	5,745,721	764,184	6,509,905
– Accounts receivable	–	5,724,553	–	5,724,553
– Structured deposits	–	–	750,400	750,400
– Others	–	21,168	13,784	34,952
(2) Other equity instruments:				
– Equity instrument investments	–	–	7,139	7,139
(3) Inventories:				
– Trading inventories	–	7,874,347	–	7,874,347
– Consumable biological assets	–	–	100,096	100,096
(4) Financing with receivables:	–	–	80,435	80,435
(5) Other non-current financial assets:				
– Wealth management products entrusted by banks	–	–	42,507	42,507
– Share of partnership	–	–	778,069	778,069
– Share of funds	–	–	848,693	848,693
– Directional capital management plan	–	–	967,996	967,996
– Equity in unlisted companies	–	–	128,960	128,960
– Equity in listed companies	493	–	–	493
– Others	–	–	38,144	38,144
(6) Derivative financial assets:				
– Commodity futures contract	842,945	–	–	842,945
– Forward exchange contract	–	162,071	–	162,071
– Forward commodity contract	–	388,113	–	388,113
Total assets measured continuously at fair value	843,438	14,170,252	3,756,223	18,769,913
(7) Held-for-trading financial liabilities:				
– Accounts payable	–	2,835,872	–	2,835,872
(8) Derivative financial liabilities:				
– Commodity futures contract	737,116	–	–	737,116
– Forward exchange contract	–	141,411	–	141,411
– Forward commodity contract	–	576,212	–	576,212
Total liabilities measured continuously at fair value	737,116	3,553,495	–	4,290,611

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(X). DISCLOSURE OF FAIR VALUE (CONTINUED)

1. Closing fair value of assets and liabilities measured at fair value (Continued)

RMB'000

Item	Fair value at 31 December 2023 Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
1. Continuous fair value measurement				
(1) Held-for-trading financial assets:				
1. Financial assets at FVTPL	–	7,772,240	512,398	8,284,638
– Accounts receivable	–	7,751,072	–	7,751,072
– Structured deposits	–	–	502,249	502,249
– Wealth management products	–	–	10,149	10,149
– Others	–	21,168	–	21,168
(2) Other equity instruments:				
– Equity instrument investments	–	–	7,729	7,729
(3) Inventories:				
– Trading inventories	–	12,503,588	–	12,503,588
– Consumable biological assets	–	–	116,523	116,523
(4) Financing with receivables:	–	–	260,311	260,311
(5) Other non-current financial assets:				
– Wealth management products entrusted by banks	–	–	68,035	68,035
– Share of partnership	–	–	996,286	996,286
– Share of funds	–	–	894,294	894,294
– Directional capital management plan	–	–	1,117,851	1,117,851
– Equity in unlisted companies	–	–	121,177	121,177
– Equity in listed companies	1,742	–	–	1,742
(6) Derivative financial assets:				
– Commodity futures contract	1,448,155	–	–	1,448,155
– Forward exchange contract	–	60,972	–	60,972
– Forward commodity contract	–	693,497	–	693,497
– Commodity option contract	10,929	–	–	10,929
Total assets measured continuously at fair value	1,460,826	21,030,297	4,094,604	26,585,727

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(X). DISCLOSURE OF FAIR VALUE (CONTINUED)

1. Closing fair value of assets and liabilities measured at fair value (Continued)

Item	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
	Fair value at 31 December 2023			
(7) Held-for-trading financial liabilities:				
– Accounts payable	–	2,530,327	–	2,530,327
– Liabilities from forward commodity contract and gold lease measured at fair value	–	418,254	–	418,254
(8) Derivative financial liabilities:				
– Commodity futures contract	494,491	–	–	494,491
– Forward exchange contract	–	203,228	–	203,228
– Forward commodity contract	–	411,078	–	411,078
Total liabilities measured continuously at fair value	494,491	3,562,887	–	4,057,378

2. Determination basis of market price for items that are continuously measured at Level 2 fair value

Items that are continuously measured at Level 2 fair value include accounts receivable, fund products of financial institutions, trading inventories, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities at FVTPL, and the related fair value is determined with reference to the quoted price of similar assets or liabilities in active market or other inputs other than the quoted price, the premium/discount prices in the place of origin or nearby regions in the industry research report, long-term offer and the yield rate of similar debt instruments in open market.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(X). DISCLOSURE OF FAIR VALUE (CONTINUED)

3. Determination basis of market price for items that are continuously measured at Level 3 fair value

Items that are continuously measured at Level 3 fair value include held-for-trading financial assets, financing with receivables, consumable biological assets, investments in other equity instruments and other non-current financial assets. The fair value of held-for-trading assets and wealth management products included in other non-current financial assets is measured based on the expected yield rate provided by the third-party financial institution and discounting of the future cash flow. The fair value of consumable biological assets is measured based on the prices of the same kind of wood, the growth period of tree and the discounting of the subsequent input and maintenance fee. The fair value of financing with receivables is based on the note discount rate provided by the third-party financial institution and discounting of the future cash flow. The fair values of share of partnership, share of funds, directional capital management plan and equity in unlisted companies included in other equity instruments and other non-current financial assets are determined based on the comparable company analysis, the agreed price for transfer or the valuation report provided by third-party financial institutions, or the financial statements provided by the investee with appropriate adjustments.

RMB'000

Assets/liabilities measured at fair value	Fair value at 31 December 2024	Valuation techniques	Parameters	Significant input data that cannot be observed	Relationship between the input data that cannot be observed and the fair value
Held-for-trading financial assets/other non-current financial assets	792,907	Discounted cash flow method	Expected cash flows of the products, yield of similar financial products in private market	Yield of similar financial products in private market	Higher yield of similar financial products in private market, lower fair value
Investments in other equity instruments/other non-current financial assets	2,730,862	Comparable companies analysis/Net asset adjustment method	Price-to-sales, recent transaction price, DLOM-discount of lack of marketability	DLOM-discount of lack of marketability	Higher discount rate, lower fair value
Consumable biological assets	100,096	Discounted cash flow method	Wood price, growth cycle, and follow-up estimated investment	Follow-up estimated investment	Higher follow-up estimated investment, lower fair value
Contingent consideration at fair value	51,923	Monte Carlo model	Commodity forward prices, volatility, discount rate	Volatility	Higher volatility, lower fair value
Financing with receivables	80,435	Discounted cash flow method	Expected cash flow of notes, note discount rate in private market	Note discount rate in private market	Higher note discount rate in private market, lower fair value

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(X). DISCLOSURE OF FAIR VALUE (CONTINUED)

4. Financial instruments subsequently not measured at fair value

The management of the Group has assessed cash and bank balances, accounts receivable, other receivables, other current assets, non-current assets due within one year, short-term borrowings, notes payable, accounts payable, other payables, non-current liabilities due within one year, other current liabilities, etc. As the remaining term is not long, fair values are approximate to the carrying amounts.

The Group's financial assets and financial liabilities which are subsequently not measured at fair value include other non-current assets, and long-term borrowings, bonds payable and other non-current liabilities respectively. The floating interest rate of the Group's long-term borrowings is linked to the market interest rate.

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. Parent of the Company

Name of the parent	Place of registration	Nature of business	Registered capital	Proportion of the Company's ownership interest held by the parent	Proportion of the Company's voting power held by the parent
CFC	Shanghai	Investment management	RMB181,818,200	24.69%	24.69%

As at 31 December 2024, CFC actually holds 5,333,220,000 shares of the Company, accounting for 24.69% of the total share capital of the Company.

CFC is the actual controller of the Company.

2. Subsidiaries of the Company

For details of the subsidiaries of the Company, please refer to Note (VII) 1.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates of the Company

For details of joint ventures and associates of the Company, please refer to Note (VII) 2.

Other joint ventures or associates which have transactions with the Group in the current year or in previous years are as follows:

Joint ventures or associates	**Relationship with the Company**
Fu Chuan	Subsidiary of the joint venture
Luanchuan Fuxing Mining Company Limited ("Fu Xing")	Subsidiary of the joint venture
Luanchuan Qixing Mining Company Limited ("Qi Xing")	Subsidiary of the joint venture
Yulu Mining	Associate
Luoyang Shenyu	Associate
Guochuang Intelligent	Associate
Huayue Nickel Cobalt	Associate
RESOURCE	Associate

4. Other related parties

Other related parties	**Relationship with the Company**
LMG	Shareholder of the Company
CFC	Shareholder of the Company
Contemporary Amperex Technology Co., Limited ("CATL") *(Note)*	Shareholder of the Company
Shanghai Shangju Industrial Co., Ltd. ("Shangju")	Subsidiary of the shareholder
Shanghai Yunsheng International Trade Co., Ltd. ("Yunsheng")	Subsidiary of the shareholder
Shanghai Yun'an Property Management Service Co., Ltd. ("Yun'an")	Subsidiary of the shareholder
Hu'nan Brunp Recycling Technology Co. Ltd. ("HBRT")	Subsidiary of the shareholder
HKBRRT	Subsidiary of the shareholder
Yichun Times New Energy Technology Co., LTD. ("Yichun Times")	Subsidiary of the shareholder
Contemporary Green Energy Co., Ltd. ("CGE")	Subsidiary of the shareholder
Brunp and CATL	Subsidiary of the shareholder
Indonesia Blue Sky Metal Industry Co., Ltd. ("Indonesia Blue Sky Metal")	Subsidiary of the shareholder

Note: On 31 October 2022, Luoyang Guohong Investment Holding Group Co., Ltd. ("Luoyang Guohong"), shareholder of the Company, and Sichuan Times New Energy Technology Co., Ltd. ("Sichuan Times") signed an investment agreement with CATL, pursuant to which Luoyang Guohong increased its capital to Sichuan Times with its 100% equity of LMG. The above transaction was completed on 6 March 2023. Luoyang Guohong no longer held any shares of the Company directly or indirectly through the entities it controls. Sichuan Times, subsidiary of CATL, would indirectly hold 24.68% equity of the Company through LMG and become the second largest indirect shareholder of CMOC. The Company's management considers that CATL and its subsidiaries become related parties of the Company from the effective date of the investment agreement, i.e., from 31 October 2022.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions

(1) Sales and purchase of goods, rendering and receipt of services

RMB

Related party	Content of the transaction	2024	2023
Luoyang Shenyu	Sales of products	**44,303,032.98**	52,710,651.16
Luoyang Shenyu	Rendering of services	**–**	14,166.67
Luoyang Shenyu	Purchase of products	**–**	7,086,409.79
Yulu Mining	Rendering of services	**40,463,586.91**	40,463,586.91
Yulu Mining	Purchase of products	**159,129,456.97**	140,670,629.85
Yulu Mining	Sales of products	**486,287.85**	490,846.84
Fu Chuan	Purchase of products	**1,138,452,705.59**	547,750,207.83
Fu Chuan	Sales of products	**13,401,145.51**	29,412,274.14
Fu Chuan	Rendering of services	**14,397,345.78**	5,987,309.10
Fu Chuan	Receipt of service	**6,627,223.99**	3,025,656.25
Qi Xing	Receipt of service	**229,902.55**	107,092.18
Huayue Nickel Cobalt	Purchase of products	**2,004,273,322.36**	2,372,238,888.25
Huayue Nickel Cobalt	Interest income	**24,528,009.79**	24,077,394.94
Fu Xing	Sales of products	**9,968.76**	–
Fu Xing	Rendering of services	**657,613.15**	704,876.26
Fu Xing	Receipt of service	**839,189.27**	326,280.35
HBRT	Sales of products	**10,901,590.82**	7,801,581.96
Brunp and CATL	Purchase of products	**–**	395,406.84
Yichun Times	Rendering of services	**1,756,844.00**	2,644,220.00
HKBRRT	Sales of products	**5,605,089,806.09**	2,099,777,205.16
HKBRRT	Interest expenses	**730,322,227.99**	722,941,813.82
Guochuang Intelligent	Purchase of technical support	**128,410.42**	399,056.61
Indonesia Blue Sky Metal	Purchase of products	**288,198,127.33**	–
Yun'an	Receipt of service	**4,268,921.32**	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(2) Related party leases

The Group as a lessee

RMB

Lessor	Category of leased asset	Rent paid		Interest expenses on lease liabilities		Increase in right-of-use assets	
		2024	2023	**2024**	2023	**2024**	2023
Shangju	Buildings	**25,911,496.08**	18,866,397.48	**1,174,658.48**	1,701,866.73	**47,860,422.17**	–
Shangju	Buildings, structures, or auxiliary facilities	**475, 200.00**	–	**-**	–	**-**	–
Yunsheng	Buildings	**10,257,857.88**	10,257,857.88	**546,637.50**	925,322.77	**-**	–
Yunsheng	Buildings, structures, or auxiliary facilities	**172, 800.00**	–	**-**	–	**-**	–

(3) Compensation for key management personnel

RMB'000

Item	2024	2023
Compensation for key management personnel	**35,514**	60,685

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Unsettled items receivable from/payable to related parties

RMB

		31 December 2024		31 December 2023	
Item	**Related party**	**Book balance**	**Bad debt provision**	Book balance	Bad debt provision
Accounts receivable	Yulu Mining	24,691.18	55.18	–	–
Accounts payable	Yulu Mining	15,224,987.08	–	13,552,405.84	–
Contract liabilities	Luoyang Shenyu	119,388.87	–	908,816.14	–
Other payables	Luoyang Shenyu	14,966.65	–	14,966.65	–
Accounts receivable	Fu Chuan	4,353,610.55	152,987.58	4,433,250.57	112,356.30
Other receivables	Fu Chuan	394,557.34	–	–	–
Accounts payable	Fu Chuan	12,902,165.43	–	12,862,348.59	–
Other payables	Fu Chuan	3,096,786.31	–	2,050,758.00	–
Other receivables	Shangju	6,477,874.02	–	4,716,599.37	–
Non-current liabilities due within one year	Shangju	24,357,465.29	–	21,454,613.59	–
Lease liabilities	Shangju	–	–	13,196,920.12	–
Other receivables	Yunsheng	2,564,464.47	–	2,564,464.47	–
Non-current liabilities due within one year	Yunsheng	9,617,650.22	–	11,665,097.38	–
Lease liabilities	Yunsheng	–	–	7,175,303.70	–
Other receivables	Yun'an	363,588.48	–	–	–
Accounts receivable	Fu Xing	–	–	28,082.17	711.71
Other receivables	Fu Xing	176,709.13	–	–	–
Accounts payable	Fu Xing	–	–	48,358.75	–
Other payables	Fu Xing	147,993.62	–	102,629.36	–
Contract liabilities	Fu Xing	6,801.79	–	–	–
Interest receivable	Huayue Nickel Cobalt	147,962,010.09	–	121,439,999.13	–
Other non-current assets	Huayue Nickel Cobalt	410,702,756.25	–	404,663,682.00	–
Accounts payable	Huayue Nickel Cobalt	–	–	592,741,926.45	–
Prepayments	Huayue Nickel Cobalt	23,432,640.65			
Other non-current liabilities	HKBRRT	10,721,380,489.63	–	12,472,267,950.66	–
Contract liabilities	HKBRRT	1,719,955,344.50	–	1,986,007,022.04	–
Prepayments	HKBRRT	92,423,435.81	–	520,744,775.10	–
Other receivables	Qi Xing	131,521.14	–	131,521.14	–
Accounts payable	Qi Xing	–	–	37,800.83	–
Other payables	Qi Xing	81,483.55	–	18,833.89	–
Other payables	CGE	–	–	100,000.00	–
Other payables	Bruno and CATL	–	–	973,871,250.00	–
Accounts payable	Guochuang Intelligent	142,000	–	–	–
Other non-current assets	RESOURCE	7,324,979.60	–	–	–
Prepayments	LUALABA	14,376,800.00	–	–	–
Other payables	LUALABA	222,840,400.00	–	–	–
Contract liabilities	LUALABA	1,917,721.35	–	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

7. Emoluments of directors and supervisors

Emoluments of each director for the year 2024 are as follows:

RMB'000

	Remuneration of directors	Salary and allowances	Bonus	Pension	Social insurance and housing funds other than pension	Share-based payments	Total
Executive directors:							
Li Chaochun *(Note 1, 5)*	–	3,109.00	2,680.00	70.53	96.99	1,591.67	7,548.19
Sun Ruiwen *(Note 1, 5)*	–	3,500.40	3,460.00	86.91	96.99	3,820.00	10,964.30
Non-executive directors:							
Yuan Honglin *(Note 1, 5)*	–	3,094.40	2,800.00	70.53	96.99	1,700.60	7,762.52
Lin Jiuxin *(Note 4, 5)*	–	–	–	–	–	–	–
Jiang Li *(Note 4, 5)*	–	–	–	–	–	–	–
Independent non-executive directors:							
Wang Kaiguo *(Note 5)*	169.17	–	–	–	–	–	169.17
Gu Hongyu *(Note 5)*	169.17	–	–	–	–	–	169.17
Cheng Yu *(Note 5)*	169.17	–	–	–	–	–	169.17
Wang Yougui *(Note 1)*	130.83	–	–	–	–	–	130.83
Yan Ye *(Note 1)*	130.83	–	–	–	–	–	130.83
Li Shuhua *(Note 1)*	130.83	–	–	–	–	–	130.83
Total	900.00	9,703.80	8,940.00	227.97	290.97	7,112.27	27,175.01

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

7. Emoluments of directors and supervisors (Continued)

Emoluments of each director for the year 2023 are as follows:

RMB'000

	Remuneration of directors	Salary and allowances	Bonus	Pension	Social insurance and housing funds other than pension	Share-based payments	Total
Executive directors:							
Li Chaochun *(Note 1)*	–	3,120.00	2,200.00	67.91	84.36	5,610.62	11,082.89
Sun Ruiwen *(Note 1)*	–	2,471.49	4,300.00	84.24	84.36	13,465.50	20,405.59
Non-executive directors:							
Yuan Honglin *(Note 1)*	–	3,194.40	2,200.00	67.91	84.36	5,994.61	11,541.28
Guo Yimin *(Note 1, 2, 3)*	–	–	–	–	–	–	–
Cheng Yunlei *(Note 1, 2, 3)*	–	–	–	–	–	–	–
Lin Jiuxin *(Note 4)*	–	–	–	–	–	–	–
Jiang Li *(Note 4)*	–	–	–	–	–	–	–
Independent non-executive directors:							
Wang Yougui *(Note 1)*	300.00	–	–	–	–	–	300.00
Yan Ye *(Note 1)*	300.00	–	–	–	–	–	300.00
Li Shuhua *(Note 1)*	300.00	–	–	–	–	–	300.00
Total	900.00	8,785.89	8,700.00	220.06	253.08	25,070.73	43,929.76

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

7. Emoluments of directors and supervisors (Continued)

Emoluments of each supervisor for the year 2024 are as follows:

RMB'000

	Salary and allowances	Bonus	Pension	Social insurance and housing funds other than pension	Total
Zheng Shu *(Note 4, 5)*					
Zhang Zhenhao *(Note 1, 5)*	90.00	–	–	–	90.00
Li Hongwei	558.64	416.86	37.00	50.30	1,062.80
Luo Yunxiang	109.09	122.61	–	–	231.70
Xu Wenhui	555.00	351.21	14.32	20.04	940.57
Total	1,312.73	890.68	51.32	70.34	2,325.07

Emoluments of each supervisor for the year 2023 are as follows:

RMB'000

	Salary and allowances	Bonus	Pension	Social insurance and housing funds other than pension	Total
Zheng Shu *(Note 4)*	–	–	–	–	–
Kou Youmin *(Note 1, 2, 3)*	–	–	–	–	–
Zhang Zhenhao *(Note 1)*	90.00	–	–	–	90.00
Xu Wenhui *(Note 1)*	1,859.49	1,050.00	41.24	70.78	3,021.51
Total	1,949.49	1,050.00	41.24	70.78	3,111.51

Note 1: On 21 May 2021, the Company held the 2020 Annual General Meeting of Shareholders, and completed the election of the Board of Directors and Board of Supervisors. The sixth session of the Board of Directors of the Company includes Mr. Yuan Honglin, Mr. Guo Yimin, Mr. Li Chaochun, Mr. Sun Ruiwen, Mr. Cheng Yunlei, Mr. Wang Yougui, Ms. Yan Ye and Mr. Li Shuhua. The tenure of Mr. Li Faben as an executive director and executive vice president was ended in June 2021. The sixth session of the Board of Supervisors of the Company includes Ms. Kou Youmin, Mr. Zhang Zhenhao, and Mr. Xu Wenhui, the employee representative. The tenure of Ms. Wang Zhengyan as an employee representative supervisor was ended in June 2021. The tenure of relevant directors will be ended on the date of the Company's 2023 Annual General Meeting of Shareholders.

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

7. Emoluments of directors and supervisors (Continued)

Note 2: The agreed remuneration of Mr. Guo Yimin, Mr. Cheng Yunlei and Ms. Kou Youmin as directors or supervisors of the Company is RMB90,000.00 in 2023. As Mr. Guo Yimin, Mr. Cheng Yunlei and Ms. Kou Youmin are also directors or supervisors of LMG, Luoyang, shareholder of the Company, according to Regulations on Clean Leadership in State-owned Enterprise, leaders in the state-owned enterprises shall not "assume leadership positions in enterprise funded by their own state-owned enterprises or in other enterprises, institutions, social organizations and intermediary agencies without approval, or accept remuneration and other income without authorization (for those approved to assume positions)", Mr. Guo Yimin, Mr. Cheng Yunlei and Ms. Kou Youmin gave up position allowances during their staying in the office provided by the Company.

Note 3: On 28 April 2023, the Company received resignation reports from non-executive directors Mr. Guo Yimin and Mr. Cheng Yunlei as well as the supervisor Ms. Kou Youmin. Duo to career moves, Mr. Guo Yimin applied to the Board of Directors to resign his post as Vice President and Non-executive Director; Mr. Cheng Yunlei applied to resign his post as Non-executive Director; Ms. Kou Youmin applied to resign her post as Chairman of the Board of Supervisors. The resignations took effect since by-elections of the non-executive directors and a non-employee representative supervisor on 9 June 2023.

Note 4: On 9 June 2023, the Company's 2022 Annual General Meeting of Shareholders reviewed and approved the proposals on Recruiting Mr. Jiang Li as a Non-executive Director of the Sixth Session of the Board of Directors of the Company, Recruiting Mr. Lin Jiuxin as a Non-executive Director of the Sixth Session of the Board of Directors of the Company and Recruiting a Non-employee Representative Supervisor of the Sixth Session of the Board of Supervisors of the Company, respectively, and elected Mr. Jiang Li and Mr. Lin Jiuxin as non-executive directors of the Company, and Mr. Zheng Shu as a non-employee representative supervisor of the Company.

Note 5: On 7 June 2024, the Company held the 2023 Annual General Meeting of Shareholders, and completed the election of the Board of Directors and Board of Supervisors. The seventh session of the Board of Directors of the Company includes Mr. Yuan Honglin, Mr. Sun Ruiwen, Mr. Li Chaochun, Mr. Lin Jiuxin, Mr. Jiang Li, Mr. Wang Kaiguo, Ms. Gu Hongyu and Mr. Cheng Yu. The sixth session of the Board of Supervisors of the Company includes Mr. Zhang Zhenhao, and Mr. Zheng Shu, the employee representative. The tenure of Mr. Xu Wenhui as an employee representative supervisor was ended. The tenure of relevant directors will be ended on the date of the Company's 2026 Annual General Meeting of Shareholders.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XI). RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

7. Emoluments of directors and supervisors (Continued)

None of the top five of 2024 remunerations are directors of the Company (2023: Two of the top five of 2023 remunerations are directors of the Company), and the emoluments of the top five staffs that are not directors or supervisors are as follows:

RMB'000

	2024	2023
Salaries and allowances	**16,721.20**	8,150.89
Bonus	**138,276.89**	89,607.72
Pension	**3,781.28**	312.81
Share-based payments	**–**	11,270.00
Total	**158,779.37**	109,341.42

The range of emoluments of the top five staffs that are not directors or supervisors is as follows:

Range of emoluments	**Number of the current year**	**Number of the prior year**
HKD16,500,001 to HKD17,000,000 (equivalent to RMB15,504,000 to RMB15,974,000)	–	1
HKD17,000,001 to HKD17,500,000 (equivalent to RMB15,974,000 to RMB16,444,000)	1	–
HKD21,000,001 to HKD21,500,000 (equivalent to RMB19,733,000 to RMB20,203,000)	–	1
HKD27,500,001 to HKD28,000,000 (equivalent to RMB25,841,000 to RMB26,310,000)	1	–
HKD30,500,001 HKD31,000,000 (equivalent to RMB28,660,000 to RMB29,129,000)	1	–
HKD35,000,001 to HKD35,500,000 (equivalent to RMB32,888,000 to RMB33,358,000)	1	–
HKD57,500,001 to HKD58,000,000 (equivalent to RMB54,030,000 to RMB54,500,000)	1	–
HKD82,000,001 to HKD82,500,000 (equivalent to RMB77,052,000 to RMB77,522,000)	–	1

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XII). SHARE-BASED PAYMENTS

2021 Phase I Employee Stock Ownership Plan

As approved by the General Meeting of Shareholders of CMOC held on 21 May 2021, CMOC intends to grant the Employee Stock Ownership Plan to five incentive recipients ("Holders"). The grant date of the Employee Stock Ownership Plan is 21 May 2021, and the source of the shares is the A-share ordinary shares of CMOC repurchased by the Company's dedicated repurchase account. The total number of shares granted to the incentive recipients is 48,513,287 shares, and the grant price is RMB2 per share.

According to the Employee Stock Ownership Plan, the term of the plan shall not exceed 48 months and the lock-up period of the underlying shares acquired shall be 12 months, which is calculated from the date when the Employee Stock Ownership Plan is approved by the General Meeting of Shareholders of the Company and the Company announces the last transfer of the underlying shares into the dedicated repurchase account (17 June 2021). After the expiration of the lock-up period of the underlying shares, the interests of the Employee Stock Ownership Plan shall be allocated to the holders in three installments based on the results of the performance assessment, with the allocation ratio of 30%, 30% and 40% respectively. If the performance assessment criteria are not met in any of the assessment periods, the interests corresponding to the allocation period shall not be allocated, and the relevant interests shall be mandatorily withdrawn by the Management Committee at the grant price and transferred to other eligible employees of the Employee Stock Ownership Plan at the price decided by the Management Committee.

On 10 June 2022, the second holders' meeting of the 2021 Phase I Employee Stock Ownership Plan, the fifth extraordinary meeting of the sixth session of board of directors and the ninth meeting of the sixth session of board of supervisors reviewed and approved the Proposal on Adjusting the 2021 Phase I Employee Stock Ownership Plan of China Molybdenum Co., Ltd., the Proposal on Amending the 2021 Phase I Employee Stock Ownership Plan of China Molybdenum Co., Ltd. and the Proposal on Amending the Management Measures for the 2021 Phase I Employee Stock Ownership Plan of China Molybdenum Co., Ltd.. Since an employee who participated in the Company's employee stock ownership plan resigned, the Company recovered the unvested shares of the employee stock ownership plan held by the resigned employee and awarded it to a new employee determined by the Company, who meets the requirement of the Company's employee stock ownership plan. The new employee received the relevant shares held by the resigned employee, totaling 7,500,000 shares.

The equity-settled share-based payments of the Group are subsequently measured.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XII). SHARE-BASED PAYMENTS (CONTINUED)

1. Equity instruments

RMB

Category of grant recipient	Granted during the period		Unlocked during the period		Lapsed during the period	
	Quantity	Amount	Quantity (shares)	Amount	Quantity	Amount
Directors	–	–	–	–	–	–
Management	–	–	–	–	–	–
Total	–	–	–	–	–	–

Share options outstanding at the end of the period

Category of grant recipient	Share options outstanding at the end of the period	
	Range of exercise prices	Remaining contractual life
Directors	RMB2	–
Management	RMB2	About 0.5 year

(XII). SHARE-BASED PAYMENTS (CONTINUED)

2. Equity-settled share-based payments

RMB

	2021 Phase I Employee Stock Ownership Plan
The method of determining the fair value of equity instruments at the grant date	Based on the closing price of A shares of the Company at the grant date
The basis of determining the number of equity instruments expected to be vested	If the holders meet the requirements stipulated in the "Disposal of the holders' interests" of the stock ownership plan and satisfies the assessment criteria for the Company's performance and personal performance, the corresponding equity instruments are exercisable.
Reasons for the significant difference between the estimate in the current period and that in the prior period	N/A
Amounts of equity-settled share-based payments accumulated in capital reserve	106,692,028.51
Total expenses recognized arising from equity-settled share-based payments	14,108,930.92

3. Share-based payments in the current period

RMB

Category of grant recipient	Equity-settled share-based payments
Directors	7,112,264.24
Management	6,996,666.68
Total	14,108,930.92

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XIII). COMMITMENTS AND CONTINGENCIES

1. Significant commitments

(1) Capital commitments

RMB'000

	2024	2023
Contracted but not recognized in the financial statements:		
– Commitment for acquisition and construction of long-term assets	**2,269,299**	3,141,146
– Commitment for investment *(Note)*	**155,273**	205,196
Total	**2,424,572**	3,346,342

Note: The above commitment for investment represents the Group's investment in an other non-current financial asset.

As at 31 December 2024, the Group has no other commitments that need to be disclosed.

2. Contingencies

(1) Pending litigation

Copper-Cobalt business of the Group in Congo (DRC)

The Group's copper-cobalt business in Congo (DRC) may be involved in some lawsuits, claims and liability claims in the daily operation. The management considers that the results of such contingencies will not have a material adverse effect on the financial position, operating performance or cash flows of the business based on the information currently available.

The Group's Niobium-Phosphorus business in Brazil

The Group's niobium-phosphorus business in Brazil may be involved in various litigations and disputes in its daily operation. The management determines the possibility of losing the litigations and consequent economic benefits outflow in accordance with the information available and the professional advice of external legal experts. If the possibility of economic benefits outflow is low, the management would determine them as contingencies. The results of such contingencies will not have a material adverse effect on the financial position, operating performance or cash flows of the business based on the information currently available.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XIV). EVENTS AFTER THE BALANCE SHEET DATE

1. Dividend distribution plan of 2024

According to the proposal of the board of directors, the Company will distribute a cash dividend of RMB2.55 per 10 shares (tax included) (2023: RMB1.5425 per 10 shares (tax included)) to all shareholders based on the 21,394,310,176 issued shares (net of the number of shares in the Company's dedicated repurchase account) (with par value of RMB0.2 per share) for the year of 2024.

2. The Government of Congo (DRC) enacted a temporary policy of banning exports

On 21 February 2025, the Government of Congo (DRC) enacted a temporary policy of a four-month moratorium on cobalt exports, which came into effect on 22 February 2025. The Group will continue to follow up the progress of the above matter. As at the date of issue of these financial statements, the Group does not expect the above matter to have a material impact on the Group's operation.

3. Please refer to respective notes for other events after the balance sheet date other than those disclosed above

(XV). OTHER SIGNIFICANT EVENTS

1. Discontinued operations

Both CMOC Mining Pty Ltd ("CMOC Mining") and CMOC Metals Holding Limited ("CMOC Metals") operate the business of copper and gold-related products, which can represent a principal independent business. Both have disposed of the business in 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XV). OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Discontinued operations (Continued)

(1) Gains or losses from discontinued operations

The Group has presented CMOC Mining and CMOC Metals as discontinued enterprises in the consolidated income statement. Gains or losses from discontinued operations of CMOC Mining and CMOC Metals are as follows:

RMB

Item	**2024**	2023
Operating income	–	1,619,741,180.93
Less: Operating costs	–	1,265,366,588.15
Taxes and levies	–	64,968,387.75
Selling expenses	–	10,284,733.34
Administrative expenses	–	35,457,282.13
Financial expenses	–	54,895,221.10
Impairment losses of assets	–	58,595,582.67
Add: Gains from changes in fair values	–	72,205,295.82
Gains from disposal of assets	–	19,645.54
Operating profit	–	202,398,327.15
Less: Non-operating expenses	–	2,023,303.02
Profit before tax	–	200,375,024.13
Less: Income tax expenses	–	36,640,478.85
Net profit	–	163,734,545.28
Net gains or losses from disposal *(Note)*	**51,923,064.82**	1,610,515,121.93
Gains or losses from discontinued operations	**51,923,064.82**	1,774,249,667.21

Note: During the year, the Group recognized a contingent consideration gain of RMB51,923,064.82 on the above disposal of the equity interests (2023: the above disposal of equity generates investment income of RMB2,120,720,536.76 (Note (V) 55), the net gains or losses from disposal is RMB1,610,515,121.93, net of transaction taxes).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XV). OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Discontinued operations (Continued)

(2) The profit or loss from continuing operations and the profit or loss from discontinued operations attributable to owners of the Company

RMB

Item	2024	2023
The profit or loss from continuing operations attributable to owners of the Company	**13,480,111,938.12**	6,475,462,205.30
The profit or loss from discontinued operations attributable to owners of the Company	**51,923,064.82**	1,774,249,667.21
Net profit attributable to owners of the Company	**13,532,035,002.94**	8,249,711,872.51

2. Segment reporting

(1) Reporting segment's determination basis and accounting policies

The management divided the Group's business into five operating segments, namely Molybdenum Tungsten related products, Niobium and Phosphorus related products, Copper and Cobalt related products, metal trading and others on the basis of the Group's internal organization structure, management requirements and internal reporting system. The Group's management evaluates the operating results of these segments regularly in order to determine the allocation of resources and assess their performance.

These reporting segments are determined on the basis of internal management and reporting system. Information of segment reporting is disclosed according to segment accounting policies and measurement standards, which should be consistent with those adopted in the preparation of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XV). OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Segment reporting (Continued)

(2) Reporting segment's financial information

RMB'000

2024	Molybdenum, tungsten and related products	Niobium, phosphorus and related products	Copper, cobalt and related products	Metal trading	Others	Unallocated item	Intersegment eliminations	Total
Operating income								
Trading income	8,119,301	6,540,618	50,599,673	188,355,740	182,692	-	(40,769,359)	213,028,665
Operating costs	4,724,079	4,517,055	26,562,593	183,414,803	84,013	-	(41,528,557)	177,773,986
Taxes and levies						4,135,201	-	4,135,201
Selling expenses						92,833	-	92,833
Administrative expenses						2,127,537	-	2,127,537
Research and development expenses						353,974	-	353,974
Financial expenses						2,878,861	-	2,878,861
Add: Gains or losses from changes in fair value						(1,375,599)	-	(1,375,599)
Investment income						958,805	-	958,805
Gains from disposal of assets						66,475	-	66,475
Other income						151,002	-	151,002
Impairment losses of assets						(195,059)	-	(195,059)
Losses from credit impairment						(5,863)	-	(5,863)
Segment operating profit						25,266,034	-	25,266,034
Add: Non-operating income						36,683	-	36,683
Less: Non-operating expenses						178,680	-	178,680
Profit before tax						25,124,037	-	25,124,037
Less: Income tax expenses						9,664,595	-	9,664,595
Net profit						15,459,442	-	15,459,442

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XV). OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Segment reporting (Continued)

(2) Reporting segment's financial information (Continued)

RMB'000

2023	Molybdenum, tungsten and related products	Niobium, phosphorus and related products	Copper, cobalt and related products	Metal trading	Others	Unallocated item	Intersegment eliminations	Total
Operating income								
Trading income	8,611,051	6,324,032	28,000,921	168,077,935	288,410	–	(26,615,351)	184,686,998
Operating costs	4,860,032	4,781,623	15,598,798	166,023,117	264,491	–	(24,615,849)	166,912,212
Taxes and levies						3,019,407	–	3,019,407
Selling expenses						145,131	–	145,131
Administrative expenses						2,350,998	–	2,350,998
Research and development expenses						327,085	–	327,085
Financial expenses						2,948,948	–	2,948,948
Add: Gains or losses from changes in fair value						1,608,298	–	1,608,298
Investment income						2,483,303	–	2,483,303
Gains from disposal of assets						2,815	–	2,815
Other income						112,142	–	112,142
Impairment losses of assets						(82,069)	–	(82,069)
Losses from credit impairment						(3,664)	–	(3,664)
Segment operating profit						13,104,042	–	13,104,042
Add: Non-operating income						25,173	–	25,173
Less: Non-operating expenses						103,165	–	103,165
Profit before tax						13,026,050	–	13,026,050
Less: Income tax expenses						4,640,700	–	4,640,700
Net profit						8,385,350	–	8,385,350

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XV). OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Segment reporting (Continued)

(2) Reporting segment's financial information (Continued)

(a) The Group mainly operates in China, Brazil and Congo (DRC) and Switzerland, and sells its products to the customers in China and other countries. The geographic disclosure of revenue and results of segments are classified by the destination of the products to deliver.

RMB'000

	2024	2023
Revenue		
China	**118,874,250**	93,881,804
India	**1,155,823**	733,503
Netherland	**–**	351,464
Korea	**11,542,250**	10,433,452
Taiwan	**240,343**	1,084,622
Belgium	**3,997,688**	1,808,612
Bulgaria	**1,098,363**	878,686
Finland	**88,084**	–
France	**33,412**	101,076
Germany	**5,004,368**	5,361,902
Greece	**482,774**	–
Italy	**581,598**	311,700
Slovenia	**15,284**	319,350
Spain	**13,862**	38,844
Sweden	**24,692**	611,995
Switzerland	**10,677,486**	8,065,190
Turkey	**1,931,014**	3,686,726
UAE	**6,022,658**	3,740,439
US	**4,173,444**	8,353,572
Canada	**1,413,930**	80,638
Brazil	**4,179,334**	4,285,086
Mexico	**3,579,443**	3,713,931
South Africa	**37,722**	52,196
Australia	**959,057**	1,938,692
Japan	**2,053,757**	2,882,972
UK	**9,769,056**	9,381,391
Singapore	**21,947,905**	15,955,697
Chile	**278,989**	3
Malaysia	**96,900**	194,311
Thailand	**1,197,642**	839,815
Others	**1,557,537**	7,181,303
Total	**213,028,665**	186,268,972

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XV). OTHER SIGNIFICANT EVENTS (CONTINUED)

2. Segment reporting (Continued)

(3) *External revenue by location of resources or business and non-current assets by location*

RMB'000

Item	2024	2023
External revenue from Chinese business	11,572,994	15,301,232
External revenue from Brazil business	6,540,618	6,324,032
External revenue from Congo (DRC) business	50,599,673	28,000,921
External revenue from Switzerland business	144,315,380	135,060,813
Sub-total	213,028,665	184,686,998

RMB'000

Item	31 December 2024	31 December 2023
Non-current assets located in China	18,411,951	17,890,472
Non-current assets located in Brazil	9,677,114	9,712,562
Non-current assets located in Congo (DRC)	55,530,763	53,376,489
Non-current assets located in Switzerland	273,535	297,328
Sub-total	83,893,363	81,276,851

Note: The above non-current assets do not include deferred tax assets, investments in other equity instruments and other non-current financial assets.

(4) *Reliance on major customers*

In 2024 and 2023, there are no major customers of the Group with revenue accounting for over 10% of operating income of the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

1. Cash and bank balances

RMB

	31 December 2024			31 December 2023		
Item	**Amount in original currency**	**Exchange rate**	**Amount in RMB**	Amount in original currency	Exchange rate	Amount in RMB
Cash:			**–**			–
RMB	**–**	**–**	**–**	–	–	–
Bank balance:			**5,555,845,485.05**			9,426,057,531.60
RMB	**–**	**–**	**5,555,371,746.91**	–	–	9,419,309,348.52
USD	**65,899.45**	**7.1884**	**473,711.61**	952,769.86	7.0827	6,748,183.08
HKD	**28.65**	**0.9260**	**26.53**	–	–	–
Other cash and bank balances:			**1,056,267,570.55**			54,940,596.65
RMB	**–**	**–**	**1,056,267,570.55**	–	–	54,940,596.65
Total			**6,612,113,055.60**			9,480,998,128.25

Note: The other cash and bank balances include deposits for mines, deposits for bills, other deposits and large certificates of deposit pledged for short-term borrowings, amounting to RMB56,244,822.66, RMB168.33, RMB22,579.56 and RMB1,000,000,000.00 (31 December 2023: RMB51,888,953.53, RMB3,026,824.52, RMB24,818.60 and RMB0) respectively.

2. Held-for-trading financial assets

RMB

Category	**31 December 2024**	31 December 2023
Financial assets at FVTPL		
Including: Structured deposits *(Note)*	**600,266,280.06**	10,149,030.84
Others	**13,784,259.47**	–
Total	**614,050,539.53**	10,149,030.84

Note: The structured deposits are RMB denominated structured deposits purchased by the Company from domestic financial institutions during the year, with yields linked to the Shanghai Gold Benchmark Price and exchange rates of the Shanghai Gold Exchange, which are classified by the Company as financial assets at FVTPL.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Accounts receivable

RMB

Category	31 December 2024	31 December 2023
Accounts receivable	**761,243,032.25**	1,013,718,567.21
Total	**761,243,032.25**	1,013,718,567.21

Credit risk of accounts receivable:

The accounts receivable for which the loss allowance is recognized based on expected credit loss are as follows:

RMB

	31 December 2024			31 December 2023		
	Book balance	Loss allowance	Carrying amount	Book balance	Loss allowance	Carrying amount
Accounts receivable for which the loss allowance is recognized based on expected credit loss	**777,032,058.29**	**15,789,026.04**	**761,243,032.25**	1,028,291,114.76	14,572,547.55	1,013,718,567.21

4. Other receivables

RMB

Item	31 December 2024	31 December 2023
Interest receivable	**305,732,597.47**	295,803,008.94
Dividends receivable	**5,029,006,084.08**	1,544,006,084.08
Other receivables	**6,846,121,382.40**	7,042,852,354.53
Total	**12,180,860,063.95**	8,882,661,447.55

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Other receivables (Continued)

Credit risk of other receivables:

The other receivables for which the loss allowance is recognized based on expected credit loss are as follows:

RMB

	31 December 2024			31 December 2023		
	Book balance	**Loss allowance**	**Carrying amount**	Book balance	Loss allowance	Carrying amount
Other receivables for which the loss allowance is recognized based on expected credit loss	**6,873,896,219.76**	**27,774,837.36**	**6,846,121,382.40**	7,070,558,191.89	27,705,837.36	7,042,852,354.53

At 31 December 2024, the management of the Company believes that there's no significant ECL on the remaining receivables, except for the receivables of RMB27,774,837.36 (31 December 2023: RMB27,705,837.36) that have become credit-impaired and for which impairment has been provided fully.

For details of other receivables reported as a result of centralized management of funds, see Note (XVI), 10.

5. Non-current assets due within one year

RMB

Item	**31 December 2024**	31 December 2023
Term deposits due within one year	**–**	460,673,819.59
Total	**–**	460,673,819.59

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

6. Long-term equity investments

Details of long-term equity investments are as follows:

RMB

Investee	Initial investment cost	31 December 2024	31 December 2023
Under equity method			
Yulu Mining	20,000,000.00	**86,863,113.55**	77,813,496.06
Huan Yu	973,335,000.00	**222,880,798.14**	201,518,840.71
Fu Chuan	–	**68,547,513.27**	49,286,315.55
Luoyang Shenyu	1,500,000.00	**6,025,607.07**	5,264,497.21
Guochuang Intelligent	4,000,000.00	**3,954,903.63**	3,927,560.33
Sub-total	998,835,000.00	**388,271,935.66**	337,810,709.86
Under cost method – subsidiaries			
China Molybdenum Refining Co., Ltd. ("Ye Lian")	5,638,250.27	**–**	305,638,250.27
Da Dong Po	33,483,749.86	**33,483,749.86**	33,483,749.86
Jiu Yang	17,028,900.00	**17,028,900.00**	17,028,900.00
San Qiang	28,294,800.00	**33,397,038.41**	33,397,038.41
Luoyang International	210,000,000.00	**290,000,000.00**	290,000,000.00
Wu Ye	100,000,000.00	**100,000,000.00**	100,000,000.00
CMOC HK	1,869,455,300.96	**1,869,455,300.96**	1,869,455,300.96
Metal Material	650,000,000.00	**170,000,000.00**	170,000,000.00
Xin Kuang Luo Mu	980,000,000.00	**980,000,000.00**	980,000,000.00
Fu Kai	261,520,000.00	**261,520,000.00**	261,520,000.00
Sales Company *(Note 1)*	50,000,000.00	**50,700,000.00**	50,700,000.00
CMOC Limited *(Note 1)*	575,797,299.48	**30,176,383,463.63**	30,175,675,029.48
Schmocke	500,000,000.00	**660,000,000.00**	660,000,000.00
Beijing Yongbo	10,000,000.00	**267,800,000.00**	267,800,000.00
Zhonghe Metallurgical	20,000,000.00	**20,000,000.00**	–
Shanghai Muchao *(Note 2)*	–	**182,737,423.17**	168,628,492.23
Sub-total	5,311,218,300.57	**35,112,505,876.03**	35,383,326,761.21
Total	6,310,053,300.57	**35,500,777,811.69**	35,721,137,471.07
Less: Impairment provision *(Note 3)*		**53,451,524.66**	53,451,524.66
Net long-term equity investments		**35,447,326,287.03**	35,667,685,946.41

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

6. Long-term equity investments (Continued)

Note 1: The Company provides guarantee for the subsidiaries' USD borrowings and recognizes relevant investment cost on the basis of the fair value of the guarantee.

Note 2: Investment cost recognized by the Company for settlement of employee stock ownership plan of subsidiaries.

Note 3: Impairment provision made by the Company's subsidiaries Jiu Yang, San Qiang and Da Dong Po.

7. Operating income, operating costs

RMB

Item	2024	2023
Principal operating income	**6,657,527,420.94**	7,016,315,120.34
Other operating income	**267,637,504.27**	251,606,432.52
Total	**6,925,164,925.21**	7,267,921,552.86
Principal operating costs	**3,442,882,765.01**	3,371,554,947.35
Other operating costs	**190,075,208.94**	212,300,856.97
Total	**3,632,957,973.95**	3,583,855,804.32

8. Investment income

RMB

Item	2024	2023
Income from long-term equity investments under equity method	**350,261,225.80**	64,573,515.66
Dividends income from subsidiaries	**3,275,000,000.00**	1,300,000,000.00
Investment income from disposal of subsidiaries	**–**	1,027,913,887.54
Total	**3,625,261,225.80**	2,392,487,403.20

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

9. Supplementary information to the cash flow statement

RMB

Supplementary information	2024	2023
1. Reconciliation of net profit to cash flow from operating activities:		
Net profit	**5,168,839,583.97**	4,154,494,330.70
Add: Provision for impairment on assets (gains are indicated with "-")	**6,522,194.37**	3,932,040.31
Provision for credit impairment (gains are indicated with "-")	**-2,288,133.31**	-1,676,557.83
Depreciation of fixed assets	**317,626,609.23**	317,833,188.93
Amortization of intangible asset	**8,377,505.71**	9,159,348.53
Amortization of long-term prepaid expenses	**24,850,353.81**	33,486,371.43
Income on disposal of fixed assets, intangible assets and other long-term assets	**-54,301,684.51**	-109,478,406.90
Losses on retirement of fixed assets	**367,757.89**	127,317.01
Gains from changes in fair values	**-93,060,337.98**	-9,155,993.00
Financial expenses	**177,157,267.03**	480,462,509.16
Investment income	**-3,625,261,225.80**	-2,392,487,403.20
Decrease (increase) in deferred tax assets	**69,318,498.92**	-94,976,936.98
(Increase) decrease in inventories	**-99,582,015.24**	26,553,632.79
Decrease in operating receivables	**835,615,042.46**	158,642,052.36
Increase in operating payable	**-859,755,020.83**	436,069,003.91
Amortization of deferred income	**-1,585,585.80**	-385,585.80
Increase in special reserve	**185,729,808.40**	101,369,054.26
Net Cash Flow from Operating Activities	**2,058,570,618.32**	3,113,967,965.68
2. Net changes in cash and cash equivalents:		
Closing balance of cash	**5,555,845,485.05**	9,426,057,531.60
Less: Opening balance of cash	**9,426,057,531.60**	8,901,293,066.14
Add: Closing balance of cash equivalents	**–**	–
Less: Opening balance of cash equivalents	**–**	–
Net (decrease) increase in cash and cash equivalents	**-3,870,212,046.55**	524,764,465.46

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions

Please refer to Note (VII) 1 for details of the subsidiaries of the Company and Note (V) 11 for associates and joint ventures of the Company.

(1) Details of related party transactions

(1.1) Sales and purchase of goods, provision and receipt of services

RMB

Related party	Type of transaction	Content of the transaction	Pricing method and decision-making process	2024 Amount	2023 Amount
Sales Company	Goods	Sales of products	Contract price	**2,693,706,050.35**	131,827,268.19
Ye Lian	Goods	Sales of products	Contract price	**1,160,973,507.36**	4,728,727,930.39
Da Dong Po	Goods	Sales of products/provision of services related to tailing processing	Contract price	**53,698,038.61**	55,855,842.44
Jiu Yang	Goods	Sales of products	Contract price	**288,558.43**	244,958.60
San Qiang	Goods	Sales of products	Contract price	**37,753,244.16**	51,258,600.49
Wu Ye	Goods	Sales of products	Contract price	**1,252,483,144.55**	1,022,606,134.84
Xin Kuang Luo Mu	Service	Rendering of services	Contract price	**9,147,499.19**	6,147,826.01
Schmocke	Service	Rendering of services	Contract price	**14,671,601.23**	–
IXM	Goods	Sales of products	Contract price	**–**	14,174,144.32
Dinghong	Goods	Sales of products	Contract price	**1,194,451,048.02**	757,939,131.22
Zhonghe Metallurgical	Goods	Sales of products	Contract price	**23,264,845.34**	–
Total				**6,440,437,537.24**	6,768,781,836.50
Jiu Yang	Goods	Purchase of goods and materials	Contract price	**9,841,057.23**	12,877,323.70
Ye Lian	Goods	Purchase of goods and materials	Contract price	**24,768.03**	3,578,334.22
Da Dong Po	Service/Goods	Receipt of service/Purchase of goods and materials	Contract price	**157,998,532.05**	158,694,188.64
Wu Ye	Goods	Purchase of goods and materials	Contract price	**2,525,960.92**	83,460.68
San Qiang	Service/Goods	Receipt of service/Purchase of goods and materials	Contract price	**97,641,276.81**	101,602,256.50
Schmocke	Goods	Purchase of goods and materials	Contract price	**19,050,851.00**	9,888,498.59
CMOC Limited	Goods	Purchase of goods and materials	Contract price	**1,958,993.90**	–
Zhonghe Metallurgical	Goods	Receipt of service/Purchase of goods and materials	Contract price	**97,915,945.94**	–
Total				**386,957,385.88**	286,724,062.33

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(1) Details of related party transactions (Continued)

(1.2) Loans and borrowings with the related parties

Except for the related party financing disclosures in Note (XI) 6, the financing transactions between the Company and other related parties are as follows:

RMB

	Lending in the current year	Recovery in the current year	Closing balance of current year	Lending in the prior year	Recovery in the prior year	Closing balance of the prior year
Lent to:						
Sales Company	2,600,000,000.00	2,600,000,000.00	-	8,385,774,584.70	8,457,973,700.42	-
Ye Lian	-	-	-	4,615,518,801.15	4,661,518,801.15	-
Luoyang International	220,000,000.00	-	220,000,000.00	-	-	-
Jiu Yang	-	-	112,292,257.55	20,180,117.86	12,267,466.64	112,292,257.55
CMOC Limited	2,348,411,412.28	703,440,426.18	5,791,581,372.08	4,953,246,574.85	854,497,010.79	4,146,610,385.98
Schmocke	2,202,280,772.00	4,238,371,033.67	679,687,510.33	1,293,762,411.32	2,656,094,514.53	2,715,777,772.00
Wu Ye	1,450,000,000.00	1,450,000,000.00	-	200,000,000.00	200,000,000.00	-
Beijing Yongbo	-	-	-	49,200,000.00	49,200,000.00	-
Dinghong	1,982,535.00	-	2,077,816.41	2,071,063,649.53	2,686,853,439.53	95,281.41
Total	8,822,674,719.28	8,991,811,459.85	6,805,638,956.37	21,588,746,139.41	19,578,404,933.06	6,974,775,696.94

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(1) Details of related party transactions (Continued)

(1.2) Loans and borrowings with the related parties (Continued)

RMB

	Borrowing in the current year	Repayment in the current year	Closing balance of current year	Borrowing in the prior year	Repayment in the prior year	Closing balance of the prior year
Borrowed from:						
Sales Company	9,091,207,425.87	8,130,993,450.72	2,018,252,864.48	10,592,148,318.05	10,472,934,935.58	1,058,038,889.33
Wu Ye	1,250,522,603.60	1,247,531,624.29	3,502,842.53	169,000,000.00	169,065,802.06	511,863.22
Metal Material	8,900,418.81	3,892,785.19	197,586,471.74	179,191,529.29	8,592,439.32	192,578,838.12
San Qiang	720,825.18	1,046,494.36	-	664,040.19	586,343.28	325,669.18
Da Dong Po	314,412,649.44	314,412,649.44	-	–	–	–
Xin Kuang Luo Mu	105,922,273.12	84,993,375.61	102,481,620.01	27,570,312.27	90,050,513.50	81,552,722.50
Fu Kai	-	-	1,295,366.25	–	–	1,295,366.25
Ye Lian	374,163,376.15	374,779,680.04	-	1,900,143,345.55	1,900,032,544.30	616,303.89
Schmocke	5,806,109,696.16	6,284,150,166.01	256,976,740.04	5,046,770,084.14	4,537,830,432.60	735,017,209.89
Beijing Yongbo	162,316,685.20	226,905,265.90	137,408,317.58	303,632,891.00	175,650,200.00	201,996,898.28
CMOC Limited	42,448,713.36	24,101,243.42	2,937,214,280.01	3,858,630,266.25	2,391,780,952.71	2,918,866,810.07
Dinghong	7,690,770,793.35	6,587,291,918.81	1,292,609,076.49	6,502,297,043.10	6,371,625,133.57	189,130,201.95
Jiu Yang	30,254,351.46	28,735,719.37	2,881,710.61	2,305,562.41	1,648,646.03	1,363,078.52
Luoyang International	631,857,577.07	586,778,127.55	47,644,469.16	69,252,235.37	66,687,215.73	2,565,019.64
CMOC HK	268,981.68	-	18,292,790.37	300,536.77	–	18,023,808.69
CMOC Singapore Pte. Ltd.	8,456,000.00	-	575,072,000.00	566,616,000.00	–	566,616,000.00
Zhonghe Metallurgical	19,843,461.14	9,574.86	19,833,886.28	–	–	–
Hainan Muxing	8,223.92	-	8,223.92	–	–	–
IXM	799.70	799.70	-	–	–	–
Total	25,538,184,855.21	23,895,622,875.27	7,611,060,659.47	29,218,522,164.39	26,186,485,158.68	5,968,498,679.53

(1.3) Interest on related party borrowings/loans

The interest on the Company's borrowings from/loans to related parties is as follows:

RMB

	2024	2023
Interest paid to subsidiaries	63,886,695.62	172,738,434.74
Interest received from subsidiaries	71,030,537.89	151,127,986.55

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(1) Details of related party transactions (Continued)

(1.4) Guarantees with related parties

Guarantor	Guaranteed party	Guaranteed amount	Inception date of guarantee	Expiration date of guarantee	Whether execution of guarantee has been completed
China Molybdenum Co., Ltd.	CMOC DRC	USD 2,350,000,000	4 November 2022	25 May 2031	No
China Molybdenum Co., Ltd.	CMOC Brazil	USD 700,000,000	31 December 2021	18 May 2029	No
China Molybdenum Co., Ltd.	CMOC Limited	USD100,000,000	26 September 2024	30 June 2027	No
China Molybdenum Co., Ltd.	CMOC Limited	USD50,000,000	8 February 2023	31 August 2026	No
China Molybdenum Co., Ltd.	CMOC Limited	USD731,000,000	10 March 2023	10 September 2028	No
China Molybdenum Co., Ltd.	CMOC Limited	RMB750,000,000	10 March 2023	10 September 2028	No
China Molybdenum Co., Ltd.	CMOC Limited	USD50,000,000	13 November 2023	8 November 2028	No
China Molybdenum Co., Ltd.	CMOC Limited	USD90,000,000	15 March 2024	15 March 2030	No
China Molybdenum Co., Ltd.	CMOC Limited	RMB300,000,000	27 March 2024	27 March 2029	No
China Molybdenum Co., Ltd.	Artemida Limited	USD830,000,000	–	–	No
China Molybdenum Co., Ltd.	Shanghai Aoyide	RMB50,000,000	15 August 2023	14 August 2026	No
China Molybdenum Co., Ltd.	Shanghai Aoyide	USD25,000,000	27 June 2024	27 June 2029	No
China Molybdenum Co., Ltd.	Shanghai Aoyide	USD20,000,000	31 July 2024	20 July 2025	No
China Molybdenum Co., Ltd.	Wu Ye	RMB50,000,000	28 February 2024	27 February 2025	No
China Molybdenum Co., Ltd.	Wu Ye	RMB300,000,000	31 October 2024	18 August 2028	No
China Molybdenum Co., Ltd.	Wu Ye	RMB130,000,000	4 November 2024	30 April 2025	No
China Molybdenum Co., Ltd.	Wu Ye	RMB110,000,000	20 December 2024	18 June 2025	No
China Molybdenum Co., Ltd.	Sales Company	RMB100,000,000	19 December 2023	14 December 2029	No
China Molybdenum Co., Ltd.	Sales Company	RMB390,000,000	29 November 2024	28 November 2028	No
China Molybdenum Co., Ltd.	Sales Company	RMB400,000,000	5 November 2024	30 April 2025	No
China Molybdenum Co., Ltd.	Sales Company	RMB120,000,000	31 October 2024	30 April 2025	No
China Molybdenum Co., Ltd.	Sales Company	RMB310,000,000	29 November 2024	29 May 2025	No
China Molybdenum Co., Ltd.	Sales Company	RMB100,000,000	3 December 2024	2 June 2025	No
China Molybdenum Co., Ltd.	Sales Company	RMB160,000,000	20 December 2024	18 June 2025	No
China Molybdenum Co., Ltd.	Sales Company	RMB130,000,000	20 December 2024	20 June 2025	No
China Molybdenum Co., Ltd.	Sales Company	RMB100,000,000	19 December 2024	19 June 2025	No

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(1) Details of related party transactions (Continued)

(1.4) Guarantees with related parties (Continued)

Guarantor	Guaranteed party	Guaranteed amount	Inception date of guarantee	Expiration date of guarantee	Whether execution of guarantee has been completed
China Molybdenum Co., Ltd.	Dinghong	RMB439,000,000	27 April 2023	27 April 2026	No
China Molybdenum Co., Ltd.	Dinghong	RMB100,000,000	15 May 2024	14 May 2025	No
China Molybdenum Co., Ltd.	Dinghong	RMB200,000,000	27 September 2024	27 September 2030	No
China Molybdenum Co., Ltd.	Dinghong	RMB200,000,000	24 December 2024	17 October 2029	No
China Molybdenum Co., Ltd.	Dinghong	RMB300,000,000	31 October 2024	18 August 2028	No
China Molybdenum Co., Ltd.	Dinghong	RMB330,000,000	4 November 2024	30 April 2025	No
China Molybdenum Co., Ltd.	Dinghong	RMB100,000,000	28 November 2024	27 May 2025	No
China Molybdenum Co., Ltd.	Dinghong	RMB110,000,000	20 December 2024	18 June 2025	No
China Molybdenum Co., Ltd.	Dong He, Shanghai Aoyide	RMB600,000,000	6 November 2024	6 November 2029	No
China Molybdenum Co., Ltd.	Dinghong, Dong He, Hainan Muxing, Shanghai Aoyide	USD200,000,000	3 November 2023	2 November 2026	No
China Molybdenum Co., Ltd.	Dong He, Hainan Muxing, CMOC Limited, CMOC Singapore Pte. Ltd.	USD165,000,000	9 April 2024	9 April 2033	No
China Molybdenum Co., Ltd.	Dong He	USD50,000,000	20 January 2022	19 January 2030	No
China Molybdenum Co., Ltd.	Dong He	RMB100,000,000	11 January 2023	11 January 2026	No
China Molybdenum Co., Ltd.	Dong He, Hainan Muxing	USD50,000,000	29 December 2023	29 December 2026	No
China Molybdenum Co., Ltd.	Dong He	USD6,000,000	12 April 2024	11 April 2029	No
China Molybdenum Co., Ltd.	Dong He	RMB300,000,000	12 April 2024	11 April 2029	No
China Molybdenum Co., Ltd.	Dong He	RMB200,000,000	26 April 2023	25 April 2027	No
China Molybdenum Co., Ltd.	Dong He	RMB120,000,000	14 September 2023	28 February 2026	No
China Molybdenum Co., Ltd.	Dong He	RMB100,000,000	13 March 2024	13 September 2028	No
China Molybdenum Co., Ltd.	Dong He, Hainan Muxing	USD19,000,000	27 March 2024	27 March 2028	No
China Molybdenum Co., Ltd.	Hainan Muxing	RMB200,000,000	21 November 2023	8 February 2028	No
China Molybdenum Co., Ltd.	Fu Chuan	RMB100,000,000	14 September 2024	13 September 2028	No
China Molybdenum Co., Ltd.	Fu Chuan	RMB160,000,000	31 March 2023	30 March 2029	No
China Molybdenum Co., Ltd.	Fu Chuan	RMB100,000,000	26 May 2023	29 May 2026	No
China Molybdenum Co., Ltd.	Huayue Nickel Cobalt	USD235,600,000	30 September 2021	21 March 2032	No

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(2) Amounts due from/to related parties

RMB

Item	Related party	31 December 2024	31 December 2023
Accounts receivable	Ye Lian	**–**	720,390,380.25
	San Qiang	**22,214,409.23**	143,316,517.46
	Da Dong Po	**26,716,638.66**	41,646,739.67
	Sales Company	**389,591,075.57**	1,390,017.35
	Dinghong	**152,171,607.51**	98,278,097.04
	Jiu Yang	**244,719.61**	59,835.15
	Xin Kuang Luo Mu	**1,004,295.63**	27,447.36
	Wu Ye	**155,096,817.31**	–
	Zhonghe Metallurgical	**7,243,812.06**	–
Dividends receivable	Schmocke	**3,135,000,000.00**	1,500,000,000.00
	Jiu Yang	**26,993,751.76**	26,993,751.76
	San Qiang	**10,118,892.09**	10,118,892.09
	Da Dong Po	**6,893,440.23**	6,893,440.23
	Sales Company	**195,000,000.00**	–
	Wu Ye	**70,000,000.00**	–
	Beijing Yongbo	**15,000,000.00**	–
	CMOC Limited	**1,360,000,000.00**	–
	Huan Yu	**163,600,000.00**	–
	Fu Chuan	**46,400,000.00**	–
Other receivables	Schmocke	**679,687,510.33**	2,715,777,772.00
	Dinghong	**2,077,816.41**	95,281.41
	Jiu Yang	**112,292,257.55**	112,292,257.55
	Sales Company	**73,989.71**	71,183.23
	CMOC Limited	**5,791,581,372.08**	4,146,610,385.98
	Xin Kuang Luo Mu	**–**	6,336,196.44
	Da Dong Po	**276,648.65**	117,507.84
	Wu Ye	**1,598,545.00**	–
	CMOC UK	**129,152.82**	–
	Zhonghe Metallurgical	**34,366.07**	–
	Luoyang International	**220,000,000.00**	–
Interest receivable	CMOC HK	**116,551,411.55**	115,823,345.23
	Schmocke	**41,195,888.45**	71,923,493.63
	Sales Company	**–**	1,304,657.55
	Dinghong	**–**	7,566,252.35
	Ye Lian	**–**	15,030,674.68
	Jiu Yang	**13,594,299.97**	13,594,299.97
	Beijing Yongbo	**–**	57,442.20
	CMOC Limited	**29,760,906.49**	–
	Luoyang International	**4,360,602.74**	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVI). NOTES TO KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

10. Related party relationships and transactions (Continued)

(2) Amounts due from/to related parties (Continued)

RMB

Item	Related party	31 December 2024	31 December 2023
Interest payable	CMOC Limited	–	7,247,868.15
	Schmocke	126,616.44	2,272,714.04
	Xin Kuang Luo Mu	652,213.51	863,312.27
	Ye Lian	–	16,679,219.26
	Sales Company	2,789,337.06	16,919,773.85
	Wu Ye	572,340.28	1,473,697.04
	Jiu Yang	838,535.84	838,535.84
	Metal Material	2,146,792.12	1,202,099.07
	Dinghong	620,407.09	2,049,300.80
	Luoyang International	14,509.13	241,223.20
	Da Dong Po	28,078.71	53,970.74
	Beijing Yongbo	52,481.60	158,192.08
	Zhonghe Metallurgical	24,409.88	–
Other payables	CMOC Limited	2,937,214,280.01	2,918,866,810.07
	Sales Company	2,018,252,864.48	1,058,038,889.33
	Schmocke	256,984,963.96	735,017,209.89
	Xin Kuang Luo Mu	102,481,620.01	81,552,722.50
	Beijing Yongbo	137,408,317.58	201,996,898.28
	Dinghong	1,292,636,974.89	189,130,201.95
	Metal Material	197,896,729.36	192,578,838.12
	CMOC HK	18,292,790.38	18,023,808.69
	Fu Kai	1,295,366.25	1,295,366.25
	Jiu Yang	2,881,710.61	1,363,078.52
	Wu Ye	3,502,842.53	511,863.22
	Ye Lian	–	616,303.89
	San Qiang	–	325,669.18
	Luoyang International	47,644,469.16	2,565,019.64
	CMOC UK	129,152.82	53,581,391.56
	CMOC Singapore Pte. Ltd.	575,072,000.00	566,616,000.00
	Zhonghe Metallurgical	19,833,886.28	–
Accounts payable	Da Dong Po	81,414,131.82	74,141,328.67
	San Qiang	–	48,052,642.21
	Ye Lian	–	7,453.08
	Wu Ye	2,948,646.41	94,310.57
	Jiu Yang	897,023.11	2,070,322.12
	Schmocke	20,193,902.06	3,727,625.25
	CMOC Limited	1,973,503.34	–
	Zhonghe Metallurgical	19,771,643.57	–
Contract liabilities	Wu Ye	–	240,466,616.23
	Fu Xing	6,801.79	–
Prepayments	San Qiang	75,560.34	–

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVII). SUPPLEMENTARY INFORMATION

1. Breakdown of non-recurring profit or loss

RMB

Item	2024
Net profit	15,459,442,489.95
Add (less): Non-recurring profit or loss items	
– Gains from disposal of non-current assets	(66,475,010.13)
– Government grants included in profit or loss for the period (other than government grants which are closely related to the Company's normal business, and compliant with national policies and regulations, available according to determined requirements, and have a continuous impact on the Company's profit or loss)	(140,600,398.46)
– Capital occupation fee charged to non-financial enterprises included in profit or loss for the period	(24,528,009.79)
– Gains or losses from fair value changes arising from financial assets and financial liabilities held by non-financial enterprises besides the transactions under effective hedging relationship relating to the Company's normal course of operation, as well as gains or losses from disposal of the above financial assets/liabilities	(365,184,697.34)
– Other fair value change losses	16,889,178.25
– Other net non-operating income or expenses other than the above items	141,997,189.58
Sub-total	(437,901,747.89)
Income tax effects from non-recurring profit or loss items	35,638,318.23
Net profit after deducting non-recurring profit or loss items	15,057,179,060.29
Including: Net profit attributable to shareholders of the Company	13,118,825,942.69
Net profit attributable to minority interests	1,938,353,117.60

IXM Holding S.A and its subsidiaries (collectively "IXM") in the Group's mineral trading segment jointly constitute a commodity trader, whose daily operation is to hedge the price risk arising from spot trading using commodity futures contracts, commodity option contracts and forward commodity contracts, so as to realize profits from the combination of futures and cash. Its spot trading business includes commodities purchased from other companies within the Group at fair market prices. According to the Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No. 1 – Non-Recurring Profits and Losses (2023 Revision), the determination of non-recurring profits and losses should be based on the judgement on industry characteristics and business model. Taking this principle into consideration, the Group believes the application of IXM's relevant derivative financial instruments is in line with the industry characteristics and business model of commodity trades, and is a part of its daily operation. Therefore, the gains or losses from fair value changes arising from commodity futures contracts, commodity option contracts and forward commodity contracts held by IXM are presented as recurring profits and losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

(XVII). SUPPLEMENTARY INFORMATION (CONTINUED)

2. Return on net assets and earnings per share ("EPS")

The calculation of net assets and EPS is prepared by China Molybdenum Co., Ltd. in accordance with Information Disclosure and Presentation Rules for Entities with Public Offering of Securities No. 9 – Calculation and Disclosure of Return on Net Assets and Earnings per Share (Amended in 2010) issued by China Securities Regulatory Commission.

RMB

Profit for the reporting period	Weighted average return on net assets (%)	EPS	
		Basic EPS	Diluted EPS
Net profit attributable to ordinary shareholders of the Company	20.96	0.63	0.63
Net profit after deduction of non-recurring profits or losses attributable to ordinary shareholders of the Company	20.32	0.61	0.61

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Sun Ruiwen *(CEO)*
Li Chaochun *(Vice Chairman)*

Non-Executive Directors

Yuan Honglin *(Chairman)*
Lin Jiuxin *(Vice Chairman)*
Jiang Li

Independent Non-Executive Directors

Wang Kaiguo *(appointed on 7 June 2024)*
Gu Hongyu *(appointed on 7 June 2024)*
Cheng Gordon *(appointed on 7 June 2024)*

SUPERVISORS

Zheng Shu
Zhang Zhenhao
Luo Yunxiang *(appointed on 10 December 2024)*

BOARD COMMITTEES

Remuneration Committee

Wang Kaiguo *(Chairman)*
Gu Hongyu
Yuan Honglin

Audit and Risk Committee

Gu Hongyu *(Chairman)*
Cheng Gordon
Yuan Honglin

Strategic and Sustainability Committee

Yuan Honglin *(Chairman)*
Sun Ruiwen
Li Chaochun
Wang Kaiguo
Lin Jiuxin
Jiang Li

Nomination and Governance Committee

Wang Kaiguo *(Chairman)*
Yuan Honglin *(Vice Chairman)*
Gu Hongyu
Cheng Gordon

BOARD SECRETARY

Xu Hui

JOINT COMPANY SECRETARIES

Xu Hui
Ng Sau Mei *(FCG, HKFCG)*

REGISTERED OFFICE IN THE PRC

North of Yihe, Huamei Shan Road
Chengdong New District, Luanchuan County
Luoyang City, Henan Province, the PRC

PRINCIPAL PLACE OF BUSINESS IN THE PRC

North of Yihe, Huamei Shan Road
Chengdong New District, Luanchuan County
Luoyang City, Henan Province, the PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

31/F, Tower Two, Times Square
1 Matheson Street
Causeway Bay, Hong Kong

LEGAL REPRESENTATIVE

Yuan Honglin

AUTHORIZED REPRESENTATIVES

Yuan Honglin
Ng Sau Mei

ENQUIRY DEPARTMENT OF THE COMPANY

The Board Office

CORPORATE INFORMATION

INFORMATION ENQUIRY TELEPHONE NO. OF THE COMPANY

(+86) 379 6860 3993

SHANGHAI A SHARE REGISTRAR

China Securities Depository and
Clearing Corporation Limited, Shanghai Branch
36/F, China Insurance Building
No. 166 Lujiazui Road East
Pudong New Area
Shanghai, the PRC

HONG KONG H SHARE REGISTRAR

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

PLACES OF LISTING

Place of listing of A share – The Shanghai Stock Exchange
Place of listing of H share – The Stock Exchange of Hong Kong Limited

NAME OF THE STOCK

CMOC Group Limited (CMOC)

STOCK CODE

Stock code of A share: 603993 *(Listed on 9 October 2012)*
Stock code of H share: 03993 *(Listed on 26 April 2007)*

PRINCIPAL BANKERS

1. Industrial and Commercial Bank of China Limited
2. Agricultural Bank of China Limited
3. China Construction Bank Corporation
4. Bank of China Limited
5. China Minsheng Banking Corp., Ltd.
6. China CITIC Bank Corporation Limited
7. China Development Bank Corporation
8. Ping An Bank Co., Ltd.

AUDITOR

Deloitte Touche Tohmatsu Certified Public Accountants LLP

LEGAL ADVISORS

As to Hong Kong law:

Freshfields Bruckhaus Deringer
55/F, One Island East, Taikoo Place
Quarry Bay, Hong Kong

As to PRC law:

Llinks Law Offices
19/F, One Lujiazui
68 Yin Cheng Road Middle
Shanghai, the PRC

WEBSITE

www.cmoc.com

DEFINITION OF COMMON TERMS

"APT"	ammonium paratungstate
"CATL"	Contemporary Amperex Technology Co., Limited
"CFC"	Cathay Fortune Corporation, the controlling shareholder of the Company
"CMOC Brasil"	CMOC Brasil Mineração Indústria e Participações Ltda
"CMOC", "Company", "Group"	洛陽欒川鉬業集團股份有限公司(CMOC Group Limited*)
"Fuchuan Mining"	Luoyang Fuchuan Mining Co., Ltd., a joint venture of the Company
"Gécamines"	La Générale des Carrières et des Mines S.A.
"IXM"	generally refers to IXM Holding S.A., its subsidiaries and affiliates
"KFM"	CMOC KISANFU MINING SARL
"KFM Copper and Cobalt Mine"	Kisanfu Copper/Cobalt Mine Area located in Congo (DRC)
"LMG"	Luoyang Mining Group Co., Ltd., the second largest shareholder of the Company
"Luoyang Guohong"	Luoyang Guohong Investment Holdings Group Co., Ltd.
"Niobium Mine in Brazil"	the Boa Vista niobium mine located in the Catalão mining area in Brazil, which is owned by CMOC Brasil
"Phosphate Mine in Brazil"	the Chapadão phosphate mine located in the Catalão mining area in Brazil, which is owned by CMOC Brasil

DEFINITION OF COMMON TERMS

"Sandaozhuang Molybdenum and Tungsten Mine"	located in Luanchuan County, Henan Province, China, the major operating molybdenum and tungsten mine of the Company at present
"Shangfanggou Molybdenum Mine"	located in Luanchuan County, Henan Province, China, which is owned by a controlled subsidiary of Xuzhou Huanyu Molybdenum Co., Ltd., a joint venture of the Company
"TFM"	Tenke Fungurume Mining S.A.(DRC)
"TFM Copper and Cobalt Mine"	Tenke Fungurume Copper/Cobalt Mine Area located in Congo (DRC)

* *for identification purposes only*

To be a respected, modern,
and world-class resources company

CMOC Group Limited *