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

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

(Stock Code: 3636)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL SUMMARY

	For the six months ended 30 June		
	2026	2025	
	(unaudited)	(unaudited)	Change
Revenue (RMB'000)	**1,445,333**	963,919	+49.94%
Gross profit (RMB'000)	**484,936**	257,973	+87.98%
Gross profit margin (Note 1)	**33.55%**	26.76%	+6.79
Profit for the period (RMB'000)	**230,204**	134,981	+70.55%
Net profit margin (Note 2)	**15.93%**	14.00%	+1.93
Profit attributable to shareholders of the Company (RMB'000)	**230,204**	134,981	+70.55%
Basic earnings per share (RMB per share)	**1.54**	1.22	+26.23%

The Board has resolved to recommend the distribution of an interim dividend in cash of RMB0.3 per share of the Company (tax inclusive) for the six months ended 30 June 2026.

Notes:

(1) Gross profit margin is calculated based on gross profit divided by revenue and multiplied by 100%.

(2) Net profit margin is calculated based on profit for the period divided by revenue and multiplied by 100%.

(Note: This announcement is published in Chinese and English. In case of inconsistency, the Chinese version prevails.)

The board (the "**Board**") of directors (the "**Directors**") of Yunnan Jinxun Resources Co., Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") announces the unaudited consolidated interim results of the Group for the six months ended 30 June 2026 (the "**Reporting Period**"), together with the comparative figures for the six months ended 30 June 2025 (the "**Corresponding Period**").

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

The following unaudited consolidated financial information was prepared in accordance with the Basic Standards and the Specific Standards of the Accounting Standards for Business Enterprises ("**ASBE**") issued by the Ministry of Finance of the PRC ("**MOF**"), and Application Guidance for ASBE, interpretations and other relevant regulations issued and revised thereafter (hereafter referred to as "**CASBE**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026
(Expressed in Renminbi Yuan)

	Notes	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Operating revenue	3	**1,445,333,450.88**	963,918,574.29
Less: Operating costs	3	**960,397,850.63**	705,945,778.83
Taxes and surcharges	5	**43,878,069.23**	38,051,795.62
Selling expenses		**7,835,279.17**	6,251,981.19
Administrative expenses		**70,571,703.07**	44,318,099.25
R&D expenses		**11,327,098.07**	8,297,167.92
Finance expenses	6	**19,205,638.33**	2,016,185.58
Including: Interest expenses		**7,618,749.76**	7,833,485.52
Interest income		**7,036,762.96**	283,481.28
Add: Other income		**125,216.15**	32,641.40
Investment income	7	**27,535,674.52**	10,469,654.51
Gains from changes in fair value	8	**1,738,255.40**	966,438.74
Credit impairment losses		**(16,352,657.68)**	(9,159,500.85)
Asset impairment losses		**(26,593,295.26)**	–
Loss on disposal of assets		**(71,074.91)**	(48,910.48)
Operating profit		**318,499,930.60**	161,297,889.22
Add: Non-operating revenue		**223,018.48**	368,300.41
Less: Non-operating expenses		**711,919.65**	463,090.93
Total profit		**318,011,029.43**	161,203,098.70
Less: Income tax expenses	4	**87,807,056.67**	26,221,917.20
Net profit		**230,203,972.76**	134,981,181.50
(I) Classified by operating continuity			
Net profit from continuing operations		**230,203,972.76**	134,981,181.50
(II) Classified by ownership			
Net profit attributable to the shareholders of the Company		**230,203,972.76**	134,981,181.50

	Notes	**For the six months ended 30 June 2026 (Unaudited)**	For the six months ended 30 June 2025 (Unaudited)
Other comprehensive income, net of tax		**(26,034,731.61)**	(1,551,816.19)
Other comprehensive income attributable to the shareholders of the Company		**(26,034,731.61)**	(1,551,816.19)
Items that may be reclassified to profit or loss		**(26,034,731.61)**	(1,551,816.19)
Translation differences arising from translation of foreign currency financial statements		**(26,034,731.61)**	(1,551,816.19)
Total comprehensive income		**204,169,241.15**	133,429,365.31
Total comprehensive income attributable to the shareholders of the Company		**204,169,241.15**	133,429,365.31
Earnings per share	*10*		
(I) Basic earnings per share (RMB/share)		**1.54**	1.22
(II) Diluted earnings per share (RMB/share)		**1.54**	1.22

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

(Expressed in Renminbi Yuan)

	Notes	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Assets			
Current assets:			
Cash and cash equivalents		**867,246,009.22**	295,169,837.36
Derivative financial assets		**210,050.00**	–
Receivables Financing		**8,716,000.00**	–
Accounts receivable	*12*	**94,170,771.66**	39,699,809.14
Prepayments		**35,530,698.35**	26,958,022.74
Other receivables		**80,003,121.39**	72,136,506.19
Inventories	*11*	**756,629,452.32**	776,079,110.50
Other current assets		**35,628,725.98**	51,081,555.22
Total current assets		**1,878,134,828.92**	1,261,124,841.15
Non-current assets:			
Fixed assets		**679,330,792.49**	641,753,500.69
Construction in progress		**340,420,755.41**	110,831,356.63
Right-of-use assets		**368,561.16**	434,688.40
Intangible assets		**45,244,364.13**	31,002,179.80
Long-term deferred expenses		**10,530,226.76**	10,816,420.59
Deferred tax assets		**17,983,018.53**	13,867,709.27
Other non-current assets		**141,479,248.67**	123,046,609.82
Total non-current assets		**1,235,356,967.15**	931,752,465.20
Total assets		**3,113,491,796.07**	2,192,877,306.35
Liabilities and shareholders' equity			
Current liabilities:			
Short-term borrowings	*14*	**260,016,974.10**	225,290,921.40
Derivative financial liabilities		**–**	251,350.00
Accounts payable	*13*	**338,026,155.30**	610,051,819.15
Contract liabilities		**3,231,100.36**	58,869,658.71
Employee pay payable		**12,676,050.48**	12,604,635.57
Taxes payable		**164,156,368.96**	93,311,374.13
Other payables		**60,843,486.78**	216,166,030.83
Non-current liabilities due within one year		**53,251,039.77**	25,535,396.29
Other current liabilities		**217,560.84**	575,221.24
Total current liabilities		**892,418,736.59**	1,242,656,407.32

	Notes	At 30 June 2026 (Unaudited)	At 31 December 2025 (Audited)
Non-current liabilities:			
Long-term borrowings	*14*	**111,211,249.89**	86,098,749.34
Lease liabilities		**278,839.61**	341,332.16
Provisions		**37,482,094.35**	37,375,997.62
Deferred tax liabilities		**–**	3,246,663.25
Total non-current liabilities		**148,972,183.85**	127,062,742.37
Total liabilities		**1,041,390,920.44**	1,369,719,149.69
Shareholders' equity:			
Share capital		**152,577,043.00**	110,296,643.00
Capital reserve		**1,096,968,903.80**	44,439,602.51
Other comprehensive income		**(28,656,878.53)**	(2,622,146.92)
Special reserve		**317,434.35**	3,233.63
Surplus reserve		**27,816,757.83**	27,816,757.83
Retained earnings		**823,077,615.18**	643,224,066.61
Total shareholder's equity attributable to the parent company		**2,072,100,875.63**	823,158,156.66
Total shareholders' equity		**2,072,100,875.63**	823,158,156.66
Total liabilities and shareholders' equity		**3,113,491,796.07**	2,192,877,306.35

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the six months ended 30 June 2026

1 COMPANY OVERVIEW

The Company was incorporated in China on 21 January 2010 under the Company Law of the People's Republic of China, and was restructured into a joint stock company on 15 July 2016. Its NEEQ and H shares are listed on the National Equities Exchange and Quotations ("**NEEQ**") and the Main Board of The Stock Exchange of Hong Kong Limited, respectively.

The consolidated financial statements are presented in Renminbi, which is also the functional currency of the Company and its domestic subsidiaries. The Group is principally engaged in the smelting, trading and sale of copper, cobalt and other non-ferrous metals.

2 BASIS OF PREPARATION

These interim financial statements have been prepared in accordance with Accounting Standards for Business Enterprises – No. 32 Interim Financial Reporting issued by the Ministry of Finance.

In addition, the Group also disclosed relevant financial information in accordance with relevant disclosure requirements of Compilation Rules No. 15 for Information Disclosure by Companies Offering Securities to the Public – General Requirements for Financial Reporting (2023 Revision) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company prepared the financial statements on the going concern basis.

3 REVENUE AND SEGMENT REPORTING

The Group has two reportable segments, namely the metal production and processing segment and the trading business segment. The Group manages its business by divisions. Each reportable segment is a separate business segment, which provides different products and services, and needs to be managed separately for the purpose of resource allocation and performance evaluation.

The Group is under overall operation. It has centralised internal organisation structure, management requirements and internal reporting system. The Group's top management monitors the Group's assets and liabilities as a whole and accordingly, segment assets and liabilities are not presented. Management conducts resource allocation and performance assessment by regularly reviewing the financial information at the Group level. Other operating revenue and expenses of the Group are not measured under each segment, and the indicators used to report segment results are revenue from principal activities and cost of principal activities.

(a) Disaggregation of revenue and cost

	Revenue For the six months ended 30 June 2026 (Unaudited)	**Cost For the six months ended 30 June 2026 (Unaudited)**	Revenue For the six months ended 30 June 2025 (Unaudited)	Cost For the six months ended 30 June 2025 (Unaudited)
Metal production and processing	**1,169,913,844.03**	**741,265,619.99**	839,938,406.34	589,957,332.68
Trading of non-ferrous metal products	**274,523,932.20**	**219,088,692.15**	123,846,556.85	115,970,579.26
Other businesses	**895,674.65**	**43,538.49**	133,611.10	17,866.89
Total	**1,445,333,450.88**	**960,397,850.63**	963,918,574.29	705,945,778.83

(b) Segment reporting

The following table sets out the information of the Group's revenue from external customers (based on the location of delivery) and non-current assets (excluding financial assets, segregated account assets and deferred tax assets) by region. Revenue from external customers is classified based on the location of delivery, while non-current assets are classified based on the physical location of the assets (for fixed assets) or the location to which they are allocated for the relevant business operations (for intangible assets).

	Revenue from external customers		**Non-current assets**	
	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)	**As at 30 June 2026 (Unaudited)**	As at 31 December 2025
Chinese Mainland	**281,974,380.25**	84,028,411.30	**214,011,053.32**	239,293,958.07
The Democratic Republic of the Congo ("**DRC**")	**947,748,802.35**	699,761,240.98	**651,600,071.33**	456,282,199.47
Zambia	**214,521,112.51**	127,774,514.90	**350,161,904.97**	220,691,689.72
Peru	**1,089,155.77**	52,354,407.11	**1,568,549.52**	1,579,161.48
Singapore	**–**	–	**32,369.48**	37,747.19
Total	**1,445,333,450.88**	963,918,574.29	**1,217,373,948.62**	917,884,755.93

4 TAXES

(a) Major types of taxes and tax rates

Type of tax	**Tax base**	**Tax rate**
Value-added tax	Sales revenue from products	Mainland China: 13%, 9% and 6%; Zambia and DRC: 16%; Peru: 18%
Resource tax	Sales revenue from products	DRC: 3.5%
Urban maintenance and construction tax	Turnover taxes payable arising from Mainland China	7%
Education surcharge	Turnover taxes payable arising from Mainland China	3%
Local education surcharge	Turnover taxes payable arising from Mainland China	2%
Enterprise income tax	Taxable income for tax purposes	Mainland China: 25%

Different enterprise income tax rates of the Company's subsidiaries

Name of company	**Tax rate**
Rong Xing Investments Limited (榮興投資有限公司)	30%
Jinxun (Singapore) International Trade Pte. Ltd. (金潯(新加坡)國際貿易有限公司)	17%
Jinxun Congo (DRC) Mining Co., Ltd. (金潯剛果(金)礦業有限責任公司)	30%
Jinxun Peru Mining Co., Ltd. (金潯秘魯礦業有限公司)	29.5%

Note 1: Rong Xing Investments Limited is a company registered in Zambia and is subject to an applicable enterprise income tax rate of 30%;

Note 2: Jinxun Congo (DRC) Mining Co., Ltd. is a company registered in the DR Congo and is subject to an applicable enterprise income tax rate of 30%;

Note 3: Jinxun Peru Mining Co., Ltd., a subsidiary of the Company, is a company registered in Peru and is subject to an applicable enterprise income tax rate of 29.5%;

Note 4: Jinxun (Singapore) International Trade Pte. Ltd., a subsidiary of the Company, is a company registered in Singapore and is subject to an applicable enterprise income tax rate of 17%.

(b) Tax Preferential Treatment

According to the Announcement on Continuing the Western Development Corporate Income Tax Policy, issued by the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission (Ministry of Finance Announcement No. 23 [2020]), from 1 January 2021 to 31 December 2030, corporate income tax is levied at a reduced rate of 15% on enterprises in encouraged industries located in the western region.

Pursuant to the provisions of the Interim Implementation Measures for the Enterprise Income Tax Policy of the Tibet Autonomous Region (Tibet Autonomous Region Government Official Document [2022] No. 11), for enterprises satisfying the relevant conditions, the local share portion of enterprise income tax is exempted for the period from 1 January 2022 to 31 December 2025 (the actual effective enterprise income tax rate after exempting the local share portion is 9%). Pursuant to the Notice of the People's Government of the Tibet Autonomous Region on Amending the Implementation Measures for the Enterprise Income Tax Policies of the Tibet Autonomous Region (Provisional) (Zang Zheng Fa [2026] No. 4), the above effective period has been extended to 31 December 2027. Tibet Huiyi Information Technology Co., Ltd., a subsidiary of the Company, computed and paid its enterprise income tax from January to June in 2026 and from January to June in 2025, at the rate of 9%.

Pursuant to the Singapore Income Tax Act, in respect of an enterprise's normal taxable income, the first S$10,000 portion is eligible for a 75% tax exemption; the portion from S$10,001 to S$200,000 enjoys a 50% tax exemption; and any remaining portion is subject to corporate income tax at the rate of 17%. Subject to meeting certain trading-related requirements, Jinxun (Singapore) International Trade PTE. Ltd. (hereinafter referred to as "Jinxun (Singapore)") enjoys a preferential tax rate of 10% on specified trading products for the period from 1 April 2025 to 31 March 2028. The aforementioned tax preferential treatment applied to Jinxun (Singapore), a subsidiary of the Company.

Pursuant to the Announcement of the State Taxation Administration on Issues Concerning the Implementation of the Inclusive Income Tax Reduction and Exemption Policy for Small-and-Low-Profit Enterprises (State Taxation Administration Announcement No. 2 [2019]), the Announcement of the State Taxation Administration on Matters Concerning the Implementation of Preferential Income Tax Policies in Support of the Development of Small-and-Low-Profit Enterprises and Individual Industrial and Commercial Households (State Taxation Administration Announcement No. 8 [2021]), the Announcement of the Ministry of Finance and the State Taxation Administration on Further Implementing Preferential Income Tax Policies for Small-and-Low-Profit Enterprises (Ministry of Finance and State Taxation Administration Announcement No. 13 [2022]) and the Announcement of the Ministry of Finance and the State Taxation Administration on Preferential Income Tax Policies for Small-and-Low-Profit Enterprises and Individual Industrial and Commercial Households (Ministry of Finance and State Taxation Administration Announcement No. 6 [2023]), Shanghai Jinxun New Energy Co., Ltd. is eligible for the preferential tax policies for small-and-low-profit enterprises.

(1) Components of income tax expenses

Item	**For the six months ended 30 June 2026 (Unaudited)**	For the six months ended 30 June 2025 (Unaudited)
Current income tax expenses	**95,160,210.28**	25,565,112.59
Deferred income tax expenses	**(7,353,153.61)**	656,804.61
Total	**87,807,056.67**	26,221,917.20

(2) Reconciliation of accounting profit to income tax expenses

Item	**For the six months ended 30 June 2026 (Unaudited)**	For the six months ended 30 June 2025 (Unaudited)
Total profit	**318,011,029.43**	161,203,098.70
Income tax expenses calculated at the statutory/applicable tax rate	**79,502,757.36**	40,300,774.68
Effect of different tax rates applicable to subsidiaries	**(19,928,314.31)**	(1,735,302.17)
Effect of non-taxable income	**(2,007,253.59)**	(18,175,612.58)
Effect of non-deductible costs, expenses and losses	**15,744,089.09**	808,787.90
Effect of changes in tax rates	**–**	680.53
Difference arising from tax settlement	**817,147.33**	–
Effect of deductible temporary differences or deductible losses for which no deferred income tax assets were recognised during the period	**9,790,658.83**	5,404,193.68
Effect of withholding tax	**4,155,084.38**	
Additional deductions for research and development expenses	**(267,112.42)**	(381,604.84)
Income tax expenses	**87,807,056.67**	26,221,917.20

5 TAXES AND SURCHARGES

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Mineral resource taxes	**32,445,118.03**	27,287,474.39
Duties	**9,174,284.31**	7,889,936.30
Environmental protection tax	**236,782.23**	592,246.94
Stamp tax	**350,291.45**	108,143.48
Others	**1,671,593.21**	2,173,994.51
Total	**43,878,069.23**	38,051,795.62

6 FINANCE EXPENSES

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Interest expenses on borrowings and payables	**10,407,068.69**	8,221,053.35
Interest expenses on restoration obligations	**1,257,789.53**	996,154.20
Interest expense on lease liabilities	**9,874.08**	13,880.36
Less: Interest expenses capitalised	**4,055,982.54**	1,397,602.38
Subtotal of interest expenses	**7,618,749.76**	7,833,485.53
Less: interest income	**7,036,762.96**	283,481.28
Net interest expense	**581,986.80**	7,550,004.25
Net foreign exchange losses/(gains)	**12,654,783.44**	(9,327,648.99)
Handling expenses and other expenses	**5,968,868.09**	3,581,830.32
Other finance charges	**–**	212,000.00
Total	**19,205,638.33**	2,016,185.58

7 INVESTMENT INCOME

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Investment income from account receivables and account payables under provisional priced sales arrangements	**23,309,717.57**	10,576,250.37
Investment income/(loss) from commodity futures contracts	**4,225,956.95**	(106,595.86)
Total	**27,535,674.52**	10,469,654.51

8 GAINS FROM CHANGES IN FAIR VALUE

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Gains from changes in fair value of commodity futures contracts	**461,400.00**	–
Gains from changes in fair value of account receivables and account payables under provisional priced sales arrangements	**1,276,855.40**	966,438.74
Total	**1,738,255.40**	966,438.74

9. DIVIDENDS

In September 2025, the shareholders of the Company approved a cash dividend of RMB0.28 per share for the six months ended 30 June 2025, totalling RMB30,883,060.40;

In June 2026, the shareholders of the Company approved a cash dividend of RMB0.33 per share for the year ended 31 December 2025, totalling RMB50,350,424.19.

10 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic and diluted earnings per share is based on the profit attributable to equity shareholders of the Company of RMB230,203,972.76 (For the six months ended 30 June 2025: RMB134,981,181.50), and the weighted average number of 149,717,505.22 ordinary shares (For the six months ended 30 June 2025: 110,296,643 ordinary shares) in issue during the period.

(b) Diluted earnings per share

The over-allotment option granted by the Company to the H-share Overall Coordinators has a potential dilutive effect. From 1 January 2026 to 30 June 2026, the weighted average number of ordinary shares outstanding (diluted) was 150,697,914 shares (from 1 January 2025 to 30 June 2025: no potential dilutive effect).

11 INVENTORIES

	At 30 June 2026 (Unaudited)		
	Book value	**Provision for inventories**	**Carrying amount**
Raw materials	**429,012,180.67**	**16,164,957.97**	**412,847,222.70**
Goods in stock	**239,838,769.71**	**6,645,081.36**	**233,193,688.35**
Work in process	**114,371,797.20**	**3,783,255.93**	**110,588,541.27**
Total	**783,222,747.58**	**26,593,295.26**	**756,629,452.32**

	At 31 December 2025 (Audited)		
	Book value	Provision for inventories	Carrying amount
Raw materials	507,300,666.56	–	507,300,666.56
Goods in stock	167,133,259.38	–	167,133,259.38
Work in process	101,645,184.56	–	101,645,184.56
Total	776,079,110.50	–	776,079,110.50

12 ACCOUNTS RECEIVABLE

	At 30 June 2026 (Unaudited)	At 31 December 2025 (Audited)
Accounts receivable at fair value through profit or loss	**92,964,309.50**	37,353,008.19
Accounts receivable at amortised cost	**1,206,462.16**	2,346,800.95
Total	**94,170,771.66**	39,699,809.14

Note: Some of the Group's commodity sales contracts contain provisional priced sales arrangements. Since the contractual cash flow characteristics of these accounts receivable are not solely payments of the principal and the interest based on the outstanding principal amount, the Group classifies them as financial assets at fair value through profit or loss.

Aging of accounts receivable at fair value (based on the invoice dates):

Aging	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Within 1 year	**92,964,309.50**	37,353,008.19

Aging of accounts receivable at amortised cost (based on the invoice dates):

Aging	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Within 1 year	**1,269,960.16**	2,470,316.75
Less: Bad debt provision	**63,498.00**	123,515.80
Total	**1,206,462.16**	2,346,800.95

13 ACCOUNTS PAYABLE

(1) Presentation of accounts payable

	At 30 June 2026 (Unaudited)	At 31 December 2025 (Audited)
Accounts payable designated as measured at fair value through profit or loss	**71,566,190.62**	408,156,340.66
Accounts payable at amortised cost	**266,459,964.68**	201,895,478.49
Total	**338,026,155.30**	610,051,819.15

Note: Some of the Group's commodity purchase contracts contain provisional priced sales arrangements, and the purchase price is provisionally determined based on the current spot price and the price in the specified future period after shipment is used as the final price for settlement with suppliers. The Group designates such accounts payable as financial liabilities at fair value through profit or loss in its entirety.

Aging of accounts payable at fair value (based on the invoice dates):

Aging	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Within 1 year	**70,764,977.53**	407,329,494.49
1 – 2 year	**–**	–
2 – 3 years	**801,213.09**	826,846.17
Total	**71,566,190.62**	408,156,340.66

Aging of accounts payable at amortised cost (based on the invoice dates):

Aging	**At 30 June 2026 (Unaudited)**	At 31 December 2025 (Audited)
Within 1 year	**253,366,652.00**	191,109,347.73
1 – 2 year	**11,510,859.58**	10,786,130.76
2 – 3 years	**1,582,453.10**	–
Total	**266,459,964.68**	201,895,478.49

(2) Accounts payable by type

	At 30 June 2026 (Unaudited)	At 31 December 2025 (Audited)
Payables for goods	**168,779,211.63**	507,211,720.63
Payables for engineering equipment and relevant fees	**128,476,239.35**	75,294,413.94
Transportation charges payable	**6,654,558.85**	5,669,955.90
Other payables	**34,116,145.47**	21,875,728.68
Total	**338,026,155.30**	610,051,819.15

14 BANK BORROWINGS

(1) Short-term borrowings by type

	At 30 June 2026 (Unaudited)	At 31 December 2025 (Audited)
Credit borrowings (Note)	**212,126,510.83**	192,750,736.96
Mortgage borrowings (Note)	**47,676,300.00**	32,332,480.00
Interest payable	**214,163.27**	207,704.44
Total	**260,016,974.10**	225,290,921.40

Note: As at 30 June 2026, the Group's credit borrowings of RMB212,126,510.83 and mortgage borrowings of RMB47,676,300.00 were guaranteed by companies within the Group's consolidated scope (31 December 2025: credit borrowings of RMB192,750,736.96 and mortgage borrowings of RMB32,332,480.00).

The above borrowings of the Group are repayable within one year as of 30 June 2026 and 31 December 2025, respectively, with no amounts overdue.

(2) Long-term borrowings by type

	At 30 June 2026 (Unaudited)	At 31 December 2025 (Audited)	**Range of interest rate in 2026**
Credit borrowings	**8,568,957.98**	13,329,606.03	10%
Mortgage borrowings	**155,790,725.95**	98,183,931.62	3.8%~10.5%
Subtotal	**164,359,683.93**	111,513,537.65	
Less: Long-term loans due within one year	**53,148,434.04**	25,414,788.31	3.8%~10.5%
Total	**111,211,249.89**	86,098,749.34	3.8%~10.5%

Note: As at 30 June 2026, the Group's credit borrowings of RMB8,568,957.98 and mortgage borrowings of RMB86,419,226.28 were guaranteed by companies within the Group's consolidated scope (31 December 2025: credit borrowings of RMB13,329,606.03 and mortgage borrowings of RMB98,183,931.62).

RECONCILIATION OF THE GROUP'S FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2026 PREPARED IN ACCORDANCE WITH CASBE AND WITH IFRS ACCOUNTING STANDARDS

Reference is made to the announcement of the Company dated 21 July 2026 in relation to, among other things, the Company's uniform adoption and disclosure, in accordance with Rules 4.11(c) and 19A.31(4) of the Hong Kong Listing Rules, of the Group's financial statements for the period ended 30 June 2026 prepared in accordance CASBE.

To satisfy the possible demand for the Company's financial information prepared under the IFRS Accounting Standards from certain Shareholders and public investors, the Company has prepared the following reconciliation table to illustrate the differences in the Company's financial statements for the period ended 30 June 2026, when prepared in accordance with the CASBE and the IFRS Accounting Standards.

Adoption of IFRS Accounting Standards will only affect the Group's consolidated net profit and net assets attributable to equity holders of the Company, the key impact is summarised as follows:

	Net profit attributable to Shareholders of the parent company		**Net assets attributable to equity Shareholders of the parent company**	
	Amount incurred during the period ended 30 June 2026	Amount incurred during the period ended 30 June 2025	**Balance as at 30 June 2026**	Balance as at 31 December 2025
	RMB	*RMB*	***RMB***	*RMB*
According to CASBE	**230,203,972.76**	134,981,181.50	**2,072,100,875.63**	823,158,156.66
Items and amounts adjusted according to the accounting standards of IFRS Difference on special reserves (note)	**314,200.72**	–	**–**	–
According to IFRSs (unaudited)	**230,518,173.48**	134,981,181.50	**2,072,100,875.63**	823,158,156.66

Note: The Group provides for work safety expenses in accordance with the relevant regulations of the relevant PRC government authorities, which are recognised as current expenses and separately presented under "Special reserve" within shareholders' equity. Under IFRS, however, such expenses are recognised when incurred.

Taking into account of the above and in light of the continuing convergence between the CASBE and the IFRS Accounting Standards, the Board is of the view when compared to adoption of the IFRS Accounting Standards, the Group's financial position, operating results, and cash flows have not been significantly impacted by adopting CASBE in financial statement preparation and disclosure.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Group is a leading manufacturer of high-quality copper cathodes, with a strong presence in DR Congo and Zambia. The H shares of the Company (the "**H Shares**") have been listed (the "**Listing**") on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 9 January 2026 (the "**Listing Date**") by way of global offering (the "**Global Offering**").

In the first half of 2026, the Group's operating results achieved a year-over-year increase driven by the rise in global copper prices and the year-over-year increase in sales volume of copper cathodes.

For the period from 1 January 2026 to 30 June 2026, the Group's operating revenue was RMB1,445,333,450.88, representing an increase of 49.94% as compared with the same period of the previous year, and the profit attributable to owners of the Company amounted to RMB230,203,972.76, representing an increase of 70.55% as compared with the same period of the previous year, mainly driven by the rise in global copper prices and the year-over-year increase in production and sales volume of copper cathodes.

BUSINESS REVIEW

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

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

The Group's Products

As of 30 June 2026, the Group derived its revenue primarily from (i) the production and sale of copper products; (ii) the production and sale of cobalt products; and (iii) the trading of non-ferrous metal products.

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

Major Products	**Six months ended 30 June 2026 (tons)**		Six months ended 30 June 2025 (tons)	
	Production volume	**Sale volume**	Production volume	Sale volume
Copper				
Copper cathodes	**13,123.72**	**13,246.63**	12,496.20	12,952.90
Copper concentrates	**16.22**	**25.21**	9.00	21.20
Subtotal	**13,139.94**	**13,271.84**	12,505.20	12,974.10
Cobalt				
Cobalt hydroxide	**120.30**	**–**	171.00	83.70
Cobalt sulfates	**79.45**	**19.81**	–	–
Cobalt chlorides	**125.92**	**0.49**	–	–
Subtotal	**325.67**	**20.30**	171.00	83.70
Total	**13,465.61**	**13,292.14**	12,676.20	13,057.80

Copper

Copper is a chemical element with a distinctive rose-red metallic luster. Renowned for its excellent electrical and thermal conductivity, corrosion resistance, and ductility, it is one of the earliest metals known to humankind and is widely used in the manufacture of various products, including electrical and electronic components, construction materials, and machinery.

The Group's copper products mainly include copper cathodes and copper concentrates.

Copper Cathodes

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

In the six months ended 30 June 2025 and 2026, the Group produced 12,496.20 tons and 13,123.72 tons, respectively, of copper cathodes. The increase in the production of copper cathodes in the Reporting Period from the Corresponding Period was primarily due to Rong Xing Company achieved higher capacity utilisation rate and increased production volume of copper cathodes.

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

Copper Concentrates

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

In the six months ended 30 June 2025 and 2026, the Zambia flotation plant had an output of 9 tons and 16.22 tons of copper concentrates, respectively. The production volume of copper concentrates increased slightly.

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

Cobalt

Cobalt is a silvery-white, hard metal that belongs to the ferromagnetic elements. It possesses excellent high-temperature resistance, corrosion resistance, and magnetic properties. Cobalt is commonly found in nature in ore form, often coexisting with copper and nickel, and is considered an important strategic metal. Cobalt is primarily used in battery materials, alloy manufacturing, catalysts, magnetic materials, and other high-tech fields. It is one of the key raw materials for modern industry and high-tech industries.

The Group's cobalt products mainly include cobalt hydroxide, cobalt sulfates and cobalt chlorides.

Cobalt Hydroxide

Cobalt hydroxide is a key intermediate primarily utilized in the production of refined cobalt compounds, including cobalt sulfates and cobalt chlorides, as well as ternary precursors.

The Group uses cobalt, which is a by-product generated during the copper smelting process, to produce and sell cobalt (II) hydroxide. The original ore used in the Group's production facility in DR Congo contained a mix of copper and cobalt, and the Group produces cobalt hydroxide as a byproduct in the copper smelting process.

In the six months ended 30 June 2025 and 2026, the Group produced 171 tons and 120.3 tons of cobalt hydroxide, respectively.

Cobalt Sulfates

Cobalt sulfate is a refined cobalt salt primarily used as a raw material for lithium-ion battery ternary cathode precursors.

During the Reporting Period, the Group produced 79.45 tons of cobalt sulfates through Anhui cobalt processing plant. The Group did not have any cobalt sulfate products during the corresponding period last year, mainly because Anhui cobalt processing plant had not yet commenced production at that time.

Cobalt Chlorides

Cobalt chloride is a refined cobalt compound mainly utilized in hydrometallurgical cobalt refining, catalysts, and surface treatment processes.

During the Reporting Period, the Group produced 125.92 tons of cobalt chlorides through Anhui cobalt processing plant. The Group did not have any cobalt chloride products during the corresponding period last year, mainly because Anhui cobalt processing plant had not yet commenced production at that time.

Non-ferrous metal products

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

PROSPECTS

Accelerate project construction to facilitate rapid capacity ramp-up

The Group will accelerate the construction and commissioning of the technical transformation project in Zambia, the Phase-I technical transformation project in DR Congo and the Phase-II hydrometallurgical smelting plant project in DR Congo. The technical transformation project in Zambia will be completed in August 2026. The Group will gradually speed up the capacity ramp-up of new production capacity, improve copper metal recovery rate, and reduce acid consumption, power consumption and reagent costs in the second half of the year.

The Phase-I technical transformation project in DR Congo has entered the end of construction and is scheduled for completion and commissioning in the third quarter. Construction of the Phase II hydrometallurgical smelting plant project in DR Congo is progressing steadily, and it is targeted to be completed and put into commissioning before the end of the year.

In addition, the sulfuric acid plant invested and constructed by the Group in the DR Congo is expected to have an annual production capacity of approximately 150,000 tons of sulfuric acid. The project has started construction and is targeted to be completed and put into commissioning in the second quarter of 2027. Upon commissioning, we will realize self-sufficiency in smelting sulfuric acid, significantly reduce the cost of externally purchased sulfuric acid, increase the gross profit margin of hydrometallurgy, and improve the local integrated supporting capability.

Accelerate upstream extension to enhance resource self-sufficiency

The Company will continue to promote the transformation from smelting and processing to the integration of mining, beneficiation and smelting. In the second half of the year, we will focus on the merger and acquisition of the mineral rights of local tailings and small and medium-sized copper mines in Africa to secure high-quality existing mineral sources at low cost. We will enter into the long-term ore procurement agreements simultaneously to ensure the stable supply of raw materials for new production capacity, reduce the risk of price fluctuation of externally purchased ore, gradually increase the proportion of self-owned raw materials, and optimize the cost structure and operating stability.

FINANCIAL REVIEW

Revenue

During the six months ended 30 June 2026, the Group derived its revenue from (i) copper production and processing (including copper cathodes and copper concentrates); (ii) cobalt production and processing (including cobalt hydroxide, cobalt sulfate and cobalt chloride); and (iii) the trading of non-ferrous metal products.

The following table sets out a breakdown of the revenue by business segment:

	Six months ended 30 June			
	2026		2025	
	(***Unaudited***)	*%*	(*Unaudited*)	*%*
Copper production and processing				
Copper cathodes	1,160,945,492.25	80.32	828,020,514.86	85.90
Copper concentrates	1,255,077.44	0.09	1,179,367.94	0.12
Subtotal	**1,162,200,569.69**	**80.41**	**829,199,882.80**	**86.02**
Cobalt production and processing				
Cobalt hydroxide	–	–	10,738,523.54	1.11
Cobalt sulfate	7,518,584.07	0.52	–	–
Cobalt chloride	194,690.27	0.01	–	–
Subtotal	**7,713,274.34**	**0.53**	**10,738,523.54**	**1.11**
Trading of non-ferrous metal products	274,523,932.20	18.99	123,846,556.85	12.85
Other businesses	895,674.65	0.07	133,611.10	0.02
Total	**1,445,333,450.88**	**100.00**	**963,918,574.29**	**100.00**

Revenue of the Group increased by approximately 49.94% from approximately RMB963.92 million in the first half of 2025 to approximately RMB1,445.33 million in the first half of 2026, primarily attributable to (i) the increase in the sales volume of copper cathodes from 12,952.90 tons during the first half of 2025 to 13,246.63 tons in the first half of 2026; and (ii) an increase in the average selling prices as a result of the higher copper prices quoted on the London Metal Exchange (the "**LME**").

Revenue from trading of non-ferrous metal products increased by approximately 121.66% from approximately RMB123.85 million in the first half of 2025 to approximately RMB274.52 million in the first half of 2026, primarily due to both trading volume and selling prices of the non-ferrous metals trading business increased during the Reporting Period.

Gross Profit and Gross Profit Margin

	Six months ended 30 June			
	2026		2025	
	Gross Profit/(Loss) RMB Unaudited	***Gross Profit Margin(%)***	*Gross Profit RMB Unaudited*	*Gross Profit Margin(%)*
Copper production and processing				
Copper cathodes	**430,050,179.07**	**37.04**	246,377,797.82	29.76
Copper concentrates	**(724,532.63)**	**(57.73)**	508,524.48	43.12
Subtotal	**429,325,646.44**	**36.94**	246,886,322.30	29.77
Cobalt production and processing				
Cobalt hydroxide	**–**	**–**	3,094,751.36	28.82
Cobalt chlorides	**(6,076.34)**	**(3.12)**	–	–
Cobalt sulfates	**(671,346.06)**	**(8.93)**	–	–
Subtotal	**(677,422.40)**	**(8.78)**	3,094,751.36	28.82
Trading of non-ferrous metal products	**55,435,240.05**	**20.19**	7,875,977.59	6.36
Other businesses	**852,136.16**	**95.14**	115,744.21	86.63
Total	**484,935,600.25**	**33.55**	257,972,795.46	26.76

The Group's gross profit increased by approximately 87.98% from approximately RMB257.97 million in the first half of 2025 to approximately RMB484.94 million in the first half of 2026.

The Group's gross profit margin in the first half of 2026 was 33.55%, representing an increase of 6.79 percentage points from the same period in 2025, primarily due to the improvement in the gross profit margin of copper cathodes and trading of non-ferrous metal products.

Selling Expenses

Selling expenses increased by approximately 25.32% from approximately RMB6.25 million in the first half of 2025 to approximately RMB7.84 million in the first half of 2026. This was mainly attributable to an increase in employee compensation as the Company's sales scale increased.

Administrative Expenses

Administrative expenses increased by approximately 59.24% from approximately RMB44.32 million in the first half of 2025 to approximately RMB70.57 million in the first half of 2026. This increase was mainly attributable to the business growth of the Company and improved business performance, which led to an increase in the number and salaries of administrative management staff.

Research and Development Expenses

Research and development expenses increased by approximately 36.52% from approximately RMB8.30 million in the first half of 2025 to approximately RMB11.33 million in the first half of 2026. This was mainly attributable to an increase in R&D investment during the period as the Company's production and sales scale increased.

Finance Expenses

Finance cost increased by approximately 852.57% from approximately RMB2.02 million in the first half of 2025 to approximately RMB19.21 million in the first half of 2026. Such increase was mainly attributable to an increase in net exchange losses resulting from the depreciation of the US dollar during the Reporting Period.

Other Income

Other income increased by approximately 283.61% from RMB32,641.40 in the first half of 2025 to RMB125,216.15 in the first half of 2026. This was mainly attributable to an increase in government social security subsidies received during the period.

Investment Income

Investment income increased by approximately 163.00% from approximately RMB10.47 million in the first half of 2025 to approximately RMB27.54 million in the first half of 2026. This was mainly attributable to an increase in fair value gains on copper cathodes subject to provisional priced sales arrangements upon final settlement, as a result of the rise in the spot settlement price of LME copper during the period.

Gains from Changes in Fair Value

Gains from changes in fair value increased by approximately 79.86% from approximately RMB0.97 million in the first half of 2025 to RMB1.74 million in the first half of 2026. This was mainly attributable to an increase in fair value gains on unsettled copper cathodes subject to provisional priced sales arrangements, as a result of the rise in the spot settlement price of LME copper during the period.

Credit Impairment Losses

Credit impairment losses increased by approximately 78.53% from approximately RMB9.16 million in the first half of 2025 to approximately RMB16.35 million in the first half of 2026. This was mainly attributable to an increase in bad debt provision calculated according to the expected credit impairment loss model for tax refund receivable in Zambia during the period.

Asset Impairment Losses

Asset impairment losses was approximately RMB26.59 million in the first half of 2026. This was mainly attributable to an increase in provision for impairment of inventories based on market prices, as a result of the higher fixed costs of inventory arising from the current production capacity of cobalt chloride and cobalt sulfate products manufactured by the subsidiary Anhui Jinxun during the period not yet meeting the required standard.

Income Tax Expense

Income tax expenses increased by approximately 234.86% from approximately RMB26.22 million in the first half of 2025 to approximately RMB87.81 million in the first half of 2026, primarily due to an increase in profit before tax.

Net Profit

As a result of the foregoing, profit increased from approximately RMB134.98 million in the first half of 2025 to approximately RMB230.20 million in the first half of 2026.

Cash and Cash Equivalents

Cash and cash equivalents increased by approximately 193.81% from approximately RMB295.17 million as at 31 December 2025 to approximately RMB867.25 million as at 30 June 2026. This was mainly attributable to an increase in funds raised from the Company's listing on the Hong Kong Stock Exchange in the first half of 2026.

Inventories

Inventories held by the Group decreased by approximately 2.51% from approximately RMB776.08 million as at 31 December 2025 to approximately RMB756.63 million as at 30 June 2026, which remained stable.

Receivables Financing

Receivables financing increased by approximately 100% to approximately RMB8.72 million as at 30 June 2026 as compared with 31 December 2025. This was mainly attributable to bank acceptance bills received during the period that were not yet due for settlement.

Accounts Receivables

The Group's receivables increased by approximately 137.21% from approximately RMB39.70 million as at 31 December 2025 to approximately RMB94.17 million as at 30 June 2026, primarily due to the increase in trade receivables for cathode copper at the end of the period.

Prepayments

Prepayments increased by approximately 31.80% from approximately RMB26.96 million as at 31 December 2025 to approximately RMB35.53 million as at 30 June 2026. This was mainly attributable to an increase in prepayments for ore purchases during the period.

Other Current Assets

Other current assets decreased by approximately 30.25% from approximately RMB51.08 million as at 31 December 2025 to approximately RMB35.63 million as at 30 June 2026. This was mainly attributable to a decrease in deductible input tax during the period and the offsetting of the listing service fee at the beginning of the period against the capital reserves following the listing on the Hong Kong Stock Exchange during the period.

Construction in Progress

Construction in progress increased by approximately 207.15% from approximately RMB110.83 million as at 31 December 2025 to approximately RMB340.42 million as at 30 June 2026. This was mainly attributable to an increase in the investment in the Phase-II construction of the 30,000-ton-per-annum copper cathode hydrometallurgical smelting project by the subsidiary Jinxun Congo (DRC) and the hydrometallurgical smelting technical transformation by Rong Xing Investments during the period.

Accounts Payable

Accounts payable primarily arose from purchases of copper ore, non-ferrous metal products, chemical products, engineering equipment and relevant fees.

The Group's accounts payable decreased by approximately 44.59% from approximately RMB610.05 million as at 31 December 2025 to approximately RMB338.03 million as at 30 June 2026, primarily due to the substantial decrease in trade payables to suppliers, which was due to sufficient funds and accelerated capital turnover during the Reporting Period.

Contract Liabilities

Contract liabilities represented advances received from customers. The Group's contract liabilities decreased by approximately 94.51% from approximately RMB58.87 million as at 31 December 2025 to approximately RMB3.23 million as at 30 June 2026, primarily due to the decrease in advances received from customers during the period.

Taxes Payable

Taxes payable increased by approximately 75.92% from approximately RMB93.31 million as at 31 December 2025 to approximately RMB164.16 million as at 30 June 2026. This was mainly attributable to an increase in enterprise income tax as a result of the significant increase in operating profit during the period.

Other Payables

Other payables decreased by approximately 71.85% from approximately RMB216.17 million as at 31 December 2025 to approximately RMB60.84 million as at 30 June 2026. This was mainly attributable to the repayment of third party borrowings and deposits from customers during the period.

Non-current Liabilities Due within One Year

Non-current liabilities due within one year increased by approximately 108.54% from approximately RMB25.54 million as at 31 December 2025 to approximately RMB53.25 million as at 30 June 2026. This was mainly attributable to an increase in borrowings classified as due within one year based on liquidity as a result of the increase in long-term borrowings during the period.

Other Current Liabilities

Other current liabilities decreased by approximately 62.18% from RMB575,221.24 as at 31 December 2025 to RMB217,560.84 as at 30 June 2026. This was mainly attributable to the decrease in advances received from customers during the period and the corresponding decrease in value-added tax.

Deferred Tax Assets/Liabilities

Deferred tax assets increased by approximately 29.68% from approximately RMB13.87 million as at 31 December 2025 to approximately RMB17.98 million as at 30 June 2026, primarily due to the increase in deductible temporary differences arising from unrealized internal transactions and provisions for credit impairment during the period.

There were no deferred tax liabilities as at 30 June 2026.

Share Capital

Share capital increased by approximately 38.33% from approximately RMB110.30 million as at 31 December 2025 to approximately RMB152.58 million as at 30 June 2026. This was mainly attributable to an increase in share capital for listing of the H shares of the Company on the Hong Kong Stock Exchange in the first half of 2026.

Capital Reserves

Capital reserves increased by approximately 2,368.45% from approximately RMB44.44 million as at 31 December 2025 to approximately RMB1,096.97 million as at 30 June 2026. This was mainly attributable to an increase in share premium for listing of the H shares of the Company on the Hong Kong Stock Exchange during the period.

Net Current Assets

Total current assets increased by approximately 48.93% from approximately RMB1,261.12 million as at 31 December 2025 to approximately RMB1,878.13 million as at 30 June 2026. Total current liabilities decreased by approximately 28.18% from approximately RMB1,242.66 million as at 31 December 2025 to approximately RMB892.42 million as at 30 June 2026. As at 30 June 2026, the net current assets of the Group was approximately RMB985.71 million.

LIQUIDITY AND CAPITAL RESOURCES

The Group's liquidity mainly came from operating cash flows, interest-bearing borrowings and proceeds from the Listing. As at 30 June 2026, cash and cash equivalents of the Group amounted to approximately RMB867.25 million (31 December 2025: RMB295.17 million).

Bank and Other Borrowings

As at 30 June 2026, the Group had total bank and other borrowings of RMB424.38 million (31 December 2025: RMB336.80 million), comprising short term bank and other borrowings (repayable within one year or on demand) of RMB313.17 million and long-term (repayable after one year) bank and other borrowings of RMB111.21 million.

The Group's borrowings bear interest rates ranging from 2.5% to 10.5% per annum, mainly denominated in RMB.

Pledge of Assets

As at 30 June 2026, the Group's bank borrowings of approximately RMB203.47 million were secured by the Group's assets (certain property, plant and equipment and land).

Gearing Ratio

Gearing ratio is calculated based on total bank and other borrowings divided by total equity as of the end of that period. The Group's gearing ratio for the six months ended 30 June 2026 was 20.48%.

Contingent Liabilities

As at 30 June 2026, the Group did not have any outstanding material contingent liabilities.

Capital Expenditures

The Group's capital expenditures primarily consisted of expenditures on property, plant and equipment and intangible assets.

During the six months ended 30 June 2026, the Group incurred capital expenditures of approximately RMB269.53 million (30 June 2025: RMB72.12 million). The amount incurred was mainly used for Phase-II construction of the 30,000-ton-per-annum cathode copper hydrometallurgical smelting project of the subsidiary Jinxun Congo (DRC) Mining Co., Ltd., and the hydrometallurgical smelting technical transformation investment of Rong Xing Investment.

Significant Investments, Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

There were no significant investments, acquisitions and disposals of subsidiaries, associates and joint ventures by the Group during the Reporting Period.

Future Plans for Material Investments and Capital Assets

The Company did not have any future plans for material investments or additions of capital assets as at 30 June 2026.

Employees and Remuneration Policy

As at 30 June 2026, the Group had a total of 1,184 employees, located in the PRC, Zambia, DR Congo, Singapore and Peru.

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

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no material subsequent events from 30 June 2026 up to the date of this announcement that may have a material impact on the Company’s operating and financial performance that needs to be disclosed.

PROCEEDS FROM LISTING

On 9 January 2026, the Company's H shares were listed on the Main Board of the Stock Exchange. 42,280,400 new H shares with a par value of RMB1.0 each were issued at a price of HK$30.00. The net proceeds of the global offering (taking into account the full exercise of the over-allotment option) were approximately RMB1,094.45 million.

Purpose	Percentage to total proceeds	Net proceeds from the Global Offering *(RMB million)*	Amount unutilized as of 1 January 2026 *(RMB million)*	Net proceeds utilized during the Reporting Period *(RMB million)*	Actual use of proceeds as at 30 June 2026 *(RMB million)*	Remaining unutilized amount as at 30 June 2026 *(RMB million)*	Expected timeline for use of unutilized proceeds
(1) Expansion of core operations							
(i) Upgrade the hydrometallurgical processing capability of the DR Congo copper smelter I, as well as the improvement of the production yield of its cobalt hydroxide production line	25%	273.61	NA	151.29	151.29	122.32	Fully utilized
(ii) Equipment procurement and daily operations of the facility in Anhui Province	20%	218.89	NA	98.20	98.20	120.69	As at 31 December 2026
(iii) Strategic acquisitions	20%	218.89	NA	–	–	218.89	As at 30 June 2026, no acquisition target has been identified.
(iv) Improve and expand the R&D center in Kunming to enhance R&D capabilities, attract local talents and contribute local employment	15%	164.16	NA	–	–	164.16	As at 31 December 2026

Purpose	Percentage to total proceeds	Net proceeds from the Global Offering *(RMB million)*	Amount unutilized as of 1 January 2026 *(RMB million)*	Net proceeds utilized during the Reporting Period *(RMB million)*	Actual use of proceeds as at 30 June 2026 *(RMB million)*	Remaining unutilized amount as at 30 June 2026 *(RMB million)*	Expected timeline for use of unutilized proceeds
(2) Repay certain interest-bearing bank borrowings with an aggregate principal amount of approximately HK$105.8 million	10%	109.45	NA	109.45	109.45	–	Fully utilized
(3) Supplement working capital and general corporate purposes	10%	109.45	NA	109.45	109.45	–	Fully utilized
Total	100.0%	1,094.45	–	468.39	468.39	626.06	–

(Note: The numbers have been rounded to two decimal places. Any discrepancies between the total shown and the sum of the amounts listed are due to rounding.)

The Company intends to utilise the net proceeds from the Global Offering according to the plans set out in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 31 December 2025.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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

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

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

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealings in the securities of the Company by the Directors.

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

36,765,600 H shares of the Company became listed on the Main Board of The Stock Exchange of Hong Kong Limited on 9 January 2026 by way of global offering at an offer price of HK$30.00 per H Share. A further 5,514,800 H shares were allotted and issued on 10 February 2026 pursuant to the full exercise of the over-allotment option as disclosed in the announcement of the Company dated 5 February 2026.

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

Except for the below on-market repurchases of H Shares which have been held as treasury shares pursuant to the repurchase mandate granted to the Board by the Shareholders on 18 May 2026, since the Listing Date up to the date of this announcement, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

Date	Number of H Shares Repurchased	Highest Price (HK$)	Lowest Price (HK$)	Aggregate Consideration (HK$)
14 July 2026	76,000	12.00	10.79	894,500
15 July 2026	56,000	12.99	12.75	723,626
17 July 2026	50,000	12.40	12.03	609,342
20 July 2026	45,600	12.69	12.40	574,282
24 July 2026	34,800	13.73	13.49	475,642
Total:	262,400			3,277,392

INTERIM DIVIDEND

The Board proposed the distribution of an interim dividend of RMB0.3 per Share (including tax) for the Reporting Period (the "**Cash Dividend**").

The Cash Dividend will be denominated and declared in RMB.

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

The Cash Dividend payable to the holders of H Shares will be paid in Hong Kong dollars, being HK$0.346472 per Share (including tax), calculated with reference to the exchange rate of RMB against Hong Kong dollars published by The People's Bank of China on 25 August 2026, which is one business day prior to the date of the passing of the relevant board resolution on 26 August 2026 at HKD:RMB = 1:1.154908.

The Cash Dividend is conditional, among others, the approval of the Shareholders at an extraordinary general meeting.

A circular containing, among other things, further details of the proposed Cash Dividend and the notice convening an extraordinary general meeting together with a proxy form will be despatched to the Shareholders in due course.

REVIEW OF INTERIM RESULTS

The Company has established an audit committee (the "**Audit Committee**"), which consists of three members, namely Mr. Wong Hok Bun Mario, Ms. Zheng Dongyu and Mr. Xia Hongying, with Mr. Wong Hok Bun Mario, an independent non-executive Director with appropriate professional qualifications, serving as the chairman. The Audit Committee has reviewed the unaudited interim financial results for the Reporting Period (including the reconciliation statement). The review included discussions with the management on the accounting principles and practices adopted by the Group, internal controls and financial reporting matters. The Audit Committee considered that unaudited interim financial results were prepared in compliance with the relevant accounting standards, the Listing Rules and the applicable legal requirements, and that the Company has made appropriate disclosure thereof.

The Group has prepared the unaudited consolidated financial statements of the Company for the six months ended 30 June 2026 in accordance with the ASBE. The Company's independent auditor, KPMG Huazhen LLP, has reviewed the interim financial information.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND 2026 INTERIM REPORT

This announcement is published on the respective websites of the Company at www.jinxunec.com and the Hong Kong Stock Exchange at www.hkex.com.hk.

The interim report for the Reporting Period will be made available on the above websites in due course. Printed copies will be despatched to the Shareholders who have elected to receive printed copies.

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

Hong Kong, 26 August 2026

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