



Chifeng Jilong Gold Mining Group Limited 赤峰吉隆黄金矿业集团股份有限公司

(formerly known as Chifeng Jilong Gold Mining Co., Ltd. 赤峰吉隆黄金矿业股份有限公司)
(A joint stock company incorporated in the People's Republic of China with limited liability)

H Shares Stock Code : 6693



2026

INTERIM REPORT

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CORPORATE INFORMATION

EXECUTIVE DIRECTORS

Mr. Wang Jianhua (*Chairman*)
Mr. Gao Bo
Ms. Yang Yi-fang
Mr. Lyu Xiaozhao
Mr. Zhao Qiang

NON-EXECUTIVE DIRECTOR

Mr. Zhang Xudong

INDEPENDENT NON-EXECUTIVE DIRECTORS

Prof. Hu Nailian
Dr. Wong Yet Ping Ambrose
(*Lead Independent non-executive Director*)
Dr. Li Houmin
Dr. Jiang Qi

AUDIT COMMITTEE

Dr. Wong Yet Ping Ambrose (*Chairman*)
Mr. Zhang Xudong
Dr. Jiang Qi

NOMINATION COMMITTEE

Dr. Li Houmin (*Chairman*)
Mr. Gao Bo
Prof. Hu Nailian
Dr. Wong Yet Ping Ambrose
Ms. Yang Yi-fang

REMUNERATION AND APPRAISAL COMMITTEE

Prof. Hu Nailian (*Chairman*)
Mr. Gao Bo
Mr. Lyu Xiaozhao
Dr. Li Houmin
Dr. Jiang Qi

STRATEGY AND SUSTAINABILITY COMMITTEE

Mr. Wang Jianhua (*Chairman*)
Mr. Gao Bo
Ms. Yang Yi-fang
Mr. Lyu Xiaozhao
Mr. Zhao Qiang
Mr. Zhang Xudong

AUTHORISED REPRESENTATIVES

Ms. Yang Yi-fang
Mr. Wong Hok Bun Mario

COMPANY SECRETARY (HONG KONG)

Mr. Wong Hok Bun Mario (*FCPA*)

REGISTERED OFFICE

Fumin Village, Sidaowanzi Town
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Inner Mongolia Autonomous Region
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HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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CORPORATE INFORMATION

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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AUDITOR

Ernst & Young Hua Ming LLP

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STOCK CODE

Hong Kong Stock Exchange: 6693
Shanghai Stock Exchange: 600988

PRINCIPAL BANKS

Industrial Bank Co., Ltd. Beijing Shuangjing Branch
China Minsheng Bank Hohhot Branch
Industrial and Commercial Bank of China Chifeng Branch
Bank of China Chifeng Branch
Agricultural Bank of China Chifeng Changqing Sub-branch
China Merchants Bank Beijing Lize Business District Sub-branch
Standard Chartered Bank (Hong Kong) Limited

BASIC INFORMATION OF THE REPORT

The Board of the Company is pleased to announce 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 unaudited consolidated interim results of the Group have been reviewed by the Audit Committee.

The following unaudited consolidated financial information was prepared in accordance with the CASBE issued by the MOF of the PRC, and Application Guidance for CASBE, interpretations and other relevant regulations issued and revised thereafter (hereafter referred to as “**CAS**”).

The future operation and financial figures (if any) in this report are goals of the Company and shall not constitute a profit forecast of the Company. There is no guarantee that the Company will achieve such goals. In light of the risks and uncertainties, the inclusion of forward-looking statements in this report should not be regarded as nor does it constitute any representations or commitments by the Board or the Company to investors that the plans and objectives outlined in this report will be achieved, and investors should not place undue reliance on such statements. The Company does not undertake any obligations to update or revise any forward-looking statements or information in this report, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws and regulations.

This report is written in both Chinese and English. In the case of any discrepancies, the Chinese version shall prevail.

Any discrepancies between the last digits of the total number and those of the sum of individual items in this report are mainly due to rounding.

In this report, unless otherwise stated, monetary units are denominated in RMB.

MANAGEMENT DISCUSSION AND ANALYSIS

UPDATE TO RESOURCES AND RESERVES

Please refer to the announcement of the Company dated 30 July 2026 in relation to an update to the Mineral Resources estimate for the SND Project porphyry gold-copper deposit within LXML's Sepon concession area in Laos. The Mineral Resources estimate was prepared and reported in accordance with the JORC Code.

The Sepon exploration team commenced regional prospecting work within the concession area in May 2024, followed by diamond drilling beginning on 3 December 2024. The Phase 1 drilling program was completed in late June 2025, with a total of 65 drillholes for an aggregate of 35,460 metres. Based on the results, the initial Mineral Resources estimate was completed and disclosed on 7 August 2025. The Phase 2 drilling program was completed in late June 2026, comprising 36 drillholes for a total of approximately 36,571 metres. Data from both drilling phases have been incorporated into this updated Mineral Resources estimate.

Mineral Resources are reported as of 30 July 2026 on the basis of having a reasonable prospect of eventual economic extraction (RPEEE) within a defined potential mining volume based on mining engineering assessment using the sub-level cave mining method, and above a 0.4g/t gold equivalent metal cut-off grade. The economic and technical assumptions applied for cut-off grade calculation are as follows: US\$3,500/oz gold price, US\$12,000/t copper price, mineral processing recoveries (88% gold and 88.5% copper), costs for mining, processing, selling, general and administrative and royalties, and factors for commercial payability. Estimated Mineral Resources are broken down by classification category in the table below and constitute the SND Project's Mineral Resources statement as at 30 July 2026.

Mineral Resources Statement, SND Project, 30 July 2026

Resource Category	Average Grade				Contained Metal		
	Tonnage (Mt)	AuEq (g/t)	Au (g/t)	Cu (%)	AuEq (t)	Au (t)	Cu (kt)
Indicated Mineral Resources	170	0.83	0.55	0.26	140	96	450
Inferred Mineral Resources	190	0.59	0.39	0.19	110	76	360
Total	360	0.70	0.47	0.22	260	170	810

Notes:

1. Mineral Resources are in-situ resources and have been reported as having a "reasonable prospects for eventual economic extraction" by underground mining and do not represent an estimate of Mineral Reserves (ore reserves).
2. All figures are rounded to reflect the relative accuracy of the estimates. Differences in totals are due to rounding.
3. All tonnage figures are reported on a dry basis.

MANAGEMENT DISCUSSION AND ANALYSIS

Basic assumptions used for the Mineral Resources estimation:

Gold price	US\$3,500 per oz
Copper price	US\$12,000 per tonne
Gold recovery	88.0%
Copper recovery	88.5%
Equivalent factor (Cu to Au)	1.05 Cu: 1 Au
AuEq	$\text{Au g/t} + 1.05 \times \text{Cu \%}$
AuEq cut-off grade	0.40 g/t

Primary metallurgical test work indicates that the SND Project's ore is free milling and amenable to conventional flotation and leaching, producing marketable products with overall recovery rate of approximately 88.5% for copper and 88% for gold.

The information in this report that relates to the SND Project's Mineral Resources estimate is based on, and fairly represents, information and supporting documentation prepared by Ms. Jackie Luo and Mr. Jared Broome of LXML and reviewed by Dr. Gregory Zhang and Mr. Perry Collier of Snowden Optiro. Ms. Jackie Luo developed the geological interpretation. Mr. Jared Broome completed the exploratory data analysis, defined the estimation domains, and undertook the grade estimation and Mineral Resources classification.

Dr. Gregory Zhang and Mr. Perry Collier conducted a high-level audit of the geological and assay databases, reviewed the relevant standard operating procedures and QA/QC results, and independently validated the Mineral Resources estimation.

Dr. Gregory Zhang and Mr. Perry Collier are full-time employees of Snowden Optiro and are Member and Fellow of the Australasian Institute of Mining and Metallurgy, respectively. Each has sufficient relevant experience in the style of mineralisation and type of deposit under consideration, and in the activity being undertaken, to qualify as a Competent Person as defined in the JORC Code.

Dr. Gregory Zhang and Mr. Perry Collier have accepted responsibility for the Mineral Resources information in this report and consented to its inclusion in the form and context in which it appears.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATION DISCUSSION AND ANALYSIS

Performance review

In the first half of 2026, against the backdrop of persistently high and volatile global gold prices, the Company leveraged its strategic commitment of “focusing on gold” approach and its dual domestic and overseas operational layout, maintaining a strong growth trend across its core operating indicators. During the Reporting Period, the Company recorded gold production of 6.2 tonnes and copper cathode production of 5,399 tonnes; operating income reached RMB7.018 billion, representing a year-on-year increase of 33.11%; net profit attributable to Shareholders of the parent company amounted to RMB1.732 billion, up by 56.50% year-on-year; net cash flows from operating activities reached RMB1.880 billion, representing a year-on-year increase of 16.60%; and capital expenditure amounted to RMB1.405 billion, an increase of 45.43% as compared to the same period of last year. As of the end of the Reporting Period, the Company's debt-to-asset ratio stood at 29.62%, representing a decrease of 4.29pp from the beginning of the year, reflecting continued optimization of its financial structure.

Against the backdrop of complex and ever-changing external environment, the Company has achieved a significant leap in profitability, benefiting from the high gold price and the advantage of its globalized layout. At the same time, the temporary impact of technical upgrades at domestic and overseas mines and new project construction on production volumes, as well as rising cost pressures, remained key challenges that the Company needs to address.

I. Strategic Investment by Zijin Mining Group Will Mark the Beginning of a New Chapter of Development

On 22 March 2026, Ms. Li Jinyang and Zhejiang Hanfeng entered into an agreement with Zijin Gold, a wholly-owned subsidiary of Zijin Mining Group, and proposed to effect a change of control through a combination of A Shares transfer and a H Shares placement. Upon completion of the transactions, Zijin Mining Group will indirectly become the Company's largest Shareholder, providing multi-dimensional strategic support in areas including resources integration, operational management, and cross-border financing. The transaction is currently being progressed in an orderly manner.

II. First Anniversary of H Shares Listing, with International Financing Platform Effects Continuing to Unfold

On 10 March 2025, the Company's H Shares were listed on the Main Board of the Hong Kong Stock Exchange, with net proceeds from the global offering (including over-allotment shares) amounting to approximately HK\$3.1 billion. During the first half of 2026, the benefits of the capital structure optimization arising from the H Shares listing have continued to manifest, resulting in a high quality financial profile characterized by low interest-bearing debt and strong cash flow.

MANAGEMENT DISCUSSION AND ANALYSIS

III. *Operational Status of the Key Projects*

As of the date of this report, the Company's key new construction and technical upgrade projects (both domestic and overseas) have been progressing steadily as planned. However, due to the interruption of ongoing technical upgrades, new project construction, and heightened domestic safety regulatory requirements, production volume for the first half of the year fell short of budget.

Jilong Mining: Exploration and reserves expansion efforts have yielded significant results. At Xinglong Mine, construction of new shaft commenced in March 2026, and by the end of the Reporting Period, a cumulative depth of 60 meters had been achieved.

Wulong Mining: Tunneling for the new tailings storage facility has passed the halfway mark. In tunnel exploration work have yielded favorable mineralization. The preparation of the reserves report for the deep extension boundary expansion is progressing in an orderly manner, with multiple mineralization identified in the No. 4 and No. 2 sub-mine. The detailed survey program at the Ligunzi gold deposit officially commenced surface drilling on 28 June 2026. The processing plant maintained a recovery rate of over 90%, while parallel testing of processing technology modifications is also progressing.

Huatai Mining: The 30,000-tonnes-per-annum underground mining expansion project is progressing steadily, with No. 1 submine area having completed project approval review by the National Development and Reform Commission. Additionally, significant breakthroughs have been achieved in the underground drilling exploration.

Jintai Mining: It delivered the strongest performance among the Company's domestic mines, achieving 103% of its production target. The Phase II expansion project, which encompasses the heap leach pad, waste rock dump, crushing station, emergency pond, and the V4 orebody, is advancing across all fronts, with stripping activities at the V4 orebody proceeding smoothly. However, the onset of the rainy season had an impact on the stacking and construction activities.

MANAGEMENT DISCUSSION AND ANALYSIS

LXML: At the Khanong project, foundation excavation and lean concrete pouring for the mill have been completed. The copper concentrate roasting and acid production project is expected to be commissioned in Q4 2027. Both primary ore and floatation recovery rates have demonstrated strong performance. Production during the Period fell short below budget due to technical upgrade construction activities and constrained sulphuric acid supply. The SND Project has achieved a significant Mineral Resources upgrade, with independent consulting firm Snowden Optiro having reviewed and approved an updated Mineral Resources estimate which is compliant with the JORC Code, in which gold equivalent increased from 107 tonnes (initial estimate Mineral Resources in August 2025) to 260 tonnes.

GSWL: Underground mining volumes have steadily increased with ongoing optimization of grade control, with combined underground and open-pit throughput reaching approximately 13,000-tonnes-per-day. The newly constructed ADK decline project has reached the first mining level and is expected to contribute approximately 180,000 tonnes of ore in the second half of the year. Underground drilling has identified high-grade, thick mineralized zone, with Inferred Mineral Resources continuing to grow. A deep shaft mining feasibility study has been initiated.

IV. Internal Control and Risk Management

The Company strictly adheres to high standards of compliance and internal control requirements, continuously improving its audit systems and institutional frameworks, promoting process transparency, and steadily enhancing its internal control capabilities. During the Reporting Period, the Company strengthened its coordination and synergy across procurement, logistics, and sales functions, driving efficient integration between global and regional supply chains, and improving operational efficiency and transparency through information technology and refined management. Concurrently, the Company further standardized the conduct of its business units across all global operations, ensuring data accuracy and authenticity, full legal and regulatory compliance in all processes, and transparent decision-making. The Company has also advanced the establishment of standardized contractor admission, assessment, and audit mechanisms, requiring partners to strictly comply with the safety, environmental and compliance standards of the Company. In addition, the Company has continuously reinforced information security management through institutional safeguards, employee training, and technical measures to protect data and information systems, thereby providing robust support for the Company's stable operations and risk prevention.

MANAGEMENT DISCUSSION AND ANALYSIS

Development of the gold industry during the Reporting Period

In the first half of 2026, the global non-ferrous metals market saw an overall upward shift in medium pricing, with major non-ferrous and precious metals prices recording gains of varying magnitudes, leading to a significant year-on-year improvement in industry profitability.

Gold market

During the Reporting Period, the global gold market experienced an extraordinary “roller-coaster” ride. As a continuation of the 2025 rally, LBMA spot gold price surged from US\$4,318/oz at the start of the year to an intraday high of US\$5,599/oz, recording a monthly gain of 29.67% and setting new all-time high on 12 occasions. The LBMA gold price P.M. touched US\$5,405/oz (Gold Mid-Year Outlook 2026 by World Gold Council). Subsequently, as a result of the U.S. Federal Reserve’s continuously changing monetary policy and real US\$ interest rates trended higher, thereby diminishing the appeal of non-interest-bearing assets, gold price retreated from its peak in a volatile manner since 29 January, declining by more than 26% from its record high by the end of the first half.

Demand for gold remained robust. Global demand reached 1,231 tonnes in Q1, at a corresponding value of US\$193 billion, setting a quarterly record and representing a 74% year-on-year increase. This demand was underpinned by four key factors: US-Iran tensions in the early of this year elevated geopolitical risk premiums, though the subsequent easing of tensions led to a retracement of such premiums; ongoing central bank gold buying continued, with the People’s Bank of China having extended its gold purchases for 20 consecutive months as of the end of June; investment demand exhibited amplified volatility amid shifting interest rate expectations; and on the supply side, global gold production in 2025 was constrained to approximately 3,300 tonnes, with growth of just 0.61%, as declining grades at mature mines and stricter environmental, health, safety and compliance requirements created significant structural limitations.

Copper market

During the Reporting Period, copper prices trended higher on a volatile upward path, supported by long-term demand expectations driven by the AI infrastructure build-out. In the domestic market, the average spot copper price range rose from RMB71,000/t–RMB82,000/t in the previous year to RMB91,500/t–114,000/t, marking a significant increase, with the intraday price briefly breaking through RMB114,000/t during the period. On the demand side, Goldman Sachs Group, Inc. projected that global data center electricity demand would grow by 165% by 2030, contributing more than 60% of the incremental copper demand over the next decade, positioning computing power infrastructure as the core growth driver for copper consumption. On the supply side, the market remained tight, constrained by declining ore grades at major mines, frequent social disruptions and delays in bringing new projects online. The combination of elevated copper prices and increased production from mining companies provided a critical boost to profitability in the non-ferrous metals sector during the first half of the year.

MANAGEMENT DISCUSSION AND ANALYSIS

MAJOR OPERATING CONDITIONS DURING THE REPORTING PERIOD

In the first half of 2026, the Group recorded operating income from the principal business of RMB7.018 billion, among which, the mining segment produced 6.15 tonnes of self-mined gold, representing a decrease of 8.96% as compared to the same period last year, and 5.4 thousand tonnes of copper cathodes, representing an increase of 92.92% as compared to the same period last year. This segment recorded operating income from its principal business of RMB6.885 billion, accounting for 98.20% of the Group's operating income from its principal business. As at the end of the Reporting Period, the Group's total assets were RMB25.253 billion, and the net assets attributable to Shareholders of the parent company were RMB14.326 billion, representing an increase of 1.09% and 6.79%, respectively, as compared to the end of last year.

(I) Analysis on Principal Business

1. Analysis of the changes in relevant items in the statement of profit or loss and cash flow

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the same period last year	Percentage of change (%)
Operating income	7,017,772,302.52	5,272,037,612.96	33.11
Operating costs	2,979,318,658.51	2,736,099,202.63	8.89
Taxes and surcharges	486,015,428.39	305,773,876.47	58.95
Administrative expenses	287,908,222.21	255,371,763.84	12.74
Financial expenses	67,802,087.57	37,419,700.15	81.19
Research and development expenses	30,813,632.19	41,015,532.65	(24.87)
Net cash flows from operating activities	1,880,385,253.36	1,612,731,602.56	16.60
Net cash outflows used in investing activities	(1,574,980,289.20)	(865,457,832.42)	81.98
Net cash flows (used in)/ from financing activities	(1,070,194,696.04)	1,846,249,384.88	N/A

- (1) Operating costs increased compared to the same period last year primarily due to the increase in operating costs of gold.
- (2) Taxes and surcharges increased compared with the same period of last year, primarily due to the increase in resource tax.
- (3) Administrative expenses increased compared to the same period last year mainly due to an increase in the Group's staff cost.

MANAGEMENT DISCUSSION AND ANALYSIS

- (4) Financial expenses increased compared to the same period last year, primarily due to the increase in foreign exchange losses.
- (5) Research and development expenses decreased compared with the same period last year, primarily attributable to the reduced research and development investments by Jilong Mining and Wulong Mining during the current period.
- (6) The increase in net cash flows from operating activities was mainly due to the increase in gross profit of mined gold.
- (7) The increase in the net cash outflows used in investing activities was mainly due to the increase in capital expenditures during the current period.
- (8) The increase in net cash outflows from financing activities was primarily attributable to the fund raising from the Hong Kong Stock Exchange in the previous period, which did not recur in the current period.

2. Operating Income and Operating Costs Analysis

- (1) Principal business by sector, product and region

Unit: Yuan Currency: RMB

Analysis of the principal business by sector						
By sector	Operating income	Operating costs	Gross profit margin (%)	Change in operating income as compared to the same period last year (%)	Change in operating costs as compared to the same period last year (%)	Change in gross profit margin as compared to the same period last year
Mining sector	6,884,552,954.83	2,866,866,327.50	58.36	34.07	9.42	increased by 9.38 pp
Comprehensive resource recycling and utilization	126,406,229.51	111,243,418.37	12.00	0.66	5.08	decreased by 3.70 pp

MANAGEMENT DISCUSSION AND ANALYSIS

Analysis of the principal business by product

By product	Operating income	Operating costs	Gross profit margin (%)	Change in operating income as compared to the same period last year (%)	Change in operating costs as compared to the same period last year (%)	Change in gross profit margin as compared to the same period last year
Self-mined gold	6,177,825,497.56	2,370,173,024.00	61.63	30.16	9.81	increased by 7.11 pp
Purchased gold	81,334,671.76	79,705,822.57	2.00	N/A	N/A	N/A
Copper cathode	477,062,756.80	284,324,033.15	40.40	140.76	(10.85)	increased by 101.36 pp
Copper concentrate powder	21,211,850.67	4,573,508.74	78.44	(7.62)	(20.63)	increased by 3.54 pp
Lead concentrate powder	10,128,360.86	1,559,777.48	84.60	(47.82)	(82.45)	increased by 30.39 pp
Zinc concentrate powder	52,688,357.05	32,807,060.49	37.73	(11.25)	(24.07)	increased by 10.51 pp
Molybdenum concentrate powder	6,514,352.37	6,906,089.76	(6.01)	(82.82)	(73.10)	decreased by 38.31 pp
Rare earth products	57,787,107.76	86,817,011.31	(50.24)	13.50	46.60	decreased by 33.93 pp
Others (Disassembly of electronic products)	126,406,229.51	111,243,418.37	12.00	0.66	5.08	decreased by 3.70 pp

Analysis of the principal business by region

By region	Operating income	Operating costs	Gross profit margin (%)	Change in operating income as compared to the same period last year (%)	Change in operating costs as compared to the same period last year (%)	Change in gross profit margin as compared to the same period last year
Domestic regions	1,701,397,474.05	532,952,553.67	68.68	27.01	17.32	increased by 2.59 pp
Overseas regions	5,309,561,710.29	2,445,157,192.20	53.95	35.41	7.64	increased by 11.89 pp

Approximately 75.73% of the Group's operating income from its principal activities is derived from overseas mining operations.

MANAGEMENT DISCUSSION AND ANALYSIS

(2) Analysis of Production and Sales Volume

Major products	Unit	Production volume	Sales volume	Unit selling price	Change in production volume as compared to the same period last year (%)	Change in sales volume as compared to the same period last year (%)	Change in unit selling price as compared to the same period last year (%)
Self-mined gold	kg	6,149.24	6,125.63	1,008.52 RMB/gram	(8.96)	(9.45)	44.08
Purchased gold	kg	81.94	81.94	992.64 RMB/gram	N/A	N/A	N/A
Copper cathode	tonne	5,398.67	5,219.73	91,396.06 RMB/tonne	92.92	83.66	31.09
Copper concentrate powder	tonne	849.31	842.65	25,172.79 RMB/tonne	(28.49)	(24.44)	22.26
Lead concentrate powder	tonne	254.66	283.43	35,734.96 RMB/tonne	(86.22)	(83.34)	213.26
Zinc concentrate powder	tonne	6,560.04	6,591.49	7,993.39 RMB/tonne	(42.55)	(20.69)	11.91
Molybdenum concentrate powder	tonne	52.78	44.51	146,357.05 RMB/tonne	(84.70)	(85.09)	15.20
Rare earth products	tonne	148.60	294.14	196,461.24 RMB/tonne	(66.82)	(1.39)	15.09

(3) Analysis of Unit Operating Cost and Gross Profit Margin

Major product	Unit	Unit operating cost			Gross profit margin (%)	
		Current period	Previous period	Percentage of change (%)	Current period	Previous period
Self-mined gold	RMB/gram	383.44	319.06	20.18	61.63	54.52
Purchased gold	RMB/gram	972.77	–	N/A	2.00	–
Copper cathode	RMB/tonne	54,471.02	112,216.86	(51.46)	40.40	(60.96)
Copper concentrate powder	RMB/tonne	5,427.53	5,167.40	5.03	78.44	74.90
Lead concentrate powder	RMB/tonne	5,503.22	5,224.09	5.34	84.60	54.21
Zinc concentrate powder	RMB/tonne	4,977.18	5,198.22	(4.25)	37.73	27.22
Molybdenum concentrate powder	RMB/tonne	155,158.16	86,017.58	80.38	(6.01)	32.30
Rare earth products	RMB/tonne	295,155.41	198,542.96	48.66	(50.24)	(16.31)
Overall gross profit margin (Note 1)					57.55	48.10

Note 1: The overall gross profit margin refers to the Group's overall gross profit margin, including mining, comprehensive resource utilization and recycling, and others.

Note 2: The development ore generated during the technical transformation of Huatai Mining was not included in the calculation of the unit operating cost of the self-mined gold.

MANAGEMENT DISCUSSION AND ANALYSIS

(4) Analysis of the Unit Cost of Self-mined Gold

Items	Unit cost for the current period		Unit cost for the previous period		Percentage of change	
	Operating costs	All-in sustaining cost	Operating costs	All-in sustaining cost	Change in operating costs as compared to the same period last year (%)	All-in sustaining cost change as compared to the same period last year (%)
Self-mined gold (RMB/gram)	383.44	481.45	319.06	355.41	20.18	35.46

Note 1: Operating costs refer to the operating costs stated in the statement of profit or loss. All-in sustaining cost comprises direct cash costs included in operating costs, selling expenses and administrative expenses plus taxes and surcharges as well as sustaining capital expenditure.

Note 2: The exchange rate of USD to RMB used in the current period and the previous period is 6.8932 and 7.1839, respectively.

	Unit cost for the current period		Unit cost for the previous period		Percentage of change	
	Operating costs	All-in sustaining cost	Operating costs	All-in sustaining cost	Change in operating costs as compared to the same period last year (%)	All-in sustaining cost change as compared to the same period last year (%)
Domestic gold mines (RMB/gram)	233.32	347.93	179.92	271.42	29.68	28.19
Laos Sepon Gold and Copper Mine (US\$/oz)	1,836.79	2,030.06	1,432.58	1,527.67	28.22	32.89
Ghana Wassa Gold Mine (US\$/oz)	2,274.93	2,693.21	1,702.61	1,788.09	33.61	50.62

Note 1: The development ore generated during the technical transformation of Huatai Mining was not included in the calculation of the unit operating cost of the mined gold.

Note 2: The unit cost of self-mined gold in the current period increased compared to the same period of last year, primarily due to the following factors. Firstly, the tax expenses increased. Higher gold selling price during this period contributed to an increase in operating income, resulting in an increase in resources tax, royalty and growth and sustainability levy. The resource tax rate revision from 5% to a progressive 5%–12% rate effective in April 2026 in Ghana further led to the increase in unit cost. Secondly, the production of gold during this period was influenced by the technical upgrade and overhaul in some mines. For example, the ore-hoisting capacity was limited by the single-rope to multi-rope hoist conversion at Jilong Mining and the upgrades of several blind shafts at Wulong Mining. The annual routine maintenance of the processing facility combined with a planned shutdown maintenance of one of its high-temperature oxidation kettles at the Laos Sepon Gold and Copper Mine led to a decrease in ore processing volume. The decline in gold production during the current period compared to the same period of last year led to a higher allocation of fixed costs, which ultimately resulted in an increase in unit cost. The technical upgrades and equipment maintenance in mines are parts of the annual planned work. The Group has been actively conducting various activities including exploration, mining, processing, technical upgrades and equipment maintenance. The maintenance at the Laos Sepon Gold and Copper Mine has been completed in Q1 2026 and all technical upgrade projects are progressing as scheduled.

MANAGEMENT DISCUSSION AND ANALYSIS

(II) Key Accounting Data and Financial Indicators for the Reporting Period

1. Non-recurring gains or losses items and amounts

Unit: Yuan Currency: RMB

	For the six months ended 30 June 2026 (unaudited)
Gains or losses from disposal of non-current assets, including the write-off of the provision for impairment of assets	332,431.07
Government grants included in the current profit or loss, except those that are closely related to the Company's normal business operations, which comply with national policies and can be obtained based on established standards, and which have a continuing impact on the Company's profit or loss	633,853.96
Profit or loss arising from changes in fair value of financial assets and financial liabilities held by non-financial enterprises, and profit or loss from the disposal of financial assets and financial liabilities other than effective hedging activities related to the Company's normal business operations	(3,388,227.88)
Reversal of impairment provision for trade receivables that had an impairment test individually	233,833.60
Non-operating income and expenses other than those mentioned above	(4,654,294.73)
Other profit or loss items within the definition of non-recurring profit and loss	701,713.69
Subtotal	(6,140,690.29)
Less: Effect of income tax	(98,877.01)
Impact on minority interests (after tax)	27,437.83
Total	(6,069,251.11)

MANAGEMENT DISCUSSION AND ANALYSIS

2. Key financial ratios

Financial Ratios	As at 30 June 2026	As at 31 December 2025	Change for the current period over the end of last year	Reasons for change
Current ratio <i>(Note 1)</i>	339.54%	275.29%	increased by 64.25 pp	The decline in current liabilities
Quick ratio <i>(Note 2)</i>	233.23%	199.78%	increased by 33.45 pp	The decline in current liabilities
Debt-to-asset ratio <i>(Note 3)</i>	29.62%	33.91%	decreased by 4.29 pp	The decrease in loan outstanding and the increase in assets

- Notes:*
1. Current ratio is calculated as total current assets divided by the total current liabilities.
 2. Quick ratio is calculated as total current assets less inventories and prepayments divided by total current liabilities.
 3. Debt-to-asset ratio calculated as total liabilities of the Group divided by total assets of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

3. *Liquidity and Financial Resources*

As at 30 June 2026, the Group had cash and bank balances of RMB6,033 million (as at 31 December 2025: RMB6,821 million).

As at 30 June 2026, the Group had interest-bearing bank liabilities of RMB617 million (as at 31 December 2025: RMB878 million), of which the interest-bearing bank liabilities due within one year amounted to RMB617 million (as at 31 December 2025: RMB809 million); the interest-bearing bank liabilities due within one to two years was nil (as at 31 December 2025: RMB69 million). Approximately 42.63% of the interest-bearing bank liabilities of the Group (31 December 2025: approximately 80.52%) were at fixed interest rates.

The interest-bearing bank liabilities consisted of two categories: short-term borrowings and long-term borrowings.

Short-term borrowings: As at 30 June 2026, the short-term borrowings amounted to RMB536 million at an interest rate ranging from 1.70% to 5.15% per annum (as at 31 December 2025: RMB708 million, an interest rate ranging from 1.20% to 5.34% per annum).

Long-term borrowings (including long-term borrowings due within one year): As at 30 June 2026, the long-term borrowings amounted to RMB81 million at an interest rate ranging from 2.70% to 3.15% per annum (as at 31 December 2025: RMB170 million at an interest rate of 2.70% to 3.15% per annum).

For the six months ended 30 June 2026, the Group financed its operations through equity financing, bank loans, internally generated cash flows, and the proceeds from the listing on the Hong Kong Stock Exchange. The Group pursues a prudent treasury management policy and actively manages its liquidity position with sufficient standby banking facilities to cope with daily operation and any demands for capital in future development.

MANAGEMENT DISCUSSION AND ANALYSIS

4. *Foreign Exchange Risk Management*

The reporting currency of the Group and the functional currencies of its domestic subsidiaries is RMB, while the functional currencies of the Group's overseas gold mining and rare earth mining subsidiaries are USD and RMB respectively. Some of the Group's assets are located in Laos and Ghana. The operating costs and expenses of overseas subsidiaries are, in some cases, denominated in local currencies and therefore the Group is exposed to fluctuations in the USD, KIP and GHS. In addition, as the presentation currency of the Group is RMB, the financial reporting amounts of the overseas subsidiaries, whose functional currency is USD are translated into RMB for consolidation purposes.

The Group manages its foreign exchange business in a coordinated manner and uses forward exchange contracts to minimize its exposure to exchange rate risk when necessary, depending on the market trend. At the same time, the Group usually holds a very small amount of cash in local currencies to avoid exposure to local currency fluctuations and purchases local currencies only when local payments are required. The Group is able to use all GHS received from the Bank of Ghana or KIP and GHS converted from USD operating incomes for the Group's operating and capital expenditures at short notice to keep the Group's local currency cash at a minimum level. The Group continuously monitors its exposure to foreign currency exchange risk.

MANAGEMENT DISCUSSION AND ANALYSIS

(III) Analysis of Assets and Liabilities

1. Assets and liabilities

Unit: Yuan Currency: RMB

Items	Closing balance at the end of the Reporting Period	Proportion to total assets at the end of the Reporting Period (%)	Closing balance at the end of last year	Proportion to total assets at the end of last year (%)	Change of the closing balance (%)	Explanations
Cash and bank balances	6,033,056,952.08	23.89	6,820,720,561.54	27.30	(11.55)	The decrease was primarily due to the dividend distribution and net repayment of bank loans in the current period.
Inventories	2,956,767,648.74	11.71	2,685,277,001.26	10.75	10.11	The raw materials and work-in-progress in LXML increased in the current period.
Construction in progress	1,403,694,886.82	5.56	776,911,092.97	3.11	80.68	The investment in the expansion projects increased in the current period.
Other non-current assets	365,592,622.41	1.45	253,470,802.69	1.01	44.23	The prepayments for land use right and for fixed assets and constructions increased in the current period.
Short-term borrowings	535,727,061.84	2.12	707,600,631.31	2.83	(24.29)	The bank loans were net repaid during the current period.
Employee benefits payable	91,904,868.70	0.36	179,150,347.45	0.72	(48.70)	The accrued salaries and bonuses were paid during the current period.
Other payables	353,996,337.33	1.40	607,927,322.54	2.43	(41.77)	The principal and the interest of the Phase III ESOP were returned during the current period.

MANAGEMENT DISCUSSION AND ANALYSIS

2. Overseas assets

Overseas assets were RMB18,300.7945 million, accounting for 72.47% of the total assets of the Group.

Pursuing a global development strategy, the Group has been engaged in overseas acquisitions and mining operations across a wide range of minerals, including gold and copper. Mineral reserves and products constitute a significant portion of the Group's assets and serve as key growth drivers for profits and revenue. The Group's major overseas assets include:

Unit: ten thousands Yuan Currency: RMB

Name of overseas assets	Initial recognition	Operational model	Operating income for the Reporting Period	Net profit for the Reporting Period
LXML	Merger and acquisition	Self-operation	304,046.39	105,931.46
Golden Star Resources	Merger and acquisition	Self-operation	221,634.57	35,310.56

3. Main restrictions on assets as at the end of the Reporting Period

Unit: Yuan Currency: RMB

Items	Carrying amount at the end of the Reporting Period
Cash and bank balances (Note 1)	251,781,916.46
Other non-current assets (Note 2)	124,853,435.34
Fixed assets (Note 3)	172,672,363.11
Total	549,307,714.91

Note 1: As at 30 June 2026, the Group's cash and bank balances restricted from being used was RMB251,781,916.46, listed under "Other monetary funds". Among them, RMB16,132,953.97 was the fund provided for mine geological environment governance and restoration, with the relevant amount deposited in a designated bank account and restricted for use in land reclamation and environmental protection after mine closure; RMB98,689,940.96 was a one-year time deposit of GSWL, with the deposit period from 9 December 2025 to 9 December 2026, at an interest rate of 4.0%. The time deposit has been used as collateral to secure the bank guarantee opened in the name of GSWL for fulfilling its land reclamation obligations; RMB109,429,766.79 represents the time deposits of Chijin HK; RMB27,529,254.74 was the fund available for withdrawal at any time in accounts at the Shanghai Gold Exchange and futures accounts.

MANAGEMENT DISCUSSION AND ANALYSIS

Note 2: As at 30 June 2026, other non-current assets of the Group restricted from being used (including the portion due within one year) amounted to RMB124,853,435.34, which were restricted due to the Group's contribution to the mine geological environment governance and restoration fund that cannot be withdrawn on demand.

Note 3: As at 30 June 2026, the Group's long-term borrowings of RMB50,255,133.57 were secured by fixed assets of Wulong Mining and Jilong Mining with carrying amounts of RMB118,501,988.10 and RMB54,170,375.01, respectively.

Apart from the above, the Group has no material pledge of assets or contingent liabilities as at 30 June 2026.

(IV) Analysis on Investments

During the Reporting Period, the Group did not carry out any significant external equity investments.

Financial assets measured at fair value

Unit: Yuan Currency: RMB

Assets Category	Balance at the beginning of the Reporting Period	Gains/(losses) on changes in fair value for the current period	Investment income for the current period	Purchase amount for the current period	Sales/redemption amount for the current period	Other	Balance at the end of the Reporting Period
Stock investments	19,231,618.75	(7,838,630.53)	–	–	–	(616,389.25)	10,776,598.97
Other equity investments	10,000,000.00	22,515,978.44	–	–	(7,500,000.00)	–	25,015,978.44
Structured deposit	–	11,282.20	4,439,120.45	3,863,000,000.00	(3,794,831,843.62)	392,723.17	73,011,282.20
Total	29,231,618.75	14,688,630.11	4,439,120.45	3,863,000,000.00	(3,802,331,843.62)	(223,666.08)	108,803,859.61

Details of securities investment

Securities type	Security Code	Security short name	Source of funding	Balance at the beginning of the Reporting Period	Losses on changes in fair value for the current period	Exchange differences on foreign currency translation	Balance at the end of the Reporting Period	Accounting Item
Stock	GGM.ASX	GGM.ASX	Self-owned funds	19,231,618.75	(7,838,630.53)	(616,389.25)	10,776,598.97	Financial assets held for trading

Note 1: On 25 August 2026, MetalsTech Limited announced the change of its company name to Global Gold Mining Limited and the change of its security code from MTC.ASX to GGM.ASX.

Note 2: The initial investment costs of Chijin HK in Global Gold Mining Limited was AUD3 million.

MANAGEMENT DISCUSSION AND ANALYSIS

Derivative Investments

On 20 March 2026, the Company held the fifth meeting of the ninth session of the Board and considered and approved the “Proposal on the Launch of Futures Hedging Activities in 2026”. It was agreed that the Group would make use of the hedging function of financial instruments to carry out hedging activities on major products and raw materials related to production and operation and foreign exchange risk exposures at appropriate times aiming to mitigate risks associated with the prices of major products, raw materials as well as foreign exchange rate fluctuations. This aims to enhance the Group’s risk resistance capability and ensure stable operations. Please refer to the section headed “Notes to Financial Statements” – “X. Risks Associated with Financial Instruments” – “4. Hedging” in this report.

(V) Analysis on Major Companies in Which the Company has Controlled

Unit: ten thousands Yuan Currency: RMB

Company name	Type of company	Principal operation	Registered capital	Total assets	Net assets	Operating income	Operating profit/(loss)	Net profit/(loss)
Jilong Mining	Subsidiary	Gold mining and processing	17,500.00	216,855.33	159,564.94	55,443.52	106,013.25	97,052.57
Huatai Mining	Subsidiary	Gold mining and processing	2,000.00	33,459.89	(798.91)	5,885.22	444.19	444.19
Wulong Mining	Subsidiary	Gold mining and processing	4,000.00	162,992.76	127,379.15	55,604.49	34,356.47	25,390.20
Xinhenghe Mining	Subsidiary	Gold mining and processing	4,000.00	80,046.60	62,231.58	31,604.22	25,637.62	21,725.46
Hanfeng Mining	Subsidiary	Non-ferrous metal mining and processing	42,920.00	60,715.49	52,489.46	9,085.03	2,045.97	1,589.19
LXML	Subsidiary	Gold and non-ferrous metal mining and processing	1,436,516.83 million Lao Kip	814,582.74	529,754.58	304,046.39	158,928.66	105,931.46
Golden Star Resources	Subsidiary	Gold mining and processing	US\$932.9285 million	945,586.43	477,297.69	221,634.57	68,379.55	35,310.56
Guangyuan Technology	Subsidiary	Disassembling of waste electrical and electronic products	4,477.60	37,296.96	33,072.83	12,695.07	980.67	728.35
Chijin Xiawu	Subsidiary	Rare earth mining and processing	40,000.00	36,995.39	33,599.38	5,778.71	(3,746.99)	(3,763.51)

- Note:**
1. The business substance of Xinhenghe Mining are held by its subsidiary Jintai Mining. The business substance of Golden Star Resources are held by its subsidiary GSWL. The business substance of Chijin Xiawu are held by its subsidiaries CIRE Mining and CIREX Mining.
 2. The financial data of Wulong Mining, Xinhenghe Mining, Golden Star Resources, Guangyuan Technology and Chijin Xiawu are based on their consolidated financial statement figures.
 3. The operating profit and net profit of Jilong Mining include the dividend of RMB700 million from its subsidiary Wulong Mining.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OUTLOOK

Based on the Company's 2026 annual operating targets and actual progress during the Reporting Period, the Company will focus on the following priorities in the second half of the year: advancing technical upgrade initiatives and production recovery; driving expansion construction and production ramp-up; and securing regulatory approvals and pioneering new development areas: (1) accelerating technical upgrade projects across all mines to ensure a gradual production release in Q3 and Q4; (2) strengthening cost control to mitigate unit cost pressures arising from royalty and tax rate increases as well as production declines; (3) expediting the processing of key regulatory approvals to facilitate the projects' construction and capacity expansion; (4) proactively engaging with Zijin Mining Group's strategic resources to explore pathways for realizing synergies; and (5) continuing to reinforce the Company's ESG foundation and consistently improving safety, environmental and compliance standards.

With gold prices remaining at a relatively high level, and under a complex and ever-changing external environment and formidable development tasks, the management of the Company is confident and resolute in pursuing its strategic objectives, rallying a shared vision across the organization, and leveraging efficient execution to comprehensively accelerate the pace of exploration, technical upgrades and new project construction across its domestic and overseas mining operations, in order to meet the Company's annual operating targets.

EXPLORATION, DEVELOPMENT AND MINING ACTIVITIES DURING THE REPORTING PERIOD

I. Exploration

During the Reporting Period, exploration activities at the Company's mines progressed in line with the annual plan. Capitalized exploration expenditure amounted to approximately RMB51.06 million, with approximately 134,200 meters of exploration drillhole completed and approximately 138,600 meters of development and cross-cut works completed. Specific project updates are as follows:

Zhuanshanzi Gold Mine of Jilong Mining: Within the mining concession area, 9,068 meters of development and cross-cut works were completed, effectively delineating the downward extension and lateral strike extent of both the main orebody and blind orebodies. In the exploration license area, 20 surface exploration drill holes were completed, totaling 8,885 meters in footage, which preliminarily revealed mineralization information in the peripheral areas, further expanded the exploration target area, and provided a basis for the subsequent planning of the exploration program and assessment of the resources potential.

Wulong Gold Mine of Wulong Mining: Within the mining concession area, 15,913 meters of development and cross-cut works were completed. A total of 45 underground exploration drill holes were completed, aggregating 9,639 meters in footage, and 2 surface exploration drill holes were completed, totaling 961 meters in footage. With the approval of temporary land use permits for drilling, surface exploration activities will be fully rolled out in Q3.

MANAGEMENT DISCUSSION AND ANALYSIS

Honghuagou Gold Mine of Huatai Mining: Due to a design revision to the original safety facilities pertaining to the “three simultaneities” requirement at the No. 5 mining area, underground tunneling works were temporarily suspended. However, exploration activities continued to advance. In the No. 5 mining area, 14 underground exploration drill holes were completed, totaling 3,995 meters in footage. In Pengjiagou mining district and the No. 86 vein mining area, 23 surface exploration drill holes were completed, totaling 7,088 meters in footage. Multiple drill holes have encountered mineralization, yielding positive exploration results.

Tianbaoshan Polymetallic Mine of Hanfeng Mining: Within the mining concession area, 2,621 meters of development and cross-cut works were completed. In the lower mining area of Lishan mine, 2 exploration drill holes were completed, totaling 591 meters in footage, and 29 infill drill holes were completed, totaling 3,634 meters in footage.

Laos Sepon Gold and Copper Mine: A total of 58,220 meters of exploration drilling was completed during the Reporting Period, comprising 13,736 meters of capitalized drilling and 44,484 meters of resources extension drilling. The drilling program was primarily focused on the main mining area and surrounding oxide gold targets, as well as the SND Project target and the southern SBH target. Among these, the BNG, HYN and HYB oxide targets have yielded encouraging mineralization results, and additional infill drilling is being carried out to update the oxide resource model. In the southern SBH target area, geological mapping, geochemical surveys, geophysical surveys and a limited amount of drilling have been completed, with 8 favorable porphyry gold-copper exploration targets delineated. Verifying drilling programs are planned to commence progressively after the rainy season. The phase 2 drilling program targeting orebody extension at the SND Project target was completed in late June 2026, with continuous mineralization intersected at depth and along strike, further delineating the scale of orebody extension. On 30 July 2026, the Company announced the updated Mineral Resources estimate for the Sepon SND Project, as reviewed and approved by independent international mining consultancy firm Snowden Optiro, in compliance with the JORC Code. The estimate comprises, Indicated Mineral Resources and Inferred Mineral Resources of 360 Mt of ore with 260 tonnes of contained gold equivalent, at an average gold grade of 0.47 g/t, containing 170 tonnes of gold, and an average copper grade of 0.22%, containing 810,000 tonnes of copper.

Ghana Wassa Gold Mine: A total of 44,816 meters of exploration drilling was completed during the Reporting Period, with the drilling program strategically focused on the Wassa, Benso and ADK/FB mining areas. Of this total, 29,125 meters comprised capitalized drilling (both underground and surface) at the Wassa mining area, 11,935 meters at the Benso mining area, and 3,756 meters at the ADK/FB mining area. The exploration program has delivered significant results: at the Wassa mining area, the BSM orebody shows a clear southward extension trend, with a notable increase in Indicated Mineral Resources; at the Benso and DMH mining areas, significant open-pit expansion potential has been identified, with continuous mineralization along favorable structural trends; and at ADK, infill drilling has confirmed the consistency of mineralization, enabling an upgrade in resources classification.

MANAGEMENT DISCUSSION AND ANALYSIS

II. Development

During the Reporting Period, the Company adhered to the principle of “simultaneous investment on mining and development, with development taking precedence,” focusing on technical upgrade and expansion projects at domestic mines to enhance production capacity. Systematic efforts were made to advance key projects including vertical shaft hoisting system upgrades, processing plant retrofits, and tailings storage facility and supporting infrastructure construction. However, operational schedules at certain mines had experienced delays due to factors such as heightened safety regulatory oversight and permitting procedures for mining rights. Details of the development activities at each domestic mine are set out below:

Zhuanshanzi Gold Mine of Jilong Mining: Continues technical upgrade of multiple vertical shafts from single-rope to multi-rope hoisting systems. Among these, the No. 27 main shaft, Yangpo blind shaft, and Huangjindong blind shaft are currently undergoing shaft wall enlarging, cradle base construction, and hoist unit installation. The Huangjindong main shaft, the No. 27 blind shaft, and the No. 72 blind shaft projects are scheduled for completion in Q4 2026. Meanwhile, the administrative approval process for the design changes to the Yangpo main shaft and No. 5 ventilation shaft is progressing steadily.

Shaft sinking and lining works for the vertical shaft project of Xinglong mine are scheduled for completion in Q2 2027. The feasibility study report for the new 60,000-tonnes-per-annum underground mining expansion project has been completed, with preliminary design planned for Q3 2026 and administrative approval submission planned for Q4. For the 600-tonnes-per-day processing plant gravity separation retrofit project, equipment procurement contracts have been signed, with installation and commissioning scheduled for completion in Q4 2026.

Wulong Gold Mine of Wulong Mining: The project of the No. 2 submine blind shaft upgrade, shaft equipping is scheduled to commence in Q4. Installation of shaft equipment for the No. 4 ore block auxiliary shaft upgrade project is expected to be completed in Q3. At the Fumai vein zone of the No. 4 ore block, based on the ongoing exploration, development for stoping preparation is planned for completion by March 2027, with stopes expected to be ready for blasting. Construction of the “three simultaneities” facilities at the Haojingou gold mining concession is progressing, with production targeted for August 2029. The new tailings storage facility is scheduled for completion in Q2 2027. The approval procedures for the mineral processing technology renovation project are currently being processed.

Xidengping Gold Mine of Jintai Mining: The Guanzhuangba waste rock dump, rehabilitation of the No. 913 waste rock dump, and the Phase I heap leach pad expansion project have been completed. Civil works for the new desorption electrowinning refining production facility are scheduled for completion in Q3. For the Phase II V4 orebody development, multiple regulatory approvals have been obtained, with administrative processes for soil conservation and land use permits progressing steadily. Demolition of the Phase I crushing station is planned for completion in Q4, while construction of the Phase II crushing station is proceeding on schedule and is expected to be completed in Q4.

MANAGEMENT DISCUSSION AND ANALYSIS

Honghuagou Gold Mine of Huatai Mining: The design change for the infrastructure project pertaining to the “three simultaneities” requirement at the No. 5 mining area has received regulatory approval, and site investigation for the shaft construction has commenced. For the No. 1 mining area – No. 3 mining sub-area infrastructure project, the approval and review of the project has been completed, and the administrative approval work is progressing steadily.

Tianbaoshan Polymetallic Mine of Hanfeng Mining: For the Dongfeng molybdenum mine expansion and capacity enhancement project, the review of the ecological restoration plan is expected to be completed and the approval letter to be obtained in Q3. The safety facility design for the Lishan tailings storage facility elevation and capacity expansion have been reviewed and approved by the Provincial Department of Emergency Management, with commissioning planned for December 2027. The integration plan for the upper and lower mining areas of Lishan mine has been finalized, with design preparation and feasibility studies currently underway. Commissioning is scheduled for Q3 2028.

Laos Sepon Gold and Copper Mine: Regulatory approval for the DD2 underground mine project has been successfully obtained, with the shaft collar and related supporting works progressing in an orderly manner. Construction of the backfill plant is expected to be completed by the end of the year, and the new mining method will maximize resource utilization from high-grade ore zones. An additional 35 haul trucks for the open-pit mine will be delivered to site in stages, ensuring stable ore delivery from key pits during the rainy season. Leveraging the enhanced equipment fleet, the Company will subsequently optimize design parameters to reduce the stripping ratio and mining costs. The Khanong primary copper project is advancing as planned, with civil construction for the grinding system having commenced, and the feasibility study for the copper concentrate roasting and acid production project has been completed and submitted for review. Continuous dosing of the organic carbon suppression reagent has delivered positive results, while flotation optimization has further improved gold recovery. The Phase III-A expansion of the western tailings storage facility has completed 92% overall, providing support for future capacity expansion.

Ghana Wassa Gold Mine: In the Benso area, three open pits are now delivering stable ore supply, with tendering for a fourth pit completed and stripping works set to commence shortly. In the B-shoot main area, production is progressively ramping up through the deployment of additional contractor equipment and expanded working faces. The DMH open pit has also achieved stable ore delivery. Engineering design, procurement and project planning for the SAG mill in the processing plant expansion are progressing well. At the Mpohor new processing plant project, front-end engineering has achieved substantial progress, positioning the project for commencement of preliminary engineering design in August. The majority of exclusivity drilling has been completed, with supplementary metallurgical testing currently underway, while geotechnical and hydrogeological surveys are fully prepared for execution. At the FB and ADK mining areas, the transition from open-pit to underground development commenced in March 2026 and is proceeding smoothly, with some by-product ore already extracted and first stope production planned for Q3, providing supplementary ore feed.

MANAGEMENT DISCUSSION AND ANALYSIS

III. Mining Production Activities

Mining Production Activities

Items	Mineral Type	Total Ore Processed (10,000 tonnes) <i>(Note)</i>
Domestic Mines	gold	85.45
Domestic Mines	copper, lead, zinc and molybdenum	15.64
GSWL	gold	173.72
LXML	gold, copper	147.38

Note: Total ore processed includes the total volume of ore mined during the Reporting Period, as well as previously stockpiled low-grade ore that has become economically viable due to the increase in gold and other mineral product prices.

DISCLOSURE OF INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO (Chapter 571 of the Laws of Hong Kong)) which (a) were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the directors and chief executives of the Company are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO to be recorded in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Hong Kong Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange are as follows:

Name	Position	Nature of interest	Description of Shares	Number of Shares	Approximate percentage of interest in the total issued share capital of our Company (i.e. A Shares and H Shares) as at
					30 June 2026
Wang Jianhua	Chairman of the Board and executive Director	Beneficial owner	A Shares (L)	74,200,071	3.9044%
Gao Bo	Vice Chairman, executive Director and Chief Executive Officer	Beneficial owner	A Shares (L)	153,500	0.0081%
Yang Yi-fang	Vice Chairman and executive Director	Beneficial owner	A Shares (L)	113,000	0.0059%
Lyu Xiaozhao	Vice Chairman and executive Director	Beneficial owner	A Shares (L)	111,700	0.0059%
Zhao Qiang	Executive Director and Vice President	Beneficial owner	A Shares (L)	204,000	0.0107%

(L) denotes long position

DISCLOSURE OF INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVES

Save as disclosed above, during the Reporting Period, none of the Directors and chief executive of the Company or their associates had any interests or short positions in the shares, underlying shares, or debentures of the Company or its associated corporations (as defined in the SFO) that were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, required to be recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code. None of the Directors and chief executive of the Company or their spouses or children under the age of 18 have any rights to subscribe for the shares, underlying shares or debentures of the Company, or have exercised any such rights.

Save as disclosed in this report, no arrangement has been entered into between the Company or its holding company or its subsidiaries at any time during the Reporting Period, which will allow the Directors and chief executive of the Company to be benefited by acquiring the shares, underlying shares or debentures of the Company or other body corporates.

SHARE CAPITAL AND SHAREHOLDERS

As at 30 June 2026, details of the Company's issued ordinary shares (with par value of RMB1.00 each) are set out in Note V. 33 to the financial statements.

CHANGES IN SHARE CAPITAL

I. Statement of changes in shares

	Before this change		This change involves an increase or decrease (+,-)					After this change	
	Number	Ratio (%)	Issue of new shares	Bonus shares	Conversion of provident fund shares	Others	Subtotal	Number	Ratio (%)
I. Shares with restricted sale conditions	0	0	0	0	0	0	0	0	0
1. State ownership	0	0	0	0	0	0	0	0	0
2. State-owned legal person shareholding	0	0	0	0	0	0	0	0	0
3. Other domestic capital holdings	0	0	0	0	0	0	0	0	0
4. Foreign shareholding	0	0	0	0	0	0	0	0	0
II. Unrestricted tradable shares	1,900,411,178	100	0	0	0	0	0	1,900,411,178	100
1. RMB ordinary shares	1,663,911,378	87.56	0	0	0	0	0	1,663,911,378	87.56
2. Foreign capital shares listed domestically	0	0	0	0	0	0	0	0	0
3. Foreign capital shares listed overseas	236,499,800	12.44	0	0	0	0	0	236,499,800	12.44
III. Total number of Shares	1,900,411,178	100	0	0	0	0	0	1,900,411,178	100

SHARE CAPITAL AND SHAREHOLDERS

II. Shareholdings of top ten shareholders

As at 30 June 2026, the Company has a total of 114,507 Shareholders. Based on the percentage of shareholding in the share capital of the Company, the shareholdings of the Company's top ten Shareholders are as follows:

Shareholdings of top ten shareholders (excluding shares lent through refinancing)								
Name of Shareholders (Full name)	Increase/ decrease during the Reporting Period	Number of shares held at the end of the period	Ratio (%)	Number of shares held with sales restrictions	Pledged, marked or frozen Status of Shares	Number of Shares	Nature of Shareholders	Class of Shares
Hong Kong Securities Clearing Company (Nominees) Limited (Note)	0	236,495,489	12.44	0	Nil	0	Overseas legal person	H Share
Li Jinyang	0	190,410,595	10.02	0	Pledged	23,000,000	Domestic natural person	A Share
Hong Kong Securities Clearing Company Limited (Note)	4,169,473	96,069,214	5.06	0	Nil	0	Overseas legal person	A Share
Wang Jianhua	0	74,200,071	3.90	0	Nil	0	Domestic natural person	A Share
Zhejiang Hanfeng Venture Capital Partnership (Limited Partnership)	0	51,515,151	2.71	0	Nil	0	Others	A Share
China Agricultural Bank Co., Ltd. – Yongying CSI Shanghai-Shenzhen-Hong Kong Gold Industry Stock Trading Open-End Index Securities Investment Fund	(6,913,234)	21,133,639	1.11	0	Nil	0	Others	A Share
CITIC Securities Company Limited – First Seafront Fund Management Co., Ltd. Gold Jewelry Theme Selected Flexible Allocation Hybrid Securities Investment Fund	7,814,451	18,086,399	0.95	0	Nil	0	Others	A Share
Industrial and Commercial Bank of China Limited – China Southern Asset Management CSI Shenwan Nonferrous Metals ETF	1,454,876	17,485,842	0.92	0	Nil	0	Others	A Share
115 Combination of National Social Security Fund	17,402,087	17,402,087	0.92	0	Nil	0	Others	A Share
Chifeng Jilong Gold Mining Co., Ltd. – the Phase III ESOP	0	15,182,600	0.80	0	Nil	0	Others	A Share

Note:

Hong Kong Securities Clearing Company (Nominees) Limited and Hong Kong Securities Clearing Company Limited are the Central Clearing and Settlement System, which carries out securities registration and custodian business for customers. Specifically, they are the nominee for the H-Share class of the Company held by overseas investors and the nominee of the A-Share class of the Company held by investors through the Shanghai Stock Connect, respectively.

SHARE CAPITAL AND SHAREHOLDERS

III. Substantial Shareholders

So far as our Directors are aware, as at 30 June 2026, the interests and short positions of shareholders (other than the Directors and chief executive of the Company) in the shares or underlying shares of the Company which will be required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein, or required to be notified to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO are as follows:

Long Positions in the Shares of Our Company

Shareholders	Nature of Interest	Description of Shares	Number of Shares	Approximate percentage of shareholding in the same class of shares	Approximate percentage of interest in the total issued share capital of our Company (i.e. A Shares and H Shares) as at 30 June 2026
Li Jinyang ⁽¹⁾	Beneficial owner	A Shares (L)	190,410,595	11.44%	10.02%
	Interest in controlled corporation ⁽²⁾	A Shares (L)	51,515,151	3.10%	2.71%
T. Rowe Price Associates, Inc. and its Affiliates	Beneficial owner	H Shares (L)	21,928,400	9.27%	1.15%
Gold Mountains (H.K.) International Mining Company Limited	Beneficial owner	H Shares (L)	18,673,400	7.90%	0.98%
Sparky International Company Limited	Beneficial owner	H Shares (L)	17,117,400	7.24%	0.90%
JPMorgan Chase & Co.	Beneficial owner	H Shares (L)	4,301,472	1.82%	0.23%
		H Shares (S)	4,733,662	2.00%	0.25%
	Investment manager	H Shares (L)	12,400	0.005%	0.001%
	Person having a security interest in shares	H Shares (L)	6,400	0.0027%	0.0003%
	Approved lending agent	H Shares (L)	12,471,079	5.27%	0.66%
	Total	H Shares (L)	16,791,351	7.09%	0.88%
		H Shares (S)	4,733,662	2.00%	0.25%
		H Shares (P)	12,471,079	5.27%	0.66%

(L) Denotes long position

(S) Denotes short position

(P) Denotes lending pool

SHARE CAPITAL AND SHAREHOLDERS

Notes:

- (1) As at 30 June 2026, Ms. Li Jinyang pledged 23,000,000 A Shares, representing approximately 1.21% of our Company's total issued share capital, to a PRC licensed financial institution for her personal financing purpose.
- (2) Ms. Li Jinyang and Mr. Wu Zengxiang are the sole limited partner and general partner of Zhejiang Hanfeng accounting for approximately 99.00% and 1.00% of the committed capital contribution of Zhejiang Hanfeng, respectively. The role of Mr. Wu is to represent Zhejiang Hanfeng in external business and operational matters upon the authorization of Ms. Li in accordance with the limited partnership agreement of Zhejiang Hanfeng. Mr. Wu does not, and cannot exercise control over Zhejiang Hanfeng; and taking in account of the above, the majority interest held by Ms. Li enables her to exercise de facto control of Zhejiang Hanfeng. Therefore, Mr. Wu has no control over the voting rights in share capital of our Company held by Zhejiang Hanfeng, nor the control of Zhejiang Hanfeng in the exercise of such voting rights. Those rest solely with Ms. Li. Please refer to the section headed "Relationship with our Single Largest Shareholder Group – Our Single Largest Shareholder Group" in the Prospectus for details. Accordingly, Ms. Li is deemed to be interested in the 51,515,151 A Shares held by Zhejiang Hanfeng.
- (3) JPMorgan Chase & Co. had a long position in 16,791,351 H Shares (of which 46,790 H Shares were held through physically settled unlisted derivatives, and 1,030,600 H Shares were held through cash settled unlisted derivatives), a short position in 4,733,662 H Shares (of which 37,400 H Shares were held through cash settled listed derivatives, 93,580 H Shares were held through physically settled unlisted derivatives, and 2,924,719 H Shares were held through cash settled unlisted derivatives) and a lending pool of 12,471,079 H Shares.

Save as disclosed herein, our Directors are not aware of any person who as at 30 June 2026, have an interest or short position in our Shares or underlying Shares of our Company which would be required to be disclosed to our Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or will, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of our Company.

OTHERS

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The H Shares of the Company (before the exercise of the over-allotment options) were successfully listed on the Main Board of the Hong Kong Stock Exchange on 10 March 2025, and 205,652,000 H Shares were allotted and issued. The over-allotment option described in the Prospectus was fully exercised on 4 April 2025 in respect of an aggregate of 30,847,800 H Shares, representing approximately 15% of the total number of H Shares initially available under the Global Offering before any exercise of the over-allotment option.

The net proceeds from the Global Offering received by the Company were approximately HK\$3.1 billion after deducting underwriting commissions and listing expenses, which will be utilized for the purposes set out in the Prospectus. As at the date of this report, there was no change in the intended use of net proceeds as previously disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus. To the extent that net proceeds are not immediately used for the intended use, the Company will place the net proceeds as short-term interest-bearing accounts at licensed commercial banks and/or other authorised financial institutions (as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), or applicable laws and regulations in other jurisdictions).

As of 30 June 2026, the details of the use of the proceeds in accordance with the planned purposes and proportions set out in the Prospectus are as follows:

Use of proceeds	Percentage	As of 30 June 2026				Estimated timeline for using unutilized proceeds
		Planned net proceeds	Planned net proceeds	Proceeds used	Unutilized Proceeds	
		(Ten thousands HKD)	(Ten thousands RMB)	(Ten thousands RMB)	(Ten thousands RMB)	
Exploration and development for the domestic mines	30	92,986.71	83,987.46	26,831.00	57,156.46	Before 31 December 2027
Exploration and development for the overseas mines	20	61,991.14	55,991.64	55,269.68	721.96	
Acquisitions of projects	40	123,982.29	111,983.28	–	111,983.28	
General corporate purposes	10	30,995.57	27,995.82	27,995.82	–	
Total	100	309,955.71	279,958.20	110,096.50	169,861.70	

Note: The amount in RMB is converted from Hong Kong dollars.

OTHERS

ANALYSIS OF CORE COMPETITIVENESS DURING THE REPORTING PERIOD

Committed to the development strategy of “focusing on gold”, leveraging its professional governance capabilities, high-quality resource base, prudent financial system, and efficient operational model, the Company has built its core competitive advantages in safe and stable operations, sustainable resource development, and cost-effectiveness control. These strengths provide solid support for the Company’s medium to long-term high quality development and global expansion.

In terms of safe and stable operations, the Company has a professional management team with extensive experience in global mining operations, complemented by an expert Board that ensures scientific and standardized decision-making. A long-term incentive mechanism has been established to align key talent with the Company’s growth, fully mobilizing the operational vitality. Supported by a mature management system and standardized operating models, production at both domestic and overseas mines remains stable and well controlled. Through continuous technological upgrades and management optimization, the Company has further strengthened its foundation for safe production and regulatory compliance, effectively mitigating overseas geopolitical and operational risks.

In terms of resources sustainable development, the Company pursues a dual driven resources expansion strategy, encompassing both domestic and international channels, maintaining ample reserves and significant production expansion potential. The Company owns high-grade gold deposits, and continues to enhance resource utilization and production capacity through deep-hole exploration and technical upgrades in its domestic mines. Overseas, the Company has achieved substantial progress, with the Sepon Gold and Copper Mine in Laos and Wassa Gold Mine in Ghana both being large scale, high-quality regional assets, characterized by extensive mining concession areas and substantial exploration potential. Furthermore, the Company possesses mature capabilities in overseas mergers, acquisitions, and resources integration. Through organic exploration-driven reserves growth and external merger and acquisition-driven expansion, it is steadily increasing its resource base and production scale, ensuring long-term development sustainability.

In terms of cost and financial management, the Company has achieved notable results in cost reduction and efficiency enhancement through refined operations. Leveraging centralized procurement, process optimization, and intelligent upgrades, its domestic mining operations have outperformed the industry average in both cost and gross margin metrics. Meanwhile, the Company has established a diversified financing structure through its A+H listing, gaining access to international capital markets to provide ample funding for its resources acquisitions and technical upgrades of mines. With a sound financial structure characterized by low interest bearing debt and strong cash flow, the Company continues to enhance its capital efficiency through stringent expenditure control and debt structure optimization. This robust financial position not only effectively hedges against industry cyclical fluctuations but also significantly strengthens the Company’s risk resilience and sustainable earnings capacity.

For details, please refer to the section headed “Management Discussion and Analysis – analysis of core competitiveness during the Reporting Period” in the Company’s 2025 annual report.

OTHERS

REMUNERATION POLICY

The Company formulated the Compensation Management Implementation Measures in accordance with relevant national laws and regulations and based on its actual circumstances, standardizing the Company's salary management, fully mobilizing employee enthusiasm and creativity, improving work efficiency, and attracting outstanding talents.

The Company's compensation management reflects a leading compensation strategy, with competitive salary levels for the same positions in the industry. While maintaining a leading salary position, the internal salary levels of positions fully consider the impact of the positions on the Company's development goals, the value of contributions, and the size of responsibilities. Positions are fairly and reasonably classified into tiers, and salaries are determined accordingly, with compensation leaning towards frontline positions. In addition, the Company's employee salary management is linked to performance assessment, with remuneration tied to position performance, stimulating the potential of employees in their roles and fully leveraging individual capabilities.

Business operations within China

Employees are the key to the success of the Group. The Group is committed to recruiting, training, and retaining skilled and experienced employees throughout its operations, aiming to achieve this by offering competitive remuneration packages (above market average) and focusing on training and career development. The remuneration package, which includes salary, bonuses, commercial insurance, and other benefits, is designed to reward employees based on their work performance measured against specific work objectives. The Group conducts annual research on the current market remuneration conditions and adjusts its remuneration packages accordingly to ensure that they remain attractive compared to competitors. In addition, the Group provides orientation training and regularly offers various on-the-job training to enrich employees' professional knowledge, enhance their work skills, and strengthen internal teamwork within the Company.

Business operations in Ghana and Laos

The Group has established a comprehensive human resources system to manage recruitment, employee development, remuneration and compensation matters. The Group designs its remuneration package with reference to local mining industry benchmarks, ensuring it remains competitive compared to its competitors. The Group also makes contributions to mandatory social insurance for employees and provides commercial insurance and other employee benefits in accordance with the relevant laws and regulations of Laos and Ghana.

As at 30 June 2026, the Group employed a total of 6,899 employees in locations including China, Ghana, and Laos (as at 31 December 2025: 6,738), with positions covering exploration, mining, processing, environmental and social, sales, technical, financial, and administrative fields.

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EMPLOYEES OF THE PARENT COMPANY AND MAJOR SUBSIDIARIES AT THE END OF THE REPORTING PERIOD

(I) Employees

Number of employees in the parent company	81
Number of employees in major subsidiaries	6,818
Total number of employees in service	6,899
Number of retired employees to whom the parent company and major subsidiaries have to bear costs and expenses	0

Composition of job positions

Category of job positions	Numbers for personnel
Production staff	4,751
Sales personnel	5
Technical staff	1,132
Financial staff	65
Administrative staff	946
Total	6,899

Education degree

Category of education degree	Number (persons)
Holders of master degree	128
Holders of bachelor degree	804
Below bachelor degree	5,967
Total	6,899

OTHERS

(II) Training plan

1. We arrange pre-job training for new employees in a timely manner according to the recruitment of employees. The pre-job training is conducted by face-to-face teaching and experience, so that new employees can not only know the Company's various rules and regulations and business processes, but also learn mine knowledge on the spot and experience the first-line production environment of the mine.
2. We conduct on-the-job training for employees. According to the work arrangement and specific conditions, the Company conducts on-the-job training from time to time, which includes corporate compliance, cybersecurity, internal control system, corporate culture, skill improvement, mine knowledge, safety, environmental protection and so on. The training form is mainly internal training. The Human Resources Management department, which is in charge of training, hires practical experts and scholars in society and universities to carry out in-depth and systematic training for some training contents, so that trainees can learn more cutting-edge professional knowledge. Internal lecturers are also trained to form an endogenous driving force for organizational development and employee growth.
3. In cooperation with professional colleges and research institutions, the Company carries out on-the-job academic education, technical exchange and training for professional and technical personnel through correspondence and cooperation in running schools.
4. According to the Company's international business development, the Company carries out international mining personnel training plan and related language training plan in a timely manner to help the Company's business in overseas sustainable development. Meanwhile, according to the cultural background of overseas projects, the Company carries out various forms of cultural exchange training to enhance the human resource management concept and cultural integration between the parent company and overseas subsidiaries.

(III) Labor outsourcing

Working hours of labor outsourcing	Company project outsourcing services, based on project volume calculation
Total salary paid for labor outsourcing (RMB0'000)	3,044.88

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SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

There were no significant investments, material acquisitions or disposals in respect of subsidiaries, associates and joint ventures during the Reporting Period. There was no plan authorized by the Board for other material investments or additions of capital assets at the date of this report.

PROFIT DISTRIBUTION

During the current interim period, a final dividend in respect of the year ended 31 December 2025 of RMB0.32 (before tax deduction) (six months ended 30 June 2025: final dividend in respect of the year ended 31 December 2024 of RMB0.16) per ordinary Share, in an aggregate amount of RMB608,131,576.96 (2025: RMB304,065,788.48), has been approved by the Shareholders at the annual general meeting of the Company held on 8 May 2026.

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

EMPLOYEE STOCK OWNERSHIP PLAN AND THEIR IMPACT

Relevant incentive events have been disclosed in the temporary announcement of the Company and there is no further development or change in subsequent implementation.

Summary of the Event	Inquiry Index
On 28 May 2026, the second meeting of holders of The “Announcement of Resolutions of the Eighth Meeting the Phase III ESOP of the Company considered and of the Ninth Session of the Board of Chifeng Gold”, the approved the resolution on the early termination of “Announcement of Resolutions of the Second Meeting the plan. The eighth meeting of the ninth session of of Holders of the ESOP of Chifeng Gold”, and the the Board considered and approved the resolutions “Announcement of Chifeng Gold on the Early Termination on the early termination of the plan and the of the Phase III ESOP, the Change of the Registered repurchase of the relevant shares; on the change Capital and the Amendments to the Articles of of use of the repurchased shares and the change Association” published on 29 May 2026 on the website of registered capital and the amendments to the of the Shanghai Stock Exchange, the Hong Kong Stock Articles of Association of the Company; and on the Exchange and designated information media. convening of a general meeting of the Company at an appropriate time. The Company will determine the time, venue and other specific arrangements for the general meeting in due course, and will publish a separate notice of the general meeting and other relevant documents.	

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PERFORMANCE OF COMMITMENTS

Commitments made by actual controllers, shareholders, related parties, acquirers of the Company, and the Company and other related parties making commitments during the Reporting Period or continuing to the Reporting Period.

Background of commitment	Type of commitment	Committed by	Content of commitment	Date and deadline of commitment	Whether there is a deadline for performance	Period of Commitment	Whether it is strictly performed in time
Commitment made in the acquisition report or equity change report	Shares lock-up	Zijin Gold	Shall not transfer any of the subscription shares to any third party other than its affiliates within 18 months after the completion of the subscription.	25 March 2026	Yes	within 18 months following the completion of the subscription	Yes
	Others	Zijin Mining Group and Zijin Gold	1. The undertaker undertakes to maintain independence from Chifeng Gold in terms of assets, personnel, finance, institutions and business, and to ensure that Chifeng Gold has the ability to operate independently in the market, and shall strictly comply with the relevant provisions of laws, regulations and normative documents regarding the independence of listed companies, and shall not interfere with the standardized operation and business decisions of Chifeng Gold by leveraging its controlling position, nor harm the legitimate rights and interests of Chifeng Gold and other shareholders by leveraging its controlling position. The Undertaker and other subsidiaries under its control shall ensure that they do not, in any manner, illegally occupy any funds of Chifeng Gold and its subsidiaries under its control; 2. The aforementioned undertakings shall remain valid and effective during the period when the undertaker has control over Chifeng Gold. If any loss is caused to Chifeng Gold due to the undertaker's failure to perform the foregoing undertakings, the undertaker shall bear the corresponding legal liability.	25 March 2026	No	long – term effective	Yes

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Background of commitment	Type of commitment	Committed by	Content of commitment	Date and deadline of commitment	Whether there is a deadline for performance	Period of Commitment	Whether it is strictly performed in time
	Solution of horizontal competition	Zijin Mining Group and Zijin Gold	1. Upon the completion of this acquisition, there exists a situation of horizontal competition or potential horizontal competition between our company and its subsidiaries on the one hand, and Chifeng Gold on the other hand, in respect of gold mining business. Pursuant to the requirements of the current laws, regulations and relevant policies, our company shall, within 60 months from the date of obtaining the controlling interest in Chifeng Gold, actively coordinate with our company and its subsidiaries to steadily promote relevant business integration to resolve the horizontal competition or potential horizontal competition issues, by adopting comprehensive measures including but not limited to asset restructuring, business adjustment, entrusted management, and other feasible solutions permitted under laws, regulations and relevant policies, in accordance with the requirements of the relevant securities regulatory authorities and in compliance with the laws, regulations and relevant regulatory rules applicable at that time. 2. In addition to the existing horizontal competition, when our company and its subsidiaries obtain any business opportunity that may give rise to new competition with Chifeng Gold, our company shall ensure that Chifeng Gold participates in market competition independently and support Chifeng Gold in leveraging its inherent advantages. Our company undertakes that our company and its subsidiaries shall continue to participate in market competition in accordance with the principles of openness, fairness and impartiality, and shall not harm the interests of Chifeng Gold and its minority shareholders; 3. Our company undertakes to strictly comply with the provisions of laws, regulations, the Articles of Association of Chifeng Gold and its relevant management systems, and shall not seek improper benefits by leveraging its controlling interest in Chifeng Gold, thereby prejudicing the rights and interests of other minority shareholders of Chifeng Gold; 4. The aforementioned undertakings made by our company shall apply mutatis mutandis to other enterprises directly or indirectly controlled by our company. Our company has the obligation to supervise and ensure that such other enterprises implement the arrangements set forth in these undertakings and strictly comply with all the undertakings; 5. These undertakings shall remain valid and effective during the period when our company has controlling interests in Chifeng Gold. In the event of any breach of the aforesaid undertakings which results in any loss to Chifeng Gold, our company shall bear the corresponding compensation liability.	25 March 2026	No	long – term effective	Yes

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Background of commitment	Type of commitment	Committed by	Content of commitment	Date and deadline of commitment	Whether there is a deadline for performance	Period of Commitment	Whether it is strictly performed in time
	Solution of related party transactions	Zijin Mining Group and Zijin Gold	1. The the undertaking party shall avoid entering into connected transactions with the listed company to the greatest extent possible; for any connected transaction that is unavoidable or arises for reasonable reasons, the the undertaking party shall conduct such transaction in accordance with the principles of fairness, impartiality and openness in the market, at fair and reasonable market prices, and shall sign agreements in accordance with the law; 2. The price of each connected transaction shall be determined in accordance with the principles of the market, and the the undertaking party shall ensure that the price of such connected transaction is fair and reasonable; the the undertaking party shall also ensure that its obligation to disclose information regarding the connected transactions is performed in compliance with the provisions of relevant laws, regulations, rules, other normative documents and the Articles of Association of the listed company; 3. The the undertaking party shall ensure that it does not, by means of connected transactions, illegally occupy or transfer any funds, profits or assets of the listed company, nor harm the interests of the listed company and its non-connected shareholders by means of connected transactions; The foregoing undertakings shall remain valid and effective during the period when the the undertaking party has control over Chifeng Gold. If any loss is caused to Chifeng Gold due to the the undertaking party failure to perform the foregoing undertakings, the the undertaking party shall bear the corresponding legal liability.	25 March 2026	No	long – term effective	Yes
Commitment related to significant assets restructuring	Others	Li Jinyang, Zhejiang Hanfeng, Meng Qingguo	Commitments in the issue of shares to purchase assets in 2019: (1) The paper and electronic materials provided by me/the partnership for this transaction are complete, authentic and reliable, and the relevant duplicates or copies are consistent with the originals. All signatures and seals on the documents are authentic and valid, and the copies are consistent with the originals. I/ the Partnership guarantee the authenticity, accuracy and completeness of the materials and information provided, and guarantee that there are no false records, misleading statements or major omissions. If there are false records, misleading statements or major omissions in the information provided, resulting in losses to the listed company or investors, I/the partnership will be liable for compensation according to law. (2) After the completion of the transaction, if the information provided by me/the partnership about the transaction involving Hanfeng Mining is suspected of false records, misleading statements or major omissions, and is investigated by the judicial authorities or the China Securities Regulatory Commission, prior to the conclusion of the investigation, I/the partnership shall not transfer the shares that have an interest in the listed company.	1 April 2019	No	long – term effective	Yes
	Others	Li Jinyang	Commitments in the issue of shares to purchase assets in 2019: Project initiation, environmental protection, industry access, land use, planning, construction and other matters related to the mining right of Hanfeng Mining have all met the legal requirements. If Hanfeng Mining is punished or losses are caused due to the non – compliance of the above-mentioned matters, I shall bear all liabilities for compensation.	1 April 2019	No	long – term effective	Yes
	Others	Li Jinyang, Zhejiang Hanfeng, Meng Qingguo	Commitments in the issue of shares to purchase assets in 2019: The equity of Hanfeng Mining held by me/the partnership is truly, legally and effectively held, and there is no agreement, trust or other way to hold equity or interest arrangement with other parties. There are no ownership disputes, no restrictions on the rights of third parties such as mortgage and pledge, seizure or freezing. The equity ownership of Hanfeng Mining held by me/the partnership is clear, and does not involve any material dispute such as litigation, arbitration, judicial enforcement or other circumstances that hinder the transfer of ownership.	1 April 2019	No	shall terminate upon the completion of the share transfer	Yes

OTHERS

Background of commitment	Type of commitment	Committed by	Content of commitment	Date and deadline of commitment	Whether there is a deadline for performance	Period of Commitment	Whether it is strictly performed in time
	Others	Li Jinyang	Commitments in the issue of shares to purchase assets in 2019: (1) I guarantee that the directors, supervisors and senior executives of the listed company are elected, replaced, engaged or dismissed in accordance with laws, regulations, normative documents and the Articles of Association. I shall not exceed the board of directors and the general meeting to illegally interfere with the above-mentioned personnel appointment and removal of the listed company, and ensure that the listed company is independent from the controlling shareholder in terms of labor and personnel management system. (2) I guarantee that the listed company has complete operating assets and domicile independent of the controlling shareholder. I guarantee that I and other enterprises controlled by Chifeng Gold and its subsidiaries shall not occupy the funds, assets and other resources of the listed company in violation of regulations. (3) I guarantee that the listed company will establish and improve the corporate governance structure and independent and complete organizational structure, and standardize its operation. I guarantee that the listed company is completely separated from myself and other enterprises under my control in terms of office and production and business premises. (4) I guarantee that the listed company has the assets, personnel, qualifications and the ability to operate independently for the market, and operates independently in business. I guarantee not to interfere in the business activities of listed companies except legally exercising the rights of shareholders. I guarantee to reduce or eliminate related party transactions with listed companies in a legal manner, and if necessary, the price of related party transactions shall be determined according to the principles of fairness, reasonableness and marketization. I guarantee that the interests of the listed company and other shareholders are not damaged, and perform the obligation of information disclosure in a timely manner. (5) I guarantee that the listed company has an independent financial accounting department and establishes an independent financial accounting system and financial management system. I guarantee that the listed company opens an account in a bank independently and do not share the same bank account with myself and other enterprises controlled by me. I guarantee that the listed company makes financial decisions independently, and I and other enterprises under my control shall not interfere in the use of funds of the listed company. I guarantee that the listed company pays taxes independently according to law. and I guarantee that the financial personnel of the listed company are independent, and shall not take part-time jobs and receive remuneration in myself and other enterprises under my control. (6) If I fail to fulfill the commitments made in this letter of commitment and cause losses to Chifeng Gold, I will compensate the actual loss of Chifeng Gold.	1 April 2019	No	shall terminate upon the completion of the share transfer	Yes
	Solution of horizontal competition	Li Jinyang	Commitments in the issue of shares to purchase assets in 2019: (1) After the completion of this transaction, I will refrain from directly or indirectly engaging in the same, similar or competitive business with the listed company in China. I do not provide proprietary technology or provide sales channels, customer information and other business secrets to other companies, enterprises or other institutions, organizations or individuals whose businesses are the same, similar or competitive with those of the listed company in any respect. I do not support, in any form, any person other than the listed company to engage in any business that competes or may compete with the current and future main business of the listed company. (2) If it is based on supporting and consolidating the development of the listed company's main business, and the enterprise controlled by me first acquires relevant assets and generates potential peer competition, I shall formulate practical measures to solve potential horizontal competition and avoid substantial horizontal competition with listed companies. (3) I confirm that this Letter of Commitment is made to protect the rights and interests of Chifeng Gold, and if I fail to fulfill the commitments made in this letter of commitment and cause losses to Chifeng Gold, I will compensate the actual loss of Chifeng Gold.	1 April 2019	No	shall terminate upon the completion of the share transfer	Yes

OTHERS

Background of commitment	Type of commitment	Committed by	Content of commitment	Date and deadline of commitment	Whether there is a deadline for performance	Period of Commitment	Whether it is strictly performed in time
	Solution of related party transactions	Li Jinyang	Commitments in the issue of shares to purchase assets in 2019: (1) After the completion of this transaction, I and the companies, enterprises or economic organizations that I control or actually control will not have related party transactions with listed companies in principle. The transactions that can occur between the listed company and the independent third party through the market will be conducted by the listed company and the independent third party. (2) After the completion of this transaction, if the listed company must have inevitable related party transactions with me or my affiliated enterprises in its business activities, I will urge such transactions to perform relevant procedures in strict accordance with relevant national laws and regulations, the Articles of Association of the listed company and relevant provisions, and sign a written agreement with the listed company according to law. I guarantee that my business activities will be conducted on normal business conditions and that I and my affiliated enterprises will not ask for or accept more favorable conditions from listed companies than third parties in any fair transaction in the market. I promise not to damage the legitimate rights and interests of listed companies through related party transactions. I and my affiliated enterprises will strictly perform the various related party transaction agreements signed with the listed company, and will not seek any interests or income beyond the provisions of such agreements from the listed company. (3) After the completion of this transaction, I and my affiliated enterprises will strictly avoid borrowing from the listed company, occupying the funds of the listed company, or embezzling the funds of the listed company by means of advance payment and debt repayment by listed companies. (4) If the violation of the above commitments causes losses to the listed company, I will make compensation to the listed company.	1 April 2019	No	shall terminate upon the completion of the share transfer	Yes

SHARE OPTION SCHEME

As at the date of this report, the Company has neither granted nor agreed to grant options to any of its Directors, chief executive, substantial shareholders or their respective associates or the employees of the Company or its subsidiaries.

PRE-EMPTIVE RIGHTS

According to the Articles of Association of the Company and the laws of the PRC, there are no provisions for pre-emptive rights requiring the Company to offer new shares to its existing Shareholders in proportion to their shareholdings.

OTHERS

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, the Company did not repurchase its A Shares on the Shanghai Stock Exchange. As of the end of the Reporting Period, the Company had repurchased an aggregate of 15,182,600 A Shares, all of which were held under the Phase III ESOP. To protect the interests of the majority of investors, and further demonstrate to the investors the Company's firm belief in and recognition of its own long-term intrinsic value, taking into account actual circumstances, the Company proposes to change the purpose of the 15,182,600 repurchased shares from "to be used for the implementation of ESOP or equity incentive plans" to "to be cancelled with a corresponding reduction in registered capital". The proposed repurchase and cancellation of A Shares relating to the Phase III ESOP are conditional upon the passing of a special resolution by Shareholders at the general meeting. Please refer to the section "C. Further Information about our Directors, Supervisors and Substantial Shareholders — 4. Employee Stock Ownership Plans" in Appendix VII to the Prospectus and the announcement dated 28 May 2026 of the Company for details.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including the sale of treasury shares) for the half year ended 30 June 2026.

Save as disclosed above, the Company did not hold any other treasury shares as at 30 June 2026.

MANAGEMENT CONTRACT

Other than the service contracts with Directors, the Company did not enter into any contracts with any individual, company or corporate entity during the Reporting Period to undertake the management and administration of all or any major part of the Company's business.

DIRECTORS' INTERESTS IN MAJOR TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Other than the service contracts with Directors, there were no transactions, arrangements or contracts of significance to which the Company or its controlling company or its subsidiaries were a party to and in which a Director of the Company or an entity connected with a Director had a material interest, either directly or indirectly, subsisting at the end of the Reporting Period or at any time during the Reporting Period.

OTHERS

CHANGES IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT DURING THE REPORTING PERIOD

On 2 February 2026, Mr. Zhang Tianhang was appointed as Vice President of the Company. On 28 February 2026, Mr. Feng Tao was appointed as Vice President and Chief Engineer of the Company. For details, please refer to the announcements of the Company dated 2 February 2026 and 1 March 2026.

Save as disclosed above, during the Reporting Period, there were no changes in the Directors and senior management of the Company, and there have been no changes in the Directors and senior management of the Company or any changes in the Directors' information to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules after the Reporting Period and as of the date of this report.

COMPETING BUSINESS

As at the date of this report, none of the Directors of the Company holds any interest in business other than the businesses of the Group which directly or indirectly competes or is likely to compete with the business of the Group.

MATERIAL LITIGATION AND ARBITRATION

As at 30 June 2026, so far as the Directors of the Company are aware, the Company was not engaged in any material litigation, arbitration or claim, and no litigation or claim of material importance was pending or threatened against the Company.

FINANCIAL ASSISTANCE AND GUARANTEES PROVIDED TO AFFILIATED COMPANIES

There is no financial assistance provided to affiliated companies by the Company and guarantees given for facilities granted to its affiliated companies which together in aggregate exceeds 8% under the assets ratio defined under rule 14.07(1) of the Listing Rules.

EQUITY-LINKED AGREEMENT

The Company has not entered into any equity-linked agreement during the Reporting Period.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has amended and adopted a set of standards no less stringent than the Model Code as the model code for the trading of securities by the Directors of the Company. The effective date is 12 March 2026. All Directors and relevant employees, having made specific enquiries, confirmed that they have been in compliance with the Model Code during the Reporting Period.

OTHERS

BONDS

During the Reporting Period, the Company did not issue any bonds.

AMENDMENTS TO THE ARTICLES OF ASSOCIATION

During the Reporting Period, the Proposal on the Amendment of the Articles of Association of Chifeng Jilong Gold Mining Co., Ltd. (《修訂〈赤峰吉隆黃金礦業股份有限公司章程〉的議案》) was considered and approved at the 2025 AGM of the Company held on 8 May 2026. For details, please refer to the announcements of the Company dated 20 March 2026 and 8 May 2026 and the circular of the Company dated 13 April 2026.

CHANGE OF COMPANY NAME

The Company obtained the Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company issued by the Registrar of Companies in Hong Kong on 26 May 2026, which confirmed that the English name of the Company registered in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) was changed from “Chifeng Jilong Gold Mining Co., Ltd.” to “Chifeng Jilong Gold Mining Group Limited” and the Chinese name was changed from “赤峰吉隆黃金礦業股份有限公司” to “赤峰吉隆黃金礦業集團股份有限公司”. For details, please refer to the announcements of the Company dated 20 March 2026, 8 May 2026 and 29 May 2026 and the circular of the Company dated 13 April 2026.

RETAINED EARNINGS

Details of the retained earnings of the Company as at 30 June 2026 are set out in Note V. 39 to the financial statements.

ASSETS PLEDGED OR CHARGED OF THE GROUP

Details of the pledged or charged assets of the Group as at 30 June 2026 are set out in Note V. 18 to the financial statements.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

Details of the Group’s exposure to fluctuations in exchange rates are set out in Note X to the financial statements. During the Reporting Period, the Group used derivative financial instruments such as foreign currency forward contracts to mitigate foreign exchange risk.

Save as disclosed above, the Group does not have a formal currency hedging policy and has not entered into any major foreign currency contracts or derivatives to hedge against its currency risks.

USE OF FINANCIAL INSTRUMENTS FOR HEDGING PURPOSES

Details of the Group’s use of financial instruments for hedging purposes for the six months ended 30 June 2026 are set out in Note X.4 to the financial statements.

FIXED ASSETS

Details of movements of the fixed assets of the Group for the Reporting Period ended 30 June 2026 are set out in Note V. 10 to the financial statements.

OTHERS

BANK LOANS

Details of the bank loans of the Group are set out in Notes V. 19, 25 and 27 to the financial statements.

CONTINGENT LIABILITIES

Details of contingent liabilities are set out in Note XIV. 2 to the financial statements.

TAXATION

Details of the Group's taxation are set out in Notes IV. and V. 53 to the financial statements.

CAPITAL COMMITMENTS

Details of the capital commitments of the Group during the Reporting Period are set out in Note XIV.1 to the financial statements in this report.

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, as at 30 June 2026, the Company strictly complies with the requirements of Rule 19A.28B(2)(b) of the Hong Kong Listing Rules that, for a PRC issuer with other listed shares, this will normally mean that a portion of H shares listed on the Hong Kong Stock Exchange and held by the public must, at all times: represent at least 5% of the PRC issuer's total number of issued shares in the class to which H shares belong (excluding treasury shares).

The number of H Shares held in public hands represents approximately 12.44% of the total issued share capital of the Company, which strictly complies with the requirements of Rule 19A.28B(2)(b) of the Hong Kong Listing Rules.

TRANSFERRING OF A SHARES AND ISSUANCE OF H SHARES

On 22 March 2026, Ms. Li Jinyang, the controlling shareholder of the Company, together with her concert party, Zhejiang Hanfeng, entered into a share transfer agreement relating to the Company with Zijin Gold, a wholly-owned subsidiary of Zijin Mining Group. Pursuant to the agreement, they proposed to transfer an aggregate of 241,925,746 shares of the Company to Zijin Gold, representing approximately 12.73% of the total issued Shares of the Company for the moment. The Company and Zijin Gold entered into a strategic investment agreement, pursuant to which Zijin Gold agreed to subscribe for 310,902,731 H Shares of the Company at a price of HK\$29.82 per Share (as adjusted). Prior to these transactions, other wholly-owned subsidiaries of Zijin Mining Group, already held an aggregate of 18,833,400 Shares of the Company. Upon completion of the transactions, Ms. Li Jinyang and Zhejiang Hanfeng will cease to hold any Shares in the Company, and Zijin Mining Group will hold an aggregate of 571,661,877 Shares of the Company, representing approximately 25.85% of the total share capital of the Company after the Share transfer and the H Shares issuance.

OTHERS

AUDIT COMMITTEE

During the six months ended 30 June 2026, the Audit Committee comprises a non-executive director Mr. Zhang Xudong and two independent non-executive Directors, namely Dr. Wong Yet Ping Ambrose and Dr. Jiang Qi, which includes one independent non-executive Director who possesses the appropriate professional qualifications or accounting or related financial management expertise.

As of the date of this report, the composition of the Audit Committee is in compliance with relevant requirements of the Listing Rules. The Audit Committee has adopted the terms of reference in line with the Corporate Governance Code issued by the Stock Exchange. The principal duties of the Audit Committee are to assist the Board in reviewing the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors and arrangements to enable employees of the Company, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company. The Audit Committee, in conjunction with management, has reviewed the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters, including a review of the unaudited interim results for the six months ended 30 June 2026.

APPOINTMENT AND DISMISSAL OF AUDITOR

According to the resolution passed at the Company's 2025 AGM, the Company reappointed Ernst & Young Hua Ming LLP as the Company's auditor for the year 2026.

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the Reporting Period, the Company has complied with Rules 3.10(1), 3.10(2), and 3.10A of the Hong Kong Listing Rules regarding the appointment of a sufficient number of independent non-executive Directors, and at least one independent non-executive Director must possess appropriate professional qualifications or accounting or related financial management expertise. The appointed independent non-executive Directors must constitute at least one-third of the Board members. The Company has appointed four independent non-executive Directors, with the number of independent non-executive Directors accounting for at least one-third of the Board members, and one of the independent non-executive Directors possesses accounting or related financial management expertise.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high level of corporate governance. The Board is responsible for the implementation of corporate governance, including: (a) formulating, developing and reviewing the corporate governance policies and practices of the Company; (b) reviewing and supervising the training and continuous professional development of the Directors and senior management; (c) reviewing and supervising the policies and practices for the compliance of laws and regulatory requirements by the Company; (d) developing, reviewing and supervising the code of conduct and compliance manual, for employees and the Directors; (e) reviewing the compliance of the Corporate Governance Code by the Company and the disclosure in the corporate governance report. During the Reporting Period, actions and measures were taken by the Board to improve the corporate governance gradually and further strengthen the development of the Company's corporate governance system. The Board believes that an effective corporate governance system can safeguard the best interests of the Shareholders and promote the value and accountability of the Company.

OTHERS

The Board confirmed that during the six months ended 30 June 2026, the Company has adopted and complied with the code provisions of the Corporate Governance Code and has followed most of its recommended best practices.

The Board will continue to review and improve its corporate governance system to ensure compliance with the Corporate Governance Code.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

I. Release of Pledge of Shares by the Controlling Shareholder of the Company

On 2 July 2026, the Company received a notification from Ms. Li Jinyang, the controlling shareholder, advising that the pledge over all 52,900,000 A Shares held by her had been fully released. For details, please refer to the “Announcement on Release of Pledge of Shares by the Controlling Shareholder” published on 3 July 2026 on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange and designated information media.

II. Suspension of Operations of the Mengkham Rare Earth Element Project in Laos

As the national policy framework for rare earth resources continues to evolve and improve, the Company strictly follows the policy guidelines, comprehensively reviews and optimizes its global resource allocation and business portfolio, and seeks to ensure that all operating activities are conducted in full compliance with applicable laws and regulations, in line with the nation’s overall interests and strategic security requirements. In response to and in strict compliance with the relevant policy requirements on rare earth resources development, and in order to effectively fulfill its corporate social responsibilities, after careful study and assessment, Chijin Xiawu has suspended the operation of the Mengkham Rare Earth Element Project. For details, please refer to the announcement of the Company dated 7 August 2026.

Save for the aforementioned matters, there is no significant event affecting the Group which occurred after the end of the Reporting Period to the date of this report.

By order of the Board
Wang Jianhua
Chairman and Executive Director
 Beijing, the PRC

28 August 2026

* for identification purpose only

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Item	Note V	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Current assets:			
Cash and bank balances	1	6,033,056,952.08	6,820,720,561.54
Financial assets held for trading	2	83,787,881.17	19,231,618.75
Trade receivables	3	490,381,838.90	466,577,452.85
Prepayments	4	153,244,411.49	126,376,173.62
Other receivables	5	88,620,028.60	68,390,134.23
Inventories	6	2,956,767,648.74	2,685,277,001.26
Other current assets	7	126,935,796.40	63,977,818.30
Total current assets		9,932,794,557.38	10,250,550,760.55
Non-current assets:			
Long-term equity investments	8	8,472,404.46	8,770,945.96
Other equity instrument investments	9	25,015,978.44	10,000,000.00
Fixed assets	10	7,135,079,338.39	7,075,444,419.93
Construction in progress	11	1,403,694,886.82	776,911,092.97
Right-of-use assets	12	179,675,838.39	183,438,730.03
Intangible assets	13	6,095,062,359.91	6,294,132,658.94
Goodwill	14	15,741,599.31	15,741,599.31
Long-term deferred expenses	15	31,938,099.95	37,187,973.34
Deferred tax assets	16	60,153,352.66	75,121,867.75
Other non-current assets	17	365,592,622.41	253,470,802.69
Total non-current assets		15,320,426,480.74	14,730,220,090.92
Total assets		25,253,221,038.12	24,980,770,851.47
Current liabilities:			
Short-term borrowings	19	535,727,061.84	707,600,631.31
Trade payables	20	716,217,755.92	655,174,034.33
Contract liabilities	21	45,704,338.82	48,084,781.82
Employee benefits payable	22	91,904,868.70	179,150,347.45
Taxes payable	23	1,028,731,713.10	1,338,090,221.61
Other payables	24	353,996,337.33	607,927,322.54
Non-current liabilities due within one year	25	152,391,571.38	187,225,340.40
Other current liabilities	26	658,169.09	348,709.56
Total current liabilities		2,925,331,816.18	3,723,601,389.02

The accompanying notes to the financial statements form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Item	Note V	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Non-current liabilities:			
Long-term borrowings	27	—	69,617,398.59
Lease liabilities	28	133,724,391.90	148,516,989.79
Long-term payables	29	52,034,124.18	53,096,163.24
Provisions	30	1,619,537,567.02	1,653,501,445.60
Deferred income	31	5,693,500.95	5,948,000.91
Deferred tax liabilities	16	2,205,311,405.16	2,252,289,493.16
Other non-current liabilities	32	538,761,294.78	563,555,634.09
Total non-current liabilities		4,555,062,283.99	4,746,525,125.38
Total liabilities		7,480,394,100.17	8,470,126,514.40
Shareholders' equity:			
Share capital	33	1,900,411,178.00	1,900,411,178.00
Capital reserve	34	3,263,330,952.74	3,263,330,952.74
Less: Treasury shares	35	220,015,940.99	220,015,940.99
Other comprehensive loss	36	(230,976,151.22)	(3,960,215.70)
Special reserve	37	1,056,450.95	—
Surplus reserve	38	269,782,850.97	269,782,850.97
Retained earnings	39	9,342,282,003.33	8,205,640,053.21
Equity attributable to shareholders of the parent		14,325,871,343.78	13,415,188,878.23
Non-controlling interests		3,446,955,594.17	3,095,455,458.84
Total shareholders' equity		17,772,826,937.95	16,510,644,337.07
Total liabilities and shareholders' equity		25,253,221,038.12	24,980,770,851.47

The financial statements were signed by:

Legal representative:
Mr. Wang Jianhua

Principal in charge of accounting:
Mr. Wong Hok Bun Mario

Head of accounting department:
Ms. Guo Zhenzhen

The accompanying notes to the financial statements form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Item	Note V	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Operating income	40	7,017,772,302.52	5,272,037,612.96
Less: Operating costs	40	2,979,318,658.51	2,736,099,202.63
Taxes and surcharges	41	486,015,428.39	305,773,876.47
Selling expenses		38,160.00	190,444.16
Administrative expenses	42	287,908,222.21	255,371,763.84
Research and development expenses	43	30,813,632.19	41,015,532.65
Financial expenses	44	67,802,087.57	37,419,700.15
Including: Interest expenses		34,103,634.15	65,599,297.75
Interest income		67,981,461.36	36,538,631.02
Add: Other income	45	1,325,567.65	1,300,589.42
Investment income/(losses)	46	4,140,578.95	(112,445,430.73)
Including: Share of losses of associates		(298,541.50)	(21,223.35)
(Losses)/Gains on changes in fair value	47	(7,827,348.33)	102,361,838.07
Credit impairment losses	48	(320,067.60)	(2,108,085.53)
Impairment reversal/(losses) on assets	49	31,917,557.04	(17,067,717.46)
Gains on disposal of non-current assets	50	332,431.07	142,132.35
Operating profit		3,195,444,832.43	1,868,350,419.18
Add: Non-operating income	51	123,633.73	145,591.92
Less: Non-operating expenses	52	4,767,928.46	6,714,061.67
Profit before tax		3,190,800,537.70	1,861,781,949.43
Less: Income tax expenses	53	1,085,445,357.92	579,851,149.30
Net profit		2,105,355,179.78	1,281,930,800.13
Classification according to the continuity of operations			
Net profit from continuing operations		2,105,355,179.78	1,281,930,800.13
Attributable to:			
Shareholders of the parent		1,732,292,421.21	1,106,901,651.88
Non-controlling interests		373,062,758.57	175,029,148.25

The accompanying notes to the financial statements form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Item	Note V	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Other comprehensive loss, net of tax	36	(292,395,883.53)	(32,510,253.01)
Other comprehensive loss attributable to shareholders of the parent, net of tax		(221,822,504.84)	(23,700,611.55)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods		18,185,341.50	–
Changes in fair value of other equity instrument investments		18,185,341.50	–
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods		(240,007,846.34)	(23,700,611.55)
Cash flow hedge reserve		–	1,469,790.00
Exchange differences arising from translation of financial statements denominated in foreign currencies		(240,007,846.34)	(25,170,401.55)
Other comprehensive loss attributable to non-controlling interests, net of tax		(70,573,378.69)	(8,809,641.46)
Total comprehensive income		1,812,959,296.25	1,249,420,547.12
Attributable to:			
Shareholders of the parent		1,510,469,916.37	1,083,201,040.33
Non-controlling interests		302,489,379.88	166,219,506.79
Earnings per share:			
Basic earnings per share (RMB/share)	58	0.92	0.63
Diluted earnings per share (RMB/share)	58	0.92	0.63

The accompanying notes to the financial statements form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Item	Note V	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
I. CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts from sale of goods and rendering of services		6,994,735,798.55	5,421,561,870.43
Cash receipts from tax refunds		65,430,209.52	4,559,979.95
Other cash receipts relating to operating activities	54	83,845,796.70	56,672,701.10
Subtotal of cash inflows from operating activities		7,144,011,804.77	5,482,794,551.48
Cash payments for goods purchased and services received		2,551,745,014.06	2,128,904,714.79
Cash payments to and on behalf of employees		669,561,896.34	599,452,009.12
Payments of various types of taxes and surcharges		1,944,342,730.62	1,023,986,439.78
Other cash payments relating to operating activities	54	97,976,910.39	117,719,785.23
Subtotal of cash outflows from operating activities		5,263,626,551.41	3,870,062,948.92
Net cash flows from operating activities	55	1,880,385,253.36	1,612,731,602.56
II. CASH FLOWS FROM INVESTING ACTIVITIES:			
Cash receipts from disposals and recovery of investments	54	3,802,331,843.62	–
Net cash receipts from disposals of fixed assets, intangible assets and other non-current assets		307,422.33	420,667.89
Other cash receipts relating to investing activities	54	140,000.00	204,000,000.00
Subtotal of cash inflows from investing activities		3,802,779,265.95	204,420,667.89
Cash payments for purchase or construction of fixed assets, intangible assets and other non-current assets		1,404,697,211.11	965,917,321.36
Cash payments for investments	54	3,973,062,344.04	–
Net cash payments for acquisitions of subsidiaries	55	–	90,816,054.13
Other cash payments relating to investing activities	54	–	13,145,124.82
Subtotal of cash outflows from investing activities		5,377,759,555.15	1,069,878,500.31
Net cash flows used in investing activities		(1,574,980,289.20)	(865,457,832.42)

The accompanying notes to the financial statements form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Item	Note V	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
III. CASH FLOWS FROM FINANCING ACTIVITIES:			
Cash receipts from capital contributions		49,000,000.00	2,921,078,842.60
Including: Cash receipts from capital contributions from non-controlling shareholders of subsidiaries		49,000,000.00	–
Cash receipts from borrowings		718,986,050.00	934,114,460.00
Other cash receipts relating to financing activities	54	–	517,544,506.26
Subtotal of cash inflows from financing activities		767,986,050.00	4,372,737,808.86
Cash repayments of borrowings		975,283,740.00	1,250,406,600.00
Cash payments for distribution of dividends or profits or settlement of interest expenses		615,195,660.06	340,181,962.89
Other cash payments relating to financing activities	54	247,701,345.98	935,899,861.09
Subtotal of cash outflows from financing activities		1,838,180,746.04	2,526,488,423.98
Net cash flows (used in)/from financing activities		(1,070,194,696.04)	1,846,249,384.88
IV. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS			
		(156,644,761.40)	(10,311,841.03)
V. NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
Add: Opening balance of cash and cash equivalents	55	(921,434,493.28)	2,583,211,313.99
	55	6,702,709,528.90	2,516,898,967.10
VI. CLOSING BALANCE OF CASH AND CASH EQUIVALENTS			
	55	5,781,275,035.62	5,100,110,281.09

The accompanying notes to the financial statements form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Item	For the six months ended 30 June 2026 (Unaudited)								Non-controlling interests	Total equity
	Attributable to shareholders of the parent						Subtotal			
	Share capital	Capital reserve	Less: Treasury shares	Other comprehensive loss	Special reserve	Surplus reserve		Retained earnings		
I. Opening balance of the current period	1,900,411,178.00	3,263,330,952.74	220,015,940.99	(3,960,215.70)	-	269,782,850.97	8,205,640,053.21	13,415,188,878.23	3,095,455,458.84	16,510,644,337.07
II. Changes for the period	-	-	-	(227,015,935.52)	1,056,450.95	-	1,136,641,950.12	910,682,465.55	351,500,135.33	1,262,182,600.88
(i) Total comprehensive (loss)/income	-	-	-	(221,822,504.84)	-	-	1,732,292,421.21	1,510,469,916.37	302,489,379.88	1,812,959,296.25
(ii) Shareholders' contributions and reductions in capital	-	-	-	-	-	-	-	-	49,000,000.00	49,000,000.00
1. Capital contributed by shareholders	-	-	-	-	-	-	-	-	49,000,000.00	49,000,000.00
(iii) Profit distributions	-	-	-	-	-	-	(600,843,901.77)	(600,843,901.77)	-	(600,843,901.77)
1. Distributions to shareholders	-	-	-	-	-	-	(600,843,901.77)	(600,843,901.77)	-	(600,843,901.77)
(iv) Transfer within owners' equity	-	-	-	(5,193,430.68)	-	-	5,193,430.68	-	-	-
1. Other comprehensive income transferred to retained earnings	-	-	-	(5,193,430.68)	-	-	5,193,430.68	-	-	-
(v) Special reserve	-	-	-	-	1,056,450.95	-	-	1,056,450.95	10,755.45	1,067,206.40
1. Provision in the current period	-	-	-	-	15,386,885.10	-	-	15,386,885.10	1,053,556.47	16,440,441.57
2. Amount utilised in the current period	-	-	-	-	(14,330,434.15)	-	-	(14,330,434.15)	(1,042,801.02)	(15,373,235.17)
III. Closing balance of the current period	1,900,411,178.00	3,263,330,952.74	220,015,940.99	(230,976,151.22)	1,056,450.95	269,782,850.97	9,342,282,003.33	14,325,871,343.78	3,446,955,594.17	17,772,826,937.95

The accompanying notes to the financial statements form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Item	For the six months ended 30 June 2025 (Unaudited)								Non-controlling interests	Total equity
	Attributable to shareholders of the parent									
	Share capital	Capital reserve	Less: Treasury shares	Other comprehensive income/(loss)	Special reserve	Surplus reserve	Retained earnings	Subtotal		
I. Opening balance of the current period	1,663,911,378.00	626,736,519.64	220,015,940.99	145,710,300.63	3,347,876.91	269,782,850.97	5,427,338,050.01	7,916,811,035.17	2,806,304,380.91	10,723,115,416.08
II. Changes for the period	236,499,800.00	2,667,444,756.91	-	(23,700,611.55)	6,554,054.31	-	802,835,863.40	3,689,633,863.07	138,892,798.54	3,828,526,661.61
(I) Total comprehensive (loss)/income	-	-	-	(23,700,611.55)	-	-	1,106,901,651.88	1,083,201,040.33	166,219,506.79	1,249,420,547.12
(II) Shareholders' contributions and reductions in capital	236,499,800.00	2,667,444,756.91	-	-	-	-	-	2,903,944,556.91	15,174,494.64	2,919,119,051.55
1. Capital contributed by shareholders	236,499,800.00	2,642,545,292.91	-	-	-	-	-	2,879,045,092.91	-	2,879,045,092.91
2. The amount of share based payments recorded in shareholders' equity	-	24,899,464.00	-	-	-	-	-	24,899,464.00	-	24,899,464.00
3. Acquisition of subsidiaries	-	-	-	-	-	-	-	-	15,174,494.64	15,174,494.64
(III) Profit distributions	-	-	-	-	-	-	(304,065,788.48)	(304,065,788.48)	(43,220,400.00)	(347,286,188.48)
1. Distributions to shareholders	-	-	-	-	-	-	(304,065,788.48)	(304,065,788.48)	(43,220,400.00)	(347,286,188.48)
(IV) Special reserve	-	-	-	-	6,554,054.31	-	-	6,554,054.31	719,197.11	7,273,251.42
1. Provision in the current period	-	-	-	-	20,032,065.18	-	-	20,032,065.18	1,021,475.49	21,053,540.67
2. Amount utilised in the current period	-	-	-	-	(13,478,010.87)	-	-	(13,478,010.87)	(302,278.38)	(13,780,289.25)
III. Closing balance of the current period	1,900,411,178.00	3,294,181,276.55	220,015,940.99	122,009,689.08	9,901,931.22	269,782,850.97	6,230,173,913.41	11,606,444,898.24	2,945,197,179.45	14,551,642,077.69

The accompanying notes to the financial statements form an integral part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Item	Note XVII	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Current assets:			
Cash and bank balances		1,831,600,649.72	2,279,164,166.23
Prepayments		2,618,317.68	–
Other receivables	1	1,424,383,386.00	1,146,785,248.46
Other current assets		169,033.29	–
Total current assets		3,258,771,386.69	3,425,949,414.69
Non-current assets:			
Long-term equity investments	2	6,442,390,181.76	6,391,389,839.44
Other equity instrument investments		25,015,978.44	10,000,000.00
Fixed assets		2,880,318.10	3,253,640.95
Right-of-use assets		1,996,453.02	3,992,906.04
Intangible assets		2,705,479.46	2,913,410.96
Long-term deferred expenses		2,227,323.00	–
Other non-current assets		6,477,215,733.78	6,411,549,797.39
Total assets		9,735,987,120.47	9,837,499,212.08

The accompanying notes to the financial statements form an integral part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Item	Note XVII	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Current liabilities:			
Short-term borrowings		107,866,000.00	250,213,640.96
Employee benefits payable		3,621,903.26	19,672,201.39
Taxes payable		4,971,372.06	1,155,204.00
Other payables		359,858.01	735,963,592.33
Non-current liabilities due within one year		81,022,350.35	104,861,958.56
Total current liabilities		197,841,483.68	1,111,866,597.24
Non-current liabilities:			
Long-term borrowings		–	69,617,398.59
Deferred tax liabilities		4,330,636.94	–
Total non-current liabilities		4,330,636.94	69,617,398.59
Total liabilities		202,172,120.62	1,181,483,995.83
Shareholders' equity:			
Share capital		1,900,411,178.00	1,900,411,178.00
Capital reserve		4,685,348,808.85	4,685,348,808.85
Less: Treasury shares		220,015,940.99	220,015,940.99
Other comprehensive income		12,991,910.82	–
Surplus reserve		287,802,710.23	287,802,710.23
Retained earnings		2,867,276,332.94	2,002,468,460.16
Total shareholders' equity		9,533,814,999.85	8,656,015,216.25
Total liabilities and shareholders' equity		9,735,987,120.47	9,837,499,212.08

The accompanying notes to the financial statements form an integral part of these financial statements.

COMPANY STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Item	Note XVII	For the six months ended 30 June 2026	For the six months ended 30 June 2025
		(Unaudited)	(Unaudited)
Operating income	3	39,305,015.00	40,947,090.00
Less: Operating costs	3	–	–
Taxes and surcharges		899,886.34	158,186.19
Administrative expenses		33,004,258.38	39,569,724.48
Financial expenses		78,516,258.93	36,584,598.39
Including: Interest expenses		8,599,131.48	20,350,082.51
Interest income		28,719,020.94	21,437,420.79
Add: Other income		368,318.35	138,102.46
Investment income/(losses)	4	1,533,612,912.74	(21,223.35)
Including: Share of income/(losses) of associates		342.32	(21,223.35)
Gains on disposal of non-current assets		–	8,217.15
Operating profit/(loss)		1,460,865,842.44	(35,240,322.80)
Add: Non-operating income		–	2,000.00
Less: Non-operating expenses		407,498.57	2,765,017.32
Profit/(Loss) before tax		1,460,458,343.87	(38,003,340.12)
Less: Income tax expenses		–	–
Net profit/(loss)		1,460,458,343.87	(38,003,340.12)
Including: Net profit/(loss) from continuing operations		1,460,458,343.87	(38,003,340.12)
Other comprehensive income, net of tax		18,185,341.50	–
Total comprehensive income/(loss)		1,478,643,685.37	(38,003,340.12)

The accompanying notes to the financial statements form an integral part of these financial statements.

COMPANY STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Item	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
I. CASH FLOWS FROM OPERATING ACTIVITIES:		
Other cash receipts relating to operating activities	30,714,362.31	45,919,087.94
Subtotal of cash inflows from operating activities	30,714,362.31	45,919,087.94
Cash payments to and on behalf of employees	35,638,401.18	20,239,200.48
Payments of various types of taxes and surcharges	1,880,256.67	323,532.70
Other cash payments relating to operating activities	708,356,626.03	13,632,559.36
Subtotal of cash outflows from operating activities	745,875,283.88	34,195,292.54
Net cash flows (used in)/from operating activities	(715,160,921.57)	11,723,795.40
II. CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash receipts from disposals and recovery of investments	2,246,413,358.74	–
Cash receipts from investment income	1,360,000,000.00	560,000,000.00
Net cash receipts from disposals of fixed assets, intangible assets and other non-current assets	–	420,667.89
Other cash receipts relating to investing activities	434,787,114.36	366,631,752.73
Subtotal of cash inflows from investing activities	4,041,200,473.10	927,052,420.62
Cash payments for purchase or construction of fixed assets, intangible assets and other non-current assets	3,341,193.00	697,809.00
Cash payments for investments	2,286,000,000.00	–
Net cash payments for acquisitions of subsidiaries	–	36,341,116.25
Other cash payments relating to investing activities	352,813,250.00	228,950,000.00
Subtotal of cash outflows from investing activities	2,642,154,443.00	265,988,925.25
Net cash flows from investing activities	1,399,046,030.10	661,063,495.37

The accompanying notes to the financial statements form an integral part of these financial statements.

COMPANY STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

Item	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
III. CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash receipts from capital contributions	–	2,921,078,842.60
Cash receipts from borrowings	291,030,800.00	137,999,950.00
Other cash receipts relating to financing activities	–	232,704,873.69
Subtotal of cash inflows from financing activities	291,030,800.00	3,291,783,666.29
Cash repayments of borrowings	523,266,650.00	458,700,000.00
Cash payments for distribution of dividends or profits or settlement of interest expenses	606,886,837.80	275,933,050.13
Other cash payments relating to financing activities	224,900,321.80	96,052,002.95
Subtotal of cash outflows from financing activities	1,355,053,809.60	830,685,053.08
Net cash flows (used in)/from financing activities	(1,064,023,009.60)	2,461,098,613.21
IV. EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(67,995,388.31)	(38,319,683.67)
V. NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(448,133,289.38)	3,095,566,220.31
Add: Opening balance of cash and cash equivalents	2,279,164,166.23	275,719,311.14
VI. CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	1,831,030,876.85	3,371,285,531.45

The accompanying notes to the financial statements form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

For the six months ended 30 June 2026 (Unaudited)							
Item	Share capital	Capital reserve	Less:		Surplus reserve	Retained earnings	Total equity
			Treasury shares	Other comprehensive income			
I. Opening balance of the current period	1,900,411,178.00	4,685,348,808.85	220,015,940.99	-	287,802,710.23	2,002,468,460.16	8,656,015,216.25
II. Changes for the period	-	-	-	12,991,910.82	-	864,807,872.78	877,799,783.60
(I) Total comprehensive income	-	-	-	18,185,341.50	-	1,460,458,343.87	1,478,643,685.37
(II) Profit distributions	-	-	-	-	-	(600,843,901.77)	(600,843,901.77)
1. Distributions to shareholders	-	-	-	-	-	(600,843,901.77)	(600,843,901.77)
(III) Transfer within shareholders' equity	-	-	-	(5,193,430.68)	-	5,193,430.68	-
1. Other comprehensive income transferred to retained earnings	-	-	-	(5,193,430.68)	-	5,193,430.68	-
III. Closing balance of the current period	1,900,411,178.00	4,685,348,808.85	220,015,940.99	12,991,910.82	287,802,710.23	2,867,276,332.94	9,533,814,999.85

For the six months ended 30 June 2025 (Unaudited)							
Item	Share capital	Capital reserve	Less:		Surplus reserve	Retained earnings	Total equity
			Treasury shares	Other comprehensive income			
I. Opening balance of the current period	1,663,911,378.00	2,048,754,375.75	220,015,940.99	-	287,802,710.23	2,356,024,316.66	6,136,476,839.65
II. Changes for the period	236,499,800.00	2,667,444,756.91	-	-	-	(342,069,128.60)	2,561,875,428.31
(I) Total comprehensive loss	-	-	-	-	-	(38,003,340.12)	(38,003,340.12)
(II) Shareholders' contributions and reductions in capital	236,499,800.00	2,667,444,756.91	-	-	-	-	2,903,944,556.91
1. Capital contributed by shareholders	236,499,800.00	2,642,545,292.91	-	-	-	-	2,879,045,092.91
2. The amount of share-based payments recorded in shareholders' equity	-	24,899,464.00	-	-	-	-	24,899,464.00
(III) Profit distributions	-	-	-	-	-	(304,065,788.48)	(304,065,788.48)
1. Distributions to shareholders	-	-	-	-	-	(304,065,788.48)	(304,065,788.48)
III. Closing balance of the current period	1,900,411,178.00	4,716,199,132.66	220,015,940.99	-	287,802,710.23	2,013,955,188.06	8,698,352,267.96

The accompanying notes to the financial statements form an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

I. GENERAL INFORMATION

Chifeng Jilong Gold Mining Group Limited (the “Company”) is a joint stock company with limited liability incorporated in the PRC, formerly known as Chifeng Jilong Gold Mining Co., Ltd., with the name change completed in May 2026. Its predecessor was Guangzhou Baolong Special Vehicle Co., Ltd. (“Oriental Baolong”). In August 2010, Oriental Baolong changed its name to Guangdong Oriental Brothers Investment Co., Ltd. (“Oriental Brothers”).

On 23 November 2012, CSRC approved the issuance of 183,664,501 shares of RMB ordinary shares (A shares) by Oriental Brothers to purchase 100.00% of equity assets of Chifeng Jilong Mining Co., Ltd. held by Zhao Meiguang, Zhao Guixiang, Zhao Guiyuan, Liu Yongfeng, Ren Yiguo, Ma Li, Li Xiaohui and Meng Qingguo in accordance with the Reply on Approval of Significant Asset Restructuring and Issuance of Shares to Zhao Meiguang and Others by Guangdong Oriental Brothers Investment Co., Ltd. to Purchase Assets (Zheng Jian Xu Ke [2012] No.1569). On 3 December 2012, Oriental Brothers completed the registration procedures for the issuance of 183,664,501 shares of RMB ordinary shares to eight natural persons, including Zhao Meiguang, CSDC Shanghai Branch, and the total number of share capital after the change is 283,302,301 shares.

On 5 December 2012, Oriental Brothers completed the industrial and commercial registration of changes to increase its registered capital at the Guangzhou Industrial and Commercial Bureau. The total share capital of Oriental Brothers increased from RMB99,637,800.00 to RMB283,302,301.00.

On 24 December 2012, as approved by the Administrative Bureau for Industry and Commerce of Inner Mongolia Autonomous Region, the address of Oriental Brothers was changed to Fumin Village, Sidaowanzi Town, Aohan Banner, Chifeng City, and its name was changed to Chifeng Jilong Gold Mining Co., Ltd. The scope of business was changed to sales of gold mineral products and investment and management of mining.

On 28 April 2014, the Company deliberated and approved the Board of Directors’ proposal on the 2013 profit distribution plan at the 2013 annual general meeting. Based on the total share capital of the Company of 283,302,301 shares as of 31 December 2013, the capital reserve was transferred to all shareholders by 10 shares for every 10 shares, and the total share capital after the change was RMB566,604,602.00.

On 22 May 2014, the Company completed the industrial and commercial registration of changes of increasing the registered capital and changing the business scope at the Industrial and Commercial Bureau of Inner Mongolia Autonomous Region, and its registered capital was changed to RMB566,604,602.00, and the business scope was changed to “sales of gold mineral products, investment and management of mining and other industries in which the state allows to invest.”

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

I. GENERAL INFORMATION (CONTINUED)

On 28 January 2015, CSRC issued the Reply on Approval of Issuance of Shares to Tan Xiongyu and Others by Chifeng Jilong Gold Mining Co., Ltd. to Purchase Assets and Raise Funds (Zheng Jian Xu Ke [2015] No.134), which approved the issuance of 114,016,786 shares by the Company to Tan Xiongyu and others to purchase assets and the non-public offering of not more than 41,925,465 new shares to raise funds for the purchase.

On 12 February 2015, the Company completed the share registration procedures for the issuance of a total of 114,016,786 shares to Tan Xiongyu and others for the purchase of assets at CSDC Shanghai Branch, and the total number of shares after the change was 680,621,388 shares.

On 18 March 2015, the Company completed the share registration procedures for the issuance of a total of 32,569,360 shares to Shenzhen Qianhai Qilin Xinlong Investment Company (LP) and China Merchants Fund Management to raise funds at CSDC Shanghai Branch, and the total number of shares after the change was 713,190,748 shares.

On 17 June 2015, the Company completed the industrial and commercial registration of changes of increasing the registered capital at the Administrative Bureau for Industry and Commerce of Inner Mongolia Autonomous Region and its registered capital was changed to RMB713,190,748.00.

On 11 October 2017, the Company deliberated and approved the 2017 interim profit distribution plan at the first 2017 extraordinary general meeting, and transferred 10 shares for every 10 shares from capital reserve to all shareholders on the basis of the total share capital of the Company at the share registration day when the distribution plan was implemented, for a total transfer of 713,190,748 shares, increasing the total share capital of the Company to 1,426,381,496 shares after the transfer. On 25 October 2017, the Company completed the industrial and commercial registration of changes of increasing the registered capital at the Administrative Bureau for Industry and Commerce of Inner Mongolia Autonomous Region, and its registered capital was changed to RMB1,426,381,496.00.

Pursuant to the resolution of the first 2019 extraordinary general meeting held on 31 May 2019 and the Reply on Approval of Issuance of Shares to Zhao Meiguang and Others by Chifeng Jilong Gold Mining Co., Ltd. to Purchase Assets and Raise Funds (Zheng Jian Xu Ke [2019] No.2020) approved by CSRC on 28 October 2019, which approved the issuance of a total of 128,787,878 shares by the Company to Zhao Meiguang and others to purchase assets and the funds raised by non-public offering was less than RMB510,000,000.00.

On 12 November 2019, the Company completed the newly issued share registration procedures for the issuance of a total of 128,787,878 shares to Zhao Meiguang and others for the purchase of assets at CSDC Shanghai Branch, and the total number of shares after the change was 1,555,169,374 shares, with a share capital of RMB1,555,169,374.00.

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

I. GENERAL INFORMATION (CONTINUED)

On 22 January 2020, the Company completed the registration procedures for the new issuance of shares to Yinhua Fund Management Co., Ltd., Inner Mongolia Financial Asset Management Company Limited and Jiubaba (Jinan) Investment Partnership (LP) to raise funds at CSDC Shanghai Branch, with a total of 108,742,004 shares. The total number of shares after the issuance was 1,663,911,378 shares, with a share capital of RMB1,663,911,378.00.

On 10 March 2025, as approved by the Listing Committee of Hong Kong Stock Exchange, the Company's issuance of 205,652,000 shares was listed and commenced trading on the Main Board of Hong Kong Stock Exchange. On 4 April 2025, the Company issued an additional 30,847,800 H shares through an over-allotment option. The number of H shares in the issue increased from 205,652,000 to 236,499,800 upon full exercise of the over-allotment option. On 24 June 2025, the Company completed the industrial and commercial registration of changes of increasing the registered capital at the Industrial and Commercial Bureau of Inner Mongolia Autonomous Region, and its registered capital was changed to RMB1,900,411,178.00.

The registered address of the Company is Fumin Village, Sidaowanzi Town, Aohan Banner, Chifeng City, Inner Mongolia Autonomous Region, and the office address is A7-Xiaojing, Wanfeng Road, Fengtai District, Beijing.

The Group is mainly engaged in mining of gold and non-ferrous metal and comprehensive recycling of resources. The main products are gold, copper cathode, other precious metals and non-ferrous metals.

The actual controller of the Group is Ms. Li Jinyang.

The financial statements were approved and authorised for issue by the Board of Directors of the Company on 28 August 2026.

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

1. Basis of preparation

The Group adopts the CAS and relevant requirements promulgated by the MOF of the PRC, and discloses relevant financial information in accordance with “Rules on the Preparation and Report of Information Disclosure for Companies Publicly Issuing Securities No. 15 – General Requirements for Financial Reports”. In addition, the financial statements also disclose information according to the relevant disclosure requirements under the Hong Kong Companies Ordinance and the Listing Rules.

2. Going concern

The financial statements have been prepared on a going concern basis.

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The Group has formulated specific accounting policies and accounting estimates based on actual production and operation characteristics, which are mainly reflected in the depreciation methods for fixed assets, amortisation methods for intangible assets, recognition and measurement of operating income and so on.

1. Statement of compliance with the CAS

The financial statements have been prepared in accordance with the CAS, and presented truthfully and completely the consolidated and the company financial position as at 30 June 2026, and the consolidated and company financial performance and cash flows for the six months ended 30 June 2026.

2. Accounting period

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

3. Functional currency

The Company adopts RMB as its functional currency and to prepare its financial statements. Unless otherwise stated, the financial statements are denominated in RMB.

The subsidiaries and associates of the Group determine their own functional currencies according to the primary economic environments in which they operate and translate into RMB in preparation of the financial statements.

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

4. Method and selection basis of determination of materiality criteria

Item	Materiality criteria
Material Individual bad debt provisions for trade receivables/other receivables	Receivables that make bad debt provision individually exceeding 10% of the total amount of each receivable account, and the individual amount exceeds RMB20 million.
Material construction in progress	Individually with a carrying amount exceeding 0.1% of the Group's total assets.
Material trade payables/other payables	Payables individually with a carrying amount exceeding RMB10 million.
Subsidiaries with material non-controlling interests	A subsidiary with net assets exceeding 2% of the net assets of the Group, and the non-controlling interests exceeding RMB300 million.
Material associates	An individual investee with a carrying amount exceeding 5% of the net assets of the Group.

5. Business combinations

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

A business combination involving entities 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 (including goodwill arising from the acquisition of the merged party (parties) by the ultimate controlling party) obtained by the merging party shall be measured at their respective carrying amounts as recorded by the ultimate controlling party 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 (or the aggregate face value of shares issued as consideration) shall be adjusted to capital premium under capital reserves. If the capital premium is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

5. Business combinations (Continued)

A business combination not involving entities under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties both before and after the combination. The acquiree's identifiable assets, liabilities and contingent liabilities acquired by the acquirer in a business combination not involving entities under common control shall be measured at fair value at the acquisition date. Where the fair value of combination consideration exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill, which is subsequently measured at cost less accumulated impairment losses. Where the fair value of combination consideration 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 fair value of combination consideration. If after that reassessment, the fair value of combination consideration is still less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer recognises the remaining difference immediately in profit or loss for the current period.

6. Consolidated financial statements

The scope of the consolidation in consolidated financial statements is determined on the basis of control. The consolidated financial statements include the financial statements of the Company and all of its subsidiaries. A subsidiary is an entity that is controlled by the Company (including an entity, a separable part of an investee, and the structured entity controlled by the Company). The investor controls an investee if, and only if, the investor has the following three elements: the investor has power over the investee; 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.

Where the accounting policies adopted or accounting period of subsidiaries are probably inconsistent with those of the Company, appropriate adjustments are made to the subsidiaries' financial statements in accordance with the accounting policies and accounting period of the Company when preparing the consolidated financial statements. All assets, liabilities, equity, income, expenses and cash flows arising from intra-group transactions are eliminated in full on consolidation.

When the amount of loss for the period attributable to the non-controlling shareholders of a subsidiary exceeds the non-controlling shareholders' portion of the opening balance of shareholders' equity of the subsidiary, the excess amount shall still be allocated against non-controlling interests.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Consolidated financial statements (Continued)

Where a subsidiary is acquired through a business combination not involving entities under common control, the financial performance and cash flows of the acquiree shall be included in the consolidated financial statements of the Group from the date the Group obtains control until the date that such control ceases. In the preparation of the consolidated financial statements, the financial statements of an acquired subsidiary shall be adjusted based on the fair values of the subsidiary's identifiable assets, liabilities and contingent liabilities determined at the acquisition date.

Where a subsidiary is acquired through a business combination involving entities under common control, the acquiree's financial performance and cash flows shall be included in the consolidated financial statements as if the acquiree was under the control of the Group at the very beginning and the comparative amounts of the consolidated financial statements of the Group shall be restated accordingly.

If a change in any facts and circumstances gives rise to one or more changes in controlling factors, the Group will reassess whether it controls the investee or not.

Change in non-controlling interests that does not result in the loss of control over the subsidiary is accounted for as an equity transaction.

7. Cash and cash equivalents

Cash comprises the Group's cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are the Group's short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

8. Foreign currency transactions and translation of financial statements denominated in foreign currency

For foreign currency transactions, the Group translates the amount of foreign currency into the amount of functional currency.

On initial recognition of a foreign currency transaction, the amount of the foreign currency is translated into the functional currency at the spot exchange rate prevailing on the date of the transaction. As at the end of the reporting period, monetary items denominated in foreign currencies are translated into the functional currency using the spot exchange rates prevailing at the end of the reporting period. Exchange differences arising from the differences between the spot exchange rates prevailing at the end of the reporting period and those on initial recognition or at the end of the previous reporting period, except that exchange differences related to a specific-purpose borrowing denominated in foreign currency that qualify for capitalisation are capitalised as part of the cost of the qualifying asset during the capitalisation period, are recognised in profit or loss for the period. Non-monetary items denominated in foreign currencies measured at historical cost are translated at the spot exchange rate prevailing on the date of transaction and the amount denominated in the functional currency is not changed. 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. Differences between the re-translated functional currency amount and the original functional currency amount are recognised in profit or loss or as other comprehensive income depending on the nature of the non-monetary items.

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 statement of financial position are translated at the spot exchange rate prevailing at the end of the reporting period; shareholders' equity items except for retained earnings are translated at the spot exchange rates at the dates on which such items arose; income and expenses in the statement of profit or loss are translated at the average exchange rates for the transaction period (unless exchange rate fluctuations make translation at that rate inappropriate, then the spot rate at the date of the cash flow is used). The exchange differences arising from translation of financial statements denominated in foreign currencies are recognised as other comprehensive income. For disposals of equity interests in foreign operations, the proportionate share of the accumulated exchange differences arising from translation of financial statements in other comprehensive income of foreign operations is reclassified to profit or loss for the current period. For partial disposals, the reclassification is determined on the proportion of disposal.

Cash flows arising from a transaction in foreign currency and the cash flows of a foreign subsidiary are translated at the average exchange rate of the transaction period of cash flows (unless exchange rate fluctuations make translation at that rate inappropriate, then the spot rate at the date of the cash flow is used). The effect of exchange rate changes on cash and cash equivalents is regarded as a reconciling item and presented separately in the statement of cash flows.

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity, and a financial liability or equity instrument of another entity.

(1) Recognition and derecognition of financial instruments

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

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's account and consolidated statement of financial position) when:

- (1) the rights to receive cash flows from the financial asset have expired; or;
- (2) the Group has transferred its rights to receive cash flows from the financial asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) has transferred substantially all the risks and rewards of the financial asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the financial asset.

The Group derecognises a financial liability only when the underlying obligation is settled, discharged or expires. An agreement to replace the original financial liability with a new financial liability with substantially different terms with the same creditor, or to modify the original financial liability's terms substantially, is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the new financial liability should be recognised in profit or loss for the current period.

All regular means of purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular means of purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace pursuant to the provisions of the terms of an agreement. Trade date is the date that the Group commits to purchase or sell the financial asset.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (Continued)

(2) Classification and measurement of financial assets

At initial recognition, the classification of financial assets depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them: financial assets at amortised cost, financial assets at fair value through other comprehensive income ("FVTOCI") and financial assets at fair value through profit or loss. All affected related financial assets will be reclassified only if the Group changes its business model for managing financial assets.

Financial assets are measured at fair value on initial recognition, but trade receivables arising from the sale of goods or rendering of services that do not contain significant financing components or for which the Group does not consider the effect of a significant financing component due within one year, are initially measured at the transaction price.

For financial assets at fair value through profit or loss, transaction costs are directly recognised in profit or loss for the current period. For other financial assets, transaction costs are included in their initial recognised amounts.

The subsequent measurement of financial assets depends on their classification:

Financial assets at amortised cost (debt instrument investments)

The Group measures financial assets at amortised cost if both of the following conditions are met: the financial assets are held within a business model with the objective to hold financial assets in order to collect contractual cash flows; 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. Interest income of this kind of financial assets is recognised using the effective interest method. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (equity instrument investments)

The Group can elect to classify irrevocably its equity investments which are not held for trading as equity investments designated at fair value through other comprehensive income. Only the relevant dividend income (excluding the dividend income explicitly recovered as part of the investment cost) is recognised in profit or loss. Subsequent changes in the fair value are included in other comprehensive income, and no provision for impairment is made. When the financial asset is derecognised, the accumulated gains or losses previously included in other comprehensive income are transferred from other comprehensive income to retained earnings.

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (Continued)

(2) Classification and measurement of financial assets (Continued)

The subsequent measurement of financial assets depends on their classification: (Continued)

Financial assets at fair value through profit or loss

The financial assets other than financial assets measured at amortised cost and financial assets at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Such financial assets are subsequently measured at fair value with changes in fair value recognised in profit or loss, except for the financial assets related to hedge accounting.

(3) Classification and measurement of financial liabilities

At initial recognition, financial liabilities of the Group are classified as financial liabilities at fair value through profit or loss and financial liabilities measured at amortised cost. For financial liabilities at fair value through profit or loss, the relevant transaction costs are directly recognised in profit or loss for the current period, and the related transaction costs of financial liabilities measured at amortised cost are recognised in their initial amount.

The subsequent measurement of financial liabilities depends on their classification:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading (including derivative instruments attributable to financial liabilities) and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities held for trading (including derivative instruments attributable to financial liabilities) are subsequently measured at fair value. All changes in fair value of such financial liabilities are recognised in profit or loss, except for the financial liabilities accounted for under hedge accounting. Financial liabilities designated at fair value through profit or loss are subsequently measured at fair value and gains or losses are recognised in profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income. If gains or losses arising from the Group's own credit risk which are presented in other comprehensive income will lead to or expand the accounting mismatch in profit or loss, the Group will include all the changes in fair value (including the amount affected by changes in the Group's own credit risk) of such financial liabilities in profit or loss.

Financial liabilities measured at amortised cost

For such financial liabilities, subsequent measurement is made at amortised cost using the effective interest method.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (Continued)

(4) Impairment of financial instruments

Recognition and accounting treatment of expected credit losses

Based on expected credit losses (“ECLs”), the Group undertakes impairment treatment and recognises provisions for financial assets at amortised cost.

For receivables that do not contain significant financing components, the Group applies the simplified approach to measure provisions based on lifetime ECLs.

For financial assets other than those measured with the simplified approach, the Group evaluates at the end of each reporting period whether its credit risk has significantly increased since initial recognition. If the credit risk of the financial instrument does not increase significantly since the initial recognition, it would be classified in Stage 1, and the Group measures the provisions for those instruments at an amount equal to 12-month ECLs, and calculates interest income based on book value and actual interest rate. If the credit risk of a financial instrument has significantly increased since the initial recognition but is not yet credit-impaired, it would be classified in Stage 2, and the Group measures the provisions for the instrument at an amount equal to lifetime ECLs, and calculates interest income based on book value and actual interest rate. If the financial instrument has been credit-impaired since the initial recognition, it would be classified in Stage 3, and the Group measures the provisions for the financial instrument at an amount equal to lifetime ECLs, and calculates interest income according to amortised cost and actual interest rate. For financial instruments with relatively low credit risk at the end of the reporting period, the Group assumes their credit risk has not significantly increased since initial recognition.

Please refer to Note X. 2 for the disclosure of the Group’s criteria for judging the significant increase in credit risk, the definition of credit-impaired financial assets, etc.

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

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

9. Financial instruments (Continued)

(4) Impairment of financial instruments (Continued)

Grouping and basis of determination for impairment provisions based on credit risk characteristics

The Group has taken into account the credit risk characteristics of different customers. Based on the common risk characteristics and using the ageing portfolio as the basis, we assess the ECLs of financial instruments. The portfolios classified by the Group are the domestic customer portfolio and the overseas customer portfolio.

Ageing method for credit risk portfolio based on days past due

The Group determines the ageing of accounts based on the invoice date.

Criteria for individual impairment assessment of bad debt provisions

If a counterparty exhibits significantly different credit risk characteristics compared to others within the same portfolio, the provisions for the receivables from this counterparty shall be made on an individual basis.

Write-off of impairment provisions

When the Group no longer reasonably expects to recover all or part of the contractual cash flows of a financial asset, the Group directly writes down the carrying amount of the financial asset.

(5) Derivative financial instruments

The Group uses derivative financial instruments, such as commodity futures contracts for hedging price fluctuation risk. Derivatives are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently measured at fair value. Derivatives are recognised as assets when the fair value is positive and as liabilities when the fair value is negative.

Except for those subject to hedge accounting, gains or losses arising from changes in the fair value of derivatives are directly recognised in profit or loss for the current period.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Inventories

The Group's inventories include raw materials, work in progress, finished goods and consumable materials.

Inventories are initially measured at cost. Cost of inventories comprise all costs of purchase, costs of processing and other expenditures. The actual cost of inventories upon delivery is calculated using the weighted average method.

The perpetual inventory system is maintained for the stock system.

At the end of the reporting period, inventories are measured at the lower of cost and net realisable value. If the net realisable value is below the cost of inventories, a provision for decline in value of inventories is made and recorded in profit or loss for the current period. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. For inventories with large quantities and low unit prices, provision for inventories is written down by category. Items of inventories relating to the same product line that have the same or similar end uses or purposes, are produced and marketed in the same geographical area, and cannot be practicably evaluated separately from other items in that product line, are grouped and written down on an aggregate basis.

11. Long-term equity investments

Long-term equity investments include equity investments in subsidiaries and associates.

A long-term equity investment is measured at its initial investment cost on acquisition. For a long-term equity investment acquired through business combination involving entities under common control, the initial investment cost is the attributable share of the carrying amounts of the shareholders' equity of the acquiree in the ultimate controlling party's consolidated financial statements at the date of combination. The difference between the initial investment cost and the carrying amount of the consideration is adjusted against capital reserve (if the capital reserve is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings). For a long-term equity investment acquired through business combination not involving entities under common control, the initial investment cost of the long-term equity investment is the cost of the combination (If the business combination not involving entities under common control is achieved in stages, the initial investment cost of the long-term equity investment is the aggregate of the carrying amount of the equity investment held in the acquiree prior to the acquisition date and the cost of the additional investment at the acquisition date). For a long-term equity investment acquired other than long-term equity investments formed through business combinations, the initial investment cost is recognised as follows: if acquired by cash, the initial investment cost is recognised at the purchase price actually paid plus the expenses, taxes and other required expenditures directly attributable to the acquisition of long-term equity investments; if acquired through issuing equity securities, the initial investment cost is recognised at the fair value of the equity securities issued.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Long-term equity investments (Continued)

The long-term equity investments which the Company can exercise control over the investee are accounted for using the cost method in the Company's individual financial statements. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Under the cost method, a long-term equity investment is measured at initial investment cost. If there are additional investments or disinvestments, the cost of the long-term equity investment shall be adjusted. Investment income is recognised in the period in accordance with the attributable share of cash dividends or profit distributions declared by the investee.

For long-term equity investments over which the Group has joint control or significant influence, the Group accounts for such long-term equity investments using the equity method. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when the decisions about the relevant activities 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.

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 interest in the fair values of the investee's identifiable net assets at the acquisition date, the difference is charged to profit or loss, and the cost of the long-term equity investment is adjusted accordingly.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Long-term equity investments (Continued)

Under the equity method, after a long-term equity investment is acquired, the Group recognises its share of the net profit or loss and other comprehensive income of the investee for the period as investment income or loss and other comprehensive income for the period, respectively, and adjusts the carrying amount of the long-term equity investment. The Group recognises its share of the investee's net profit or loss based on the fair value of the investee's identifiable assets and others at the acquisition date after making appropriate adjustments to conform with the Group's accounting policies and accounting period. Unrealised profit or loss resulting from the Group's transactions with its associates are recognised as investment income or loss to the extent that those attributable to the Group's equity interest are eliminated (except for those transactions relating to impairment loss of assets which shall be recognised fully), provided that invested or sold assets constituting business shall be excluded. The Group shall reduce the carrying amount of the long-term equity investments for shares of profits or cash dividends declared of the investee. However, the share of net loss is only recognised to the extent that the carrying value of the investment together with any long-term interests that in substance form part of its net investment is reduced to zero, except to the extent that the Group has incurred obligations to assume additional losses. Changes in the shareholders' equity of the investee other than net profit or loss, other comprehensive income and profits distribution are correspondingly adjusted to the carrying amount of the long-term equity investments and recognised in the shareholders' equity.

12. Fixed assets

A fixed asset is recognised only when the economic benefits associated with the asset will probably flow into the Group and the cost of the asset can be measured reliably. Subsequent expenditures incurred for a fixed asset that meets the recognition criteria shall be included in the cost of the fixed asset, and the carrying amount of the component of the fixed asset that is replaced shall be derecognised. Otherwise, such expenditures are recognised in profit or loss or in the cost of the relevant asset according to the beneficiary when it occurs.

A fixed asset is initially measured at cost and the effect of any expected costs of abandoning the asset at the end of its use is considered. The cost of a fixed asset is the aggregate cost of purchase price, related taxes and any directly attributable expenditure for bringing the asset to its working condition for its intended use.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Fixed assets (Continued)

Other than the fixed asset formed by the work safety fund that is depreciated one time, other fixed assets are depreciated over their useful lives using the units-of-production method or the straight-line method. The useful lives, estimated net residual value rate and annual depreciation rate of each category of the fixed assets which depreciation are calculated using the straight-line method are as follows:

Type	Useful life	Estimated net residual value rate	Annual depreciation rate
Buildings	20 years	0%, 5%	4.75%, 5.00%
Machinery	5-10 years	0%, 5%	9.50%-20.00%
Vehicles	5-10 years	0%, 5%	9.50%-20.00%
Electronic equipment and others	3-5 years	0%, 5%	19.00%-33.33%

Where the components of fixed assets have different useful lives or provide economic benefits to the enterprise in different ways, different depreciation rates are applied. The Group reviews the useful life, estimated net residual value of fixed assets and the depreciation method applied at least once at each financial year end, and makes adjustments when necessary.

13. Construction in progress

Construction in progress is measured at its actual expenditures, including various necessary construction expenditures during the construction period, borrowing costs capitalised before it is ready for intended use and other relevant expenditures.

Construction in progress is transferred to a fixed asset when it is ready for its intended use. The criteria are as follows:

Type	Criteria for transferring to fixed assets
Buildings	Meet the design requirements and be available for use
Machinery	Meet the design requirements and complete the trial production
Electronic equipment and others	Actually start to use
Vehicles	Actually start to use

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Borrowing costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised, whereas other borrowing costs are recorded in profit or loss for the current period.

The capitalisation of borrowing costs commences only when the capital expenditures for the asset and the borrowing costs have been incurred, and the activities that are necessary to acquire, construct or produce the asset for its intended use or sale have been undertaken.

Capitalisation of borrowing costs ceases when the qualifying asset being acquired, constructed or produced gets ready for its intended use or sale. Any borrowing costs subsequently incurred are recognised in profit or loss for the current period.

During the capitalisation period, the amount of interest eligible for capitalisation for each accounting period shall be determined as follows: where funds are borrowed for a specific purpose, the amount of interest eligible for capitalisation is the actual interest costs incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds or any investment income on the temporary investment of those funds; where funds are borrowed under general purpose, the amount of interest eligible for capitalisation is determined by applying a weighted average interest rate on the general borrowings to the weighted average of the excess of the cumulative expenditures on the asset over the expenditures on the asset funded by the specific borrowings.

Capitalisation of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is suspended abnormally by activities other than those necessary to get the asset ready for its intended use or sale, when the suspension is for a continuous period of more than 3 months. Borrowing costs incurred during these periods are recognised as an expense in profit or loss until the acquisition, construction or production is resumed.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Intangible assets

(1) Useful life of intangible assets

The mining rights are amortised using the units-of-production method. Exploration rights are not amortised until mining commences. After exploration rights are converted into mining rights, they are amortised using the units-of-production method. Other intangible assets are amortised on a straight-line basis over their useful lives. The estimated useful lives of each intangible asset are as follows:

Type	Useful life	Basis for determination
Land use rights	20-50 years	Term of land use right
Trademarks	10 years	Registered valid period
Patents	10-14.75 years	The shorter of the patent right term and the estimated useful life
Forest land use rights	55 years	Term of forest land use right
Other intangible assets	5-12 years	The useful lives of the assets

Exploration expenditures include the expenses incurred in activities such as geological prospecting, exploration drilling, and trench sampling for taking samples, which are related to the feasibility studies of technical and commercial development carried out around, outside, or in the depth of existing ore deposits, or on the basis of exploration rights obtained through external purchases. Exploration expenditures incurred after it can be reasonably determined that a mine is commercially viable for production can be capitalised. After obtaining the mining license, they will be included in the intangible asset of the mining right and amortised using the units-of-production method. If any project is abandoned during the development stage, its total expenditure will be written off and included in the current period's expenses.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Intangible assets (Continued)

(2) Research and development expenses

The Group classifies the expenditures on an internal research and development project into expenditure on the research phase and expenditure on the development phase. Expenditure on the research phase is recognised in profit or loss as incurred. Expenditure on the development phase is capitalised only when the Group can demonstrate all of the followings: the technical feasibility of completing the intangible asset so that it will be ready for intended use or sale; the intention to complete the intangible asset and use or sell it; how the intangible asset will generate probable future economic benefits (among other things, the Group can demonstrate 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); the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and the ability to measure reliably the expenditure attributable to the intangible asset during the development phase. Expenditure on the development phase which does not meet these above criteria is recognised in profit or loss when incurred.

16. Impairment of assets

Impairment of assets other than inventories, deferred tax assets and financial assets is recognised based on the following methods: the Group assesses at the end of each reporting period whether there is any indication that the assets may be impaired. If there is any indication that such assets may be impaired, recoverable amounts are estimated for such assets and impairment tests are performed. Goodwill arising in a business combination, an intangible asset with an indefinite useful life and an intangible asset that is not ready for use shall be assessed for impairment at least at each year end, irrespective of whether there is any indication of impairment.

The recoverable amount of an asset is the higher of fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset. The recoverable amount is estimated on an 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. Identification of an asset group shall be based on whether there are major cash inflows which are independent from other assets or asset groups.

If the recoverable amount of an asset or asset group is less than its carrying amount, the carrying amount shall be reduced to its recoverable amount. The reduction is recognised as an impairment loss and charged to profit or loss for the current period. A provision for impairment loss of the asset is recognised accordingly.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Impairment of assets (Continued)

For the purpose of impairment testing, the carrying amount of goodwill is, from the acquisition date, allocated on a reasonable basis to each of the relevant asset groups or sets of asset groups. Relevant asset groups or sets of asset groups to which the goodwill is so allocated represent those which are expected to benefit from the synergies of the combination and are not larger than a reportable segment of the Group.

The carrying amount of an asset group or a set of asset groups including the goodwill is compared to its recoverable amount. If the recoverable amount of the asset group or set of asset groups is lower than its carrying amount, firstly, the impairment loss shall be allocated to reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups. Then, the impairment loss shall be allocated to the other assets of the asset group or set of asset groups (excluding goodwill) on the basis of the proportion of the carrying amount of each asset in the asset group or set of asset groups.

Once an impairment loss of the abovementioned asset is recognised, it shall not be reversed in any subsequent period.

17. Long-term deferred expenses

Long-term deferred expenses refer to expenses that have been already incurred but should be borne in the reporting period and subsequent periods with an allocation period of more than one year. The Group's long-term deferred expenses mainly include license fees for mining right, preliminary fees for mining, etc. Long-term deferred expenses are amortised using the straight-line method during the expected period of benefits.

18. Contract liabilities

The Group presents its obligation to transfer goods or services to a customer, for which the Group has received consideration or the Group has a right to an amount of consideration that is unconditional from the customer, as a contract liability

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

19. Employee benefits

Employee benefits are all types of benefits except the share-based payments given by the Group in exchange for the services rendered by employees or termination of employment. Employee benefits include short-term employee benefits, post-employment benefits, and termination benefits.

(1) Short-term employee benefits

During the accounting period in which employees provide services, the actual short-term employee benefits incurred are recognised as liabilities and are included in the current period's profit or loss or the cost of related assets.

(2) Post-employment benefits (defined contribution plan)

The employees of the Group participate in a pension scheme and unemployment insurance administrated by the local government, and the corresponding expenses shall be included in the cost of related assets or profit or loss.

(3) Termination benefits

When the Group provides termination benefits to employees, the employee salary liability arising from the termination benefits is recognised on the earlier of the following two dates, and is included in the current period's profit or loss: when the enterprise cannot unilaterally withdraw the termination benefits provided due to the labour relationship termination plan or the downsizing proposal; when the enterprise recognises the costs or expenses related to the restructuring involving the payment of termination benefits.

The internal early retirement plan for employees is dealt with in accordance with the same principles as the above-mentioned termination benefits. The Group will, when the conditions for recognising the provision are met, include the salaries to be paid to the employees on internal early retirement and the social insurance premiums to be paid during the period from the date when the employees stop providing services to the normal retirement date in the current period's profit or loss (termination benefits).

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Provisions

Except for contingent consideration and contingent liabilities arising from business combinations not involving entities under common control, provisions are recognised when the Group has an obligation related to a contingency, which is a present obligation of the Group, that would probably result in an outflow of economic benefits from the Group and could be reliably measured.

The amount initially recognised as a provision is the best estimate of the expenditures required to settle the present obligation, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money. The Group will review the carrying amount of a provision at the end of the reporting period and make appropriate adjustments to reflect the best estimate of the amount.

A provision recognised in a business combination not involving entities under common control is initially measured at its fair value. Subsequently, it is measured at the higher of (i) the amount that would be recognised in accordance with the general policy for provisions above and (ii) the amount initially recognised less, when appropriate, the amount of income recognised in accordance with the policy for revenue recognition.

21. Share-based payment

A share-based payment is classified as either an equity-settled share-based payment or a cash-settled share-based payment. An equity-settled share-based payment is a transaction in which the Group receives services and uses shares or other equity instruments as consideration for settlement.

An equity-settled share-based payment in exchange for services received from employees is measured at the fair value of the equity instruments granted to the employees. If such equity-settled share-based payment could vest immediately, related costs or expenses at an amount equal to the fair value on the grant date are recognised, with a corresponding increase in capital reserves. If such equity-settled share-based payment could not vest until the completion of services for a vesting period, or until the satisfaction of a specified performance condition, at each reporting date during the vesting period, the Group recognises the services received for the current period as related costs and expenses, with a corresponding increase in capital reserves, at an amount equal to the fair value of the equity instruments at the grant date, based on the best estimate of the number of equity instruments expected to vest. The fair value is determined using the fair value on the grant date (or other appropriate pricing model).

Where the terms of an equity-settled share-based award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

21. Share-based payment (Continued)

Where an equity-settled share-based award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award.

The cost of cash-settled transactions is measured at the fair value of the liability which is determined on the basis of shares or other equity instruments of the Group. If the rights under a cash-settled share-based payment could vest immediately, related costs or expenses at an amount equal to the fair value on the grant date are recognised, with a corresponding increase in liability. If the rights under a cash-settled share-based payment could not vest until the completion of services for a vesting period, or until the satisfaction of a specified performance condition, at the end of each reporting date during the vesting period, the Group recognises the services received for the current period as related costs or expenses and the corresponding liability, at an amount equal to the fair value of the liability based on the best estimate of the outcome of vesting. The liability is measured at the end of each reporting date up to and including the settlement date, with changes in fair value recognised in profit or loss.

22. Revenue

The Group recognises revenue when it has fulfilled its obligations under the contract, i.e., when the customer acquires control of relevant goods or services. Acquiring control over the goods or services refers to the ability to dominate the use of the goods or the provision of services and to derive almost all the economic benefits therefrom.

Detailed information about the revenue recognition of the Group is as follows:

(1) Contracts for the sale of goods

A contract for the sale of goods between the Group and the customer usually only includes the performance obligation to deliver the goods. The Group generally recognises revenue at the point in time of transfer of the controlling rights of goods on the basis of a combination of the following factors: the current right to collect the goods, the transfer of major risks and benefits in the ownership of the goods, the transfer of the legal ownership of the goods, the transfer of physical assets of the goods and that the customers have accepted the goods.

The Group recognises the transaction price as the amount of consideration to which it expects to be entitled in exchange for transferring goods to customers, which is determined based on the contractual terms and conditions in conjunction with customary business practices.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Revenue (Continued)

Detailed information about the revenue recognition of the Group is as follows: (Continued)

(1) Contracts for the sale of goods (Continued)

When the contract contains a significant financing component, the Group determines the transaction price based on an amount that reflects the price that a customer would have paid for the goods in cash at the time of obtaining the control of the goods or services, and amortises the difference between the determined transaction price and the consideration promised in the contract under the effective interest method within the contract period using the discount rate that discounts the nominal amount of the contract consideration to the current selling price of the goods. The Group does not consider the effects of a significant financing component in the contract if it is expected that the period between the date when the customer obtains control of the goods or services and the date when the customer pays for such goods will be one year or less.

Metal streaming arrangement

There is a Metal Streaming Arrangement in GSR acquired by the Group in 2022. Under the business arrangement, GSR receives a payment in advance and the counterparty obtains a certain proportion of deliverable gold within the entire life of the designated mine. The counterparty is also required to pay an additional payment based on a certain proportion of the market price when GSR delivers the goods within an agreed period in the future. The payment GSR receives in advance is considered to be part of the counterparty's prepayment for the future goods with uncertain but predictable quantity, and is recognised as a contract liability upon receipt. Each unit of the delivered goods represents a separate performance obligation, and revenue is recognised at the point in time when control of the goods is transferred. Considering the timing of satisfaction of delivery obligations throughout the entire life of the mines, the contract liability above is considered to have significant financing components. In addition, because the quantity of all delivered goods available to the counterparty depends on the mining reserves of the metals throughout the entire life of the mines, the management will estimate the change of total metal reserves and planned mining reserves of the mines on a regular basis and adjustments shall be made to the revenue and financing expenses recognised in historical periods based on the updated prices in the change periods. For further details, please refer to Note V.32.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Revenue (Continued)

Detailed information about the revenue recognition of the Group is as follows: (Continued)

(1) Contracts for the sale of goods (Continued)

Metal streaming arrangement (Continued)

In the Group's Metal Streaming Arrangement, because the quantity of all delivered goods available to the counterparty depends on the mining reserves of the metals throughout the entire life of the mines, the price allocated to the goods delivered per unit is considered as variable consideration. When the estimated total metal reserves and planned exploitation reserves of the mine change, it is necessary to recalculate the price of goods delivered per unit, and in the period of the changes occurred, adjust the revenue and finance costs recognised in the same period according to the updated price. The Group determines the best estimate of variable consideration by the expected value. The transaction price including variable consideration is only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

(2) Contracts for the rendering of services

A contract for the rendering of services between the Group and the customer usually includes performance obligations for dismantling waste electrical and electronic products. In addition to revenue generated from the sale of dismantled products, the Group also receive government incentives for dismantling electronic products. These incentives essentially represent consideration paid by the government for the dismantling services provided by the Group and are not gratuitous in nature. In accordance with revenue recognition standards, the Group reasonably estimates the amount of potential future incentives based on the most updated government incentive policy, its own business operations, etc. The Group also considers constraints on variable considerations included in transaction prices. These incentives are recognised as revenue once the conditions for revenue recognition are met.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Government grants

A government grant is recognised only when the Group can comply with the conditions attached to the grant and the Group will receive the grant. If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a nonmonetary asset, it is measured at fair value. If the fair value cannot be reliably determined, it is measured at a nominal amount.

Asset-related government grants are recognised when the government document designates that the government grants are used for acquiring, constructing or forming long-term assets. If the government document is inexplicit, the Company should make a judgement based on the basic conditions to obtain the government grants, and recognises them as asset-related government grants if the conditions are for acquiring, constructing or forming long-term assets. Otherwise, the government grants should be income-related. The method applicable to the Group's government grants is the gross method.

Government grants related to income shall be accounted for accordingly as follows: those to be used as compensation for future expenses or losses shall be recognised as deferred income and recorded in profit or loss when the related expenses or losses are recognised; those to be used as compensation for related expenses or losses already incurred shall be recognised directly in profit or loss.

Government grants related to assets shall either reduce the carrying amount of the related assets or be recognised as deferred income to be recognised in profit or loss on a reasonable and systematic basis over the useful lives of the assets (however, government grants measured at a nominal amount shall be recognised directly in profit or loss for the current period). If the assets are sold, transferred, scrapped or destroyed before the end of their useful lives, the balances of undistributed deferred income shall be reclassified to profit or loss over the period when the assets are disposed of.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Deferred tax assets/deferred tax liabilities

At the end of the reporting period, for temporary differences between the carrying amounts of certain assets or liabilities and their tax base, or between the carrying amount of items that are not recognised as assets or liabilities and their tax base that can be determined according to tax laws, deferred tax assets and liabilities are recognised using the balance sheet liability method. However, deductible or taxable temporary differences arising from the implementation of the Pillar Two framework rules are excluded.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- (1) When the taxable temporary difference arises from the initial recognition of goodwill or the initial recognition of an asset or liability in transactions that are not business combinations and affect neither the accounting profit, taxable profit or loss nor deductible losses at the time of the transaction, and the initial recognition of assets and liabilities does not give rise to any taxable temporary differences and deductible temporary differences at the same amount;
- (2) In respect of taxable temporary differences associated with investments in subsidiaries and associates, the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

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

- (1) When the deductible temporary differences do not arise from business combinations and affect neither the accounting profit, taxable profit or loss nor deductible losses at the time of the transaction, and the initial recognition of assets and liabilities does not give rise to any taxable temporary differences and deductible temporary differences at the same amount;
- (2) In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

At the end of the reporting period, deferred tax assets and liabilities are measured at applicable tax rates according to the requirements of tax laws during the period that the assets are expected to be recovered or the liabilities are expected to be repaid. The recognition of deferred tax assets and liabilities also takes the recovery or the repayment terms at the end of the reporting period into account.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

24. Deferred tax assets/deferred tax liabilities (Continued)

At the end of the reporting period, 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 utilised. At the end of the reporting period, the carrying amount of deferred tax assets that are not recognised before, is reviewed and recognised to the extent that it is probable that available taxable profits in the future will allow the entire or part of the benefit of deferred tax assets to be utilised.

Deferred tax assets and deferred tax liabilities are offset and the net amount is presented if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities, and the 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 liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

25. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(1) As a lessee

The Group recognises lease liabilities and right-of-use assets, except for short-term leases and leases of low-value assets.

At the commencement date of the lease, the Group recognises the right to use the leased asset over the lease term as a right-of-use asset. Right-of-use assets are initially measured at cost. The cost of the right-of-use assets comprises: the amount of the initial measurement of the lease liability; any lease payments made at or before the commencement date of the lease less any lease incentives received; any initial direct cost incurred; and an estimate of costs incurred by the lessee in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying assets to the condition required by the terms and conditions of the lease. The Group remeasures the lease liabilities for the revision to the lease payments and adjusts the carrying amount of the right-of-use assets accordingly. The right-of-use assets are depreciated on a straight-line basis subsequently by the Group. If the Group is reasonably certain that the ownership of the underlying assets will be transferred to the Group at the end of the lease terms, the Group depreciates the assets from the commencement date to the end of the useful lives of the assets. Otherwise, the Group depreciates the assets from the commencement date to the earlier of the end of the useful lives of the assets and the end of the lease terms.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Leases (Continued)

(1) As a lessee (Continued)

At the commencement date of the lease, the Group measures lease liabilities at the present value of the lease payments that are not paid at that date, except for short-term leases and leases of low-value assets. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. Variable lease payments that are not included in the measurement of the lease liabilities are recognised in profit or loss as incurred, except those in the costs of the related assets as required. In addition, the Group remeasures lease liabilities at the present value of the revised lease payments upon a change in any of the following: in-substance fixed payments, the amounts expected to be payable under residual value guarantees, the index or rate used to determine lease payments, or the assessment or exercise of the purchase option, the renewal option or the option to terminate the lease.

The Group considers a lease that, at the commencement date of the lease, has a lease term of 12 months or less, and does not contain any purchase option as a short-term lease; and a lease of the individual underlying asset with low value, when new, as a lease of low-value assets. The Group does not recognise the right-of-use assets and lease liabilities for short-term leases and leases of low-value assets. The Group recognises lease payments on short-term leases and leases of low-value assets in the costs of the related assets or profit or loss on a straight-line basis over the lease terms.

(2) As a lessor

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset, except that a lease is classified as an operating lease at the inception date.

Rental income under an operating lease is recognised on a straight-line basis over the lease term, through profit or loss. Variable lease payments that are not included in the measurement of lease receivables are charged to profit or loss as incurred. Initial direct costs are capitalised and amortised on the same basis as the recognition of rental income over the lease term, and are included in the profit or loss by instalments.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Other significant accounting policies and estimates

1. Share repurchase

The considerations and transaction costs incurred in repurchasing own equity instruments are deducted from equity. Equity movements are recognised on the issue (including refinancing), repurchase, sale, or cancellation of the Group's own equity instruments except share-based payments.

2. Work safety fund

The work safety fund accrued pursuant to regulations are recognised as cost of relevant products or profit or loss for the current period, and are recognised as special reserve at the same time. For the utilisation of the fee to pay for safety relevant expenses, the special reserve shall be reversed directly; capitalised expenditure shall be aggregated and recognised in fixed assets when the asset is ready for its intended use. The actual expenditure shall be offset with the balance of special reserve and full depreciation is provided for the asset at the same amount.

3. Hedge accounting

Hedges which meet the criteria for hedge accounting are accounted for as follows:

- (1) Fair value hedges, which are hedges of the risk of changes in the fair value of a recognised asset or liability for which a firm commitment (other than exchange rate risk) has not yet been recognised;
- (2) Cash flow hedges, which are hedges of the exposure to variability in cash flows that arise from a particular type of risk associated with a recognised asset or liability, a forecast transaction that is probable, or the exchange rate risk embedded in an unrecognised firm commitment.

At the inception of a hedge relationship, the Group officially designates the hedge relationship and prepares formal written documents of the hedge relationship, risk management objectives and hedge strategies. The documents include identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess the hedging instrument's effectiveness. Hedge effectiveness is the extent to which the changes in fair value or cash flows of the hedging instruments offset changes in the fair value or cash flow of hedged items caused by the hedged risk. Such hedges are assessed on an ongoing basis to ensure that such hedges are effective during the accounting period with designated hedging relationships.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Other significant accounting policies and estimates (Continued)

3. Hedge accounting (Continued)

If the hedging instrument expires or is sold, terminated or exercised without rollover or replacement (as part of the hedging strategy) or when the hedging relationship is not consistent with the risk management objective as the risk management objective has changed or when the hedge no longer meets other criteria of the hedge accounting, the Group will discontinue the hedge accounting.

Where the hedging relationship no longer meets the hedging effectiveness requirements due to the hedging ratio, but the risk management objectives for the designated hedging relationship have not changed, the Group rebalances the hedging relationship.

Hedges which meet the criteria for hedge accounting are accounted for as follows:

(1) Fair value hedging

The gain or loss on the hedging instrument is recognised in profit or loss. The gain or loss on the hedged item resulting from hedged exposures is recognised in profit or loss and the carrying amount of the hedged item not measured at fair value is adjusted at the same time.

For fair value hedge relating to debt instruments carried at amortised cost, the adjustments on the carrying amount of the hedged items are amortised to profit or loss over the remaining term of the hedge using the effective interest method. Amortisation using the effective interest rate may begin upon the adjustment of the carrying amount but no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is a debt instrument measured at fair value through other comprehensive income, the accumulation of recognised hedged gains or losses shall be amortised in the same manner and recognised in profit or loss for the current period, while the book value of financial assets is not adjusted. If the hedged item is terminated, the unamortised fair value is recognised in profit or loss for the current period.

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

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Other significant accounting policies and estimates (Continued)

3. Hedge accounting (Continued)

Hedges which meet the criteria for hedge accounting are accounted for as follows: (Continued)

(2) Cash flow hedging

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income, while any ineffective portion is recognised directly in profit or loss.

If the hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or the hedged forecast transaction of a non-financial asset or a non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied, the amount accumulated in equity is removed from the cash flow hedge reserve and included in the initial cost of the asset or the liability. The remaining cash flow hedges are reversed out of the cash flow hedge reserve recognised in other comprehensive income to profit or loss in the same period in which the expected cash flows to be hedged affect profit or loss, if a sale is expected to occur.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in other comprehensive income must remain in accumulated other comprehensive income if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment.

4. Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities which can be accessed at the measurement date; Level 2 – based on inputs other than those included within level 1 that are observable for the relevant asset or liability, either directly or indirectly; and Level 3 – based on unobservable inputs for the relevant asset and liability.

At the end of each reporting period, for assets and liabilities measured at fair value that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Other significant accounting policies and estimates (Continued)

5. Related parties

Where one party controls or jointly controls the other party or exerts significant influence over the other party, and two or more parties are controlled or jointly controlled by one party, they constitute related parties. A related party can be either an individual or an entity. Entities that are only controlled by the state and do not have other related party relationships do not constitute related parties of the Company and its subsidiaries. The related parties of the Company and its subsidiaries include but not limited to:

- (1) Parent of the Company;
- (2) Subsidiaries of the Company;
- (3) Other entities controlled by the parent of the Company;
- (4) Investors that have joint control or significant influence over the Company and its subsidiaries;
- (5) Entities or individuals that are under the same control or joint control with the Company and its subsidiaries;
- (6) Joint ventures of the Company and its subsidiaries, including the subsidiaries of the joint ventures;
- (7) Associates of the Company and its subsidiaries, including the subsidiaries of the associates;
- (8) Principal individual investors of the Company and its subsidiaries and close family members of such individuals;
- (9) Key management personnel of the Company and its subsidiaries and close family members of such individuals;
- (10) Key management personnel of the parent of the Company;
- (11) Close family members of key management personnel of the parent of the Company;
- (12) Other entities controlled or jointly controlled by the Company's principal individual investors, key management personnel or close family members of such individuals.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Other significant accounting policies and estimates (Continued)

5. Related parties (Continued)

In addition to the above-mentioned related parties of the Company and its subsidiaries identified according to CAS, under the requirements of the Order of the China Securities Regulatory Commission issued by the CSRC, the following entities or individuals (including but not limited to) are also regarded as related parties of the Company and its subsidiaries:

- (13) Entities or acting-in-concert person holding over 5% of the Company's shares;
- (14) Individuals directly or indirectly hold more than 5% of the Company's shares, as well as their close family members;
- (15) Enterprises that have one of the mentioned (1), (3) and (13) above situations in the past 12 months or in the next 12 months according to relevant agreements;
- (16) Individuals that have one of the mentioned (9), (10) and (14) above situations in the past 12 months or in the next 12 months according to relevant agreements;
- (17) Entities other than the Company and its subsidiaries that are directly or indirectly controlled by (9), (10), (14) and (15) or serve as directors or senior management.

27. Changes in accounting policies and estimates

On 19 December 2025, the MOF officially issued the Interpretation of the Enterprise Accounting Standards No. 19 (Cai Kuai [2025] No. 32), which clarifies the following issues: (i) accounting treatment for compensatory assets in business combinations not under common control; (ii) accounting treatment for capital reserve when disposing of subsidiaries previously acquired through business combinations under common control; (iii) derecognition of financial liabilities settled through electronic payment systems; (iv) assessment of contractual cash flow characteristics of financial assets and related disclosures; and (v) disclosures for equity instruments designated as at fair value through other comprehensive income. This Interpretation is effective from 1 January 2026.

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III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Changes in accounting policies and estimates (Continued)

On 4 June 2026, the MOF officially issued the Interpretation of the Enterprise Accounting Standards No. 20 (Cai Kuai [2026] No. 7), which clarifies issues relating to assessment of contractual cash flow characteristics of financial assets and accounting treatment and related disclosures when a currency lacks convertibility. This Interpretation is effective from 1 January 2026.

The above-mentioned changes in accounting policies have no material impact on the financial statements of the Company and the Group for the six months ended 30 June 2026.

For the six months ended 30 June 2026, the Group did not have any changes in accounting Estimates.

28. Significant accounting judgements and estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts and disclosure of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the reporting period. However, uncertainties about these assumptions and estimates could result in outcomes that could cause a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements which have the most significant effects on the amounts recognised in the financial statements:

Corporate income tax

As a result of the fact that certain matters relating to the corporate income taxes have not been confirmed by the local tax bureau as at the end of the reporting period, objective estimates based on currently enacted tax laws, regulations and other related policies are required in determining the provision for corporate income tax expenses to be made for the reporting period. Upon completion of the corporate income tax remittance, where the final tax return of these matters is different from the amounts originally recorded, the differences will be accounted for in the income tax expenses in the period in which the differences are realised.

Exploration expenditure

After determining the capitalisation amount of exploration expenditures, the Group will regularly evaluate the exploration results. If the reviewed geological exploration report shows that there are no prospecting results or no economically recoverable reserves, or that the economic benefits of mining cannot be achieved and further exploration is unnecessary due to low grade and hard-to-mining, the exploration and development costs previously capitalised will be expensed and recognised in the profit and loss.

NOTES TO FINANCIAL STATEMENTS

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Significant accounting judgements and estimates (Continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the future accounting periods, are described below.

Impairment of financial instruments

The Group has adopted the expected credit loss model to evaluate the impairment of financial instruments. The application of the expected credit loss model requires significant judgements and estimates and the consideration of all reasonable and reliable information, including forward-looking information. In making such judgements and estimates, the Group estimates the projected movements of the debtor's credit risk according to past repayment records, economic policies, macro-economic indicators and industry risks, etc. Different estimates may affect the impairment provision, and the amount of impairment provision may not equal the actual amount of impairment loss in the future.

Impairment of non-current assets other than financial assets (excluding goodwill)

The Group assesses whether there are any indicators of impairment for non-current assets other than financial assets at the end of the reporting period. Other non-current assets other than financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or asset group exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its present value of future cash flows. The calculation of the fair value less costs of disposal based on available data from sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs that are directly attributable to the disposal of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or asset group and choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of goodwill

Goodwill is tested for impairment at least at the end of each year. For the purpose of impairment testing, the present value of future cash flows, which are generated from asset groups or sets of asset groups considered together with the allocated goodwill, is estimated. The Group estimates the present value of future cash flows from asset groups or sets of asset groups by forecasting the related cash flows and selecting a suitable discount rate.

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Significant accounting judgements and estimates (Continued)

Estimation uncertainty (Continued)

Proved mineral reserves

Proved mineral reserves are estimated based on professional knowledge, experience and industry practice. Generally, the mineral reserve volume estimated based on probing and estimation may not be very accurate. The estimation is updated in accordance with new technologies and new information. Any changes in estimation will have impacts on amounts of mining assets' depreciation and mining rights' amortisation using the units-of-production method, on the stripping ratio which was used in the capitalisation of stripping costs, and on each of the transaction prices of the Metal Streaming Arrangement, etc. This may result in changes of or impacts on the Group's development and operation plan, and hence the Group's operation and operating results.

Deferred tax assets

To the extent that it is probable that there are sufficient taxable profits to offset the deductible losses, deferred tax assets shall be recognised for all unused deductible losses. Substantial management's judgements regarding the timing, amount of future taxable profit as well as tax planning strategies are needed when estimating the amount of deferred tax assets.

Provision for environmental rehabilitation and restoration of mines

Pursuant to the regulations of the governmental authorities in the places where the mines are located, the Group recognises provision for environmental rehabilitation and restoration of mines. The amount of provision is an estimate based upon the life of mining tenements, timing of mine closure and cost of such rehabilitation. When this estimate changes, it may affect the Group's operations and performance.

NOTES TO FINANCIAL STATEMENTS

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IV. TAXES

1. Major taxes and tax rates

Taxes	Tax calculation bases	Tax rate
Value added tax ("VAT")	Difference between output VAT amount calculated based on sales amount and applicable tax rates and the deductible input VAT amount	China: 0%-13% Laos: 10% Ghana: 15%
City construction and maintenance tax	Actual payment of turnover tax	1%-7%
Corporate income tax ("CIT")	Assessable profits	0%-35%
Resources tax	Sales amount of primary products	China gold products: 4%, 4.5% Laos gold mine and copper cathodes: 5% Ghana gold mines: 5%-12% tiered rate (linked to gold price) Hanfeng Mining zinc: 5% Hanfeng Mining molybdenum: 8% Laos rare earth products: 20%
Urban land use tax	Levied at the annual tax rate per square metre of the actual occupied land area	Based on tax law
Growth and sustainability levy	Gross revenue	Ghana: 1 January 2026 to 31 March 2026: 3%; After that: 1%
Export tariff	Export sales revenue	Laos rare earth products: 10%

NOTES TO FINANCIAL STATEMENTS

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IV. TAXES (CONTINUED)

1. Major taxes and tax rates (Continued)

The CIT rates of taxable entities not subject to China's 25% statutory tax rate are shown on the following table:

Name of taxable entity	CIT rate for the six months ended 30 June 2026
GSR	26.5%
GSQL	35%
Chijin HK	16.5%
LXML	33.33%
Hanfeng Mining	15%
Jintai Mining	15%
Guangyuan Environmental Protection	12.5%
Chixia Mining	35%
CIRE Mining	35%
CIREX Mining	35%

Note: The Group is within the scope of the Global Anti-Base Erosion (GloBE) Model Rules ("Pillar Two"). Pillar Two legislation has been enacted or substantively enacted but not yet in effect as at 30 June 2026 in certain jurisdictions in which the Group operates. The Group is assessing the potential impact of Pillar Two on income tax. Based on the current assessment, the potential impact of the Pillar Two legislation on the Group is not material.

2. Tax incentives

- (1) According to the "Notice on Gold Tax Policies" (Caishui [2002] No. 142) issued by the MOF and the State Administration of Taxation, VAT is exempted for gold production and operation entities selling gold (excluding gold with fineness of AU9999, AU9995, AU999, AU995 and specifications of 50g, 100g, 1kg, 3kg and 12.5kg, hereinafter referred to as "standard gold") and gold ore sand (including associated gold)." Subsidiaries Jilong Mining, Huatai Mining, Wulong Mining, and Jintai Mining are eligible for this policy.
- (2) Under Article 27 of the Enterprise Income Tax Law, Article 88 of the Implementing Rules of the Enterprise Income Tax Law, and Caishui [2009] No. 166, qualified environmental protection, energy conservation, water-saving, and household waste treatment service projects enjoy a "three-year tax exemption followed by a three-year 50% tax reduction" preferential policy. Guangyuan Environmental Protection, a subsidiary of the Company, has been eligible for this policy since 2023, specifically: "Tax exemption in 2023, 2024, and 2025; 50% tax reduction in 2026, 2027, and 2028."

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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IV. TAXES (CONTINUED)

2. Tax incentives (Continued)

- (3) Pursuant to the “Notice of Hefei Municipal People’s Government Office on Adjusting the Urban Land Use Tax Grade Tax Rate Standards in Urban Areas”(He Zhengban [2023] No. 21), effective 1 July 2023, the annual urban land use tax grade tax rate standards in Anhui urban areas were adjusted. Guangyuan Technology, a subsidiary of the Company, has adjusted the annual tax rate for its land in the Economic Development Zone from RMB10 per square metre to RMB5 per square metre accordingly.
- (4) In addition to VAT exemption for export business, LXML, a subsidiary of the Company incorporated in Laos, is subject to “Notification No. 2001” issued by the Laos MOF to LXML’s suppliers in June 2017, which specifies types of VAT-exempt transactions. Since 15 May 2017, suppliers listed in the notice have no longer collected VAT from LXML, and the preferential policy allowing VAT carry-over to offset corporate income tax for LXML is no longer applicable.
- (5) According to the “Announcement on Continuing the Corporate Income Tax Policy for Western Development” (MOF, State Administration of Taxation, and National Development and Reform Commission Announcement 2020 No. 23), enterprises in encouraged industries located in western China are subject to a reduced CIT rate of 15% from 1 January 2021 to 31 December 2030. Hanfeng Mining and Jintai Mining are eligible for this policy.
- (6) Wulong Mining, a subsidiary of the Company, successfully renewed its high-tech enterprise certification on 20 December 2023, obtaining the certificate (number GR202321002655) with a validity period of three years. Its CIT was levied at a reduced rate of 15% from 2023 to 2025. As of the Reporting Period, the application for the renewal of the high-tech enterprise qualification for 2026 was still in progress. Based on the principle of prudence, the CIT for the Reporting Period was temporarily calculated at the statutory tax rate of 25%.
- (7) Jilong Mining, a subsidiary of the Company, successfully renewed its high-tech enterprise certification on 9 November 2023, obtaining the certificate (number GR202315000502) with a validity period of three years. Its CIT was levied at a reduced rate of 15% from 2023 to 2025. As of the Reporting Period, the application for the renewal of the high-tech enterprise qualification for 2026 was still in progress. Based on the principle of prudence, the CIT for the Reporting Period was temporarily calculated at the statutory tax rate of 25%.

NOTES TO FINANCIAL STATEMENTS

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

Item	30 June 2026	31 December 2025
Cash on hand	502,784.77	577,451.30
Bank deposits	5,780,772,250.85	6,702,132,077.60
Other monetary funds	251,781,916.46	118,011,032.64
Total	6,033,056,952.08	6,820,720,561.54
Including: Total amount deposited outside Chinese mainland	3,335,528,845.60	3,245,593,041.51

- (1) As at 30 June 2026, the Group's cash and bank balances restricted to use was RMB251,781,916.46, listed under "Other monetary funds". Among them, RMB16,132,953.97 was the fund provided for mine geological environment governance and restoration, with the relevant amount deposited in a designated bank account and restricted to use in land reclamation and environmental protection after mine closure; RMB98,689,940.96 was a one-year time deposit of GSWL, with the deposit period from 9 December 2025 to 9 December 2026, at an interest rate of 4.0% per annum. The time deposit has been used as collateral to secure the bank guarantee opened in the name of GSWL for fulfilling its land reclamation obligations; RMB109,429,766.79 was a time deposit of Chijin HK; RMB27,529,254.74 was the fund available for withdrawal at any time in accounts at the Shanghai Gold Exchange and futures accounts.

As at 31 December 2025, the Group's cash and bank balances restricted to use was RMB118,011,032.64, listed under "Other monetary funds". Among them, RMB16,163,720.64 was the fund provided for mine geological environment governance and restoration, with the relevant amount deposited in a designated bank account and restricted to use in land reclamation and environmental protection after mine closure; RMB101,847,312.00 was a one-year time deposit of GSWL, with the deposit period from 9 December 2025 to 9 December 2026, at an interest rate of 4.0% per annum. The time deposit has been used as collateral to secure the bank guarantee opened in the name of GSWL for fulfilling its land reclamation obligations.

- (2) As at 30 June 2026, the Group had no funds deposited overseas with restrictions on repatriation (31 December 2025: Nil).

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Financial assets held for trading

Item	30 June 2026	31 December 2025
Financial assets at fair value through profit or loss	83,787,881.17	19,231,618.75
Including:		
Structured deposits	73,011,282.20	–
Investments in equity instrument	10,776,598.97	19,231,618.75
Total	83,787,881.17	19,231,618.75

3. Trade receivables

Except Guangyuan Technology, trade receivables of other subsidiaries selling metals such as gold, copper, zinc and copper cathodes generally have a credit period within 60 days. Guangyuan Technology engages in the disassembly of waste electronic products, and its receivables consist of policy-based subsidies or incentives with no fixed credit period. The trade receivables are non-interest-bearing.

(1) An ageing analysis of the trade receivables

Ageing	30 June 2026	31 December 2025
Within 1 year	263,510,110.90	214,516,104.85
Over 2 years but within 3 years	50,825,435.00	92,642,615.00
Over 3 years	176,046,293.00	159,418,733.00
Subtotal	490,381,838.90	466,577,452.85
Less: Bad debt provision for trade receivables	–	–
Total	490,381,838.90	466,577,452.85

The ageing of trade receivables is determined as follows: for general sales, the ageing of trade receivables is calculated from the issuance date of the sales invoice; for trade receivables from government policy-related subsidies or incentives, the ageing is calculated from the date on which the related subsidies or incentives are recognised after the completion of electronic product dismantling services.

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Trade receivables (Continued)

(2) Disclosure by classification of bad debt provision

30 June 2026

Item	Gross carrying amount		Bad debt provision		
	Amount	Proportion (%)	Amount	Percentage of provision (%)	Carrying amount
Bad debt provision made individually	255,481,670.70	52.10	–	–	255,481,670.70
Bad debt provision based on credit risk characteristics	234,900,168.20	47.90	–	–	234,900,168.20
Total	490,381,838.90	100.00	–	/	490,381,838.90

31 December 2025

Item	Gross carrying amount		Bad debt provision		
	Amount	Proportion (%)	Amount	Percentage of provision (%)	Carrying amount
Bad debt provision made individually	278,387,234.70	59.67	–	–	278,387,234.70
Bad debt provision based on credit risk characteristics	188,190,218.15	40.33	–	–	188,190,218.15
Total	466,577,452.85	100.00	–	/	466,577,452.85

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Trade receivables (Continued)

(2) Disclosure by classification of bad debt provision (Continued)

Details of the trade receivables for which bad debt provision was made individually, are as follows:

Item	30 June 2026				31 December 2025		
	Gross carrying amount	Bad debt provision	Proportion (%)	Reason	Gross carrying amount	Bad debt provision	Proportion (%)
Trade receivables of government subsidies/incentives	255,481,670.70	—	—	Receivables from the government carry a high credit rating, with a relatively low risk of default, and no provision for bad debts is made	278,387,234.70	—	—

As at 30 June 2026, trade receivable with bad debt provision based on credit risk characteristics, is as follows:

Item	Gross carrying amount	Bad debt provision	Proportion (%)
Domestic client portfolio	89,269,713.29	—	—
Overseas client portfolio	145,630,454.91	—	—
Total	234,900,168.20	—	—

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Trade receivables (Continued)

(3) Bad debt provision

For the six months ended 30 June 2026, there was no movement of bad debt provision for trade receivables.

(4) The five entities with the largest closing balances of trade receivables

As at 30 June 2026, the details of the five entities with the largest closings balances of trade receivables are as follows:

Name of entity	Closing balance of trade receivables	Proportion to total closing balance of trade receivables (%)	Closing balance of bad debt provision
Government subsidies/incentives	255,481,670.70	52.10	—
Rand Refinery Ltd.	121,458,333.72	24.77	—
Huadian Gold Co., Ltd.	55,817,200.00	11.38	—
TRAFIGURA PTE LTD	21,118,585.90	4.31	—
Zhongxi Jinlong (Changting)			
Rare Earth Co., Ltd.	15,845,360.00	3.23	—
Total	469,721,150.32	95.79	—

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Prepayments

The ageing analysis of prepayments is as follows:

Ageing	30 June 2026		31 December 2025	
	Carrying amount	Proportion (%)	Carrying amount	Proportion (%)
Within 1 year	153,244,411.49	100.00	126,350,249.57	99.98
Over 1 year but within 2 years	–	–	21,485.00	0.02
Over 2 years but within 3 years	–	–	4,439.05	–
Total	153,244,411.49	100.00	126,376,173.62	100.00

As at 30 June 2026, the aggregate amount of five entities with the largest closing balances of prepayments is as follows:

Name of entity	Closing balance	Proportion to total closing balance of prepayments (%)
Aggregate amount	77,744,576.13	50.73

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For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables

Item	30 June 2026	31 December 2025
Other receivables	88,620,028.60	68,390,134.23

An ageing analysis of other receivables:

Ageing	30 June 2026	31 December 2025
Within 1 year	74,121,338.66	55,616,022.54
Over 1 year but within 2 years	4,796,710.06	3,368,503.07
Over 2 years but within 3 years	5,769,031.03	5,514,396.85
Over 3 years	9,225,764.76	9,210,127.64
Subtotal	93,912,844.51	73,709,050.10
Less: Bad debt provision for other receivables	5,292,815.91	5,318,915.87
Total	88,620,028.60	68,390,134.23

Other receivables by nature:

Nature	30 June 2026	31 December 2025
Entity transactions	56,628,986.85	38,819,919.16
Employee borrowings, reserves and personal transactions	20,143,693.98	19,739,516.72
Guarantees and deposits	9,881,989.98	10,861,957.06
Government grants	3,847,800.00	3,847,800.00
Insurance claims	1,956,505.35	385,252.63
Others	1,453,868.35	54,604.53
Total	93,912,844.51	73,709,050.10

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

30 June 2026

Item	Gross carrying amount		Bad debt provision		Carrying amount
	Amount	Proportion (%)	Amount	Percentage of provision (%)	
Bad debt provision made individually	93,912,844.51	100.00	5,292,815.91	5.64	88,620,028.60

31 December 2025

Item	Gross carrying amount		Bad debt provision		Carrying amount
	Amount	Proportion (%)	Amount	Percentage of provision (%)	
Bad debt provision made individually	73,709,050.10	100.00	5,318,915.87	7.22	68,390,134.23

Other receivables for which bad debt provision has been made individually are as follows:

Item	30 June 2026				31 December 2025		
	Gross carrying amount	Bad debt provision	Percentage of provision (%)	Reason for provision	Gross carrying amount	Bad debt provision	Proportion (%)
Deposits for the Shanghai Gold Exchange, stock and futures accounts	1,836,356.49	-	-	Receivables in the form of security deposits has a relatively low risk of default, and no provision for bad debts is made	2,570,998.31	-	-
Others	92,076,488.02	5,292,815.91	5.75	/	71,138,051.79	5,318,915.87	7.48
Total	93,912,844.51	5,292,815.91	/	/	73,709,050.10	5,318,915.87	/

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

The movement of bad debt provision for other receivables based on 12-month ECLs and the entire lifetime ECLs are as follows:

Bad debt provision	Stage 1 12-month ECLs	Stage 2 Entire lifetime ECLs (not yet credit-impaired)	Stage 3 Entire lifetime ECLs (credit impaired)	Total
At 31 December 2025	5,318,915.87	–	–	5,318,915.87
Provision during the period	553,901.20	–	–	553,901.20
Reversal during the period	233,833.60	–	–	233,833.60
Write-off during the period	346,167.56	–	–	346,167.56
At 30 June 2026	5,292,815.91	–	–	5,292,815.91

The movements of bad debt provision

Item	Opening balance	Provision	Recovery or reversal	Write-off	Closing balance
30 June 2026	5,318,915.87	553,901.20	233,833.60	346,167.56	5,292,815.91
31 December 2025	5,374,042.73	2,443,067.17	310,254.28	2,187,939.75	5,318,915.87

Write-off of other receivables during the period

For the six months ended 30 June 2026, the Group wrote off other receivables of RMB346,167.56 (for the year ended 31 December 2025: RMB2,187,939.75).

NOTES TO FINANCIAL STATEMENTS

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Other receivables (Continued)

The five entities with the largest closing balances of other receivables

The five entities with the largest closing balances of other receivables as at 30 June 2026 are as follows:

Name of entity	Closing balance	Proportion to total closing balance of other receivables (%)	Nature	Ageing	Closing balance of bad debt provision
Dandong Zhen'an District Urban and Rural Construction and Real Estate Development Co., Ltd.	30,570,630.00	32.55	Entity transactions	6,000,000.00 is over 3 years; others within 1 year	3,000,000.00
Government of Sidaowanzi Town, Aohan Banner	11,185,231.00	11.91	Entity transactions	Within 1 year	-
Hefei Bureau of Economy and Information Technology	3,847,800.00	4.10	Government grants	Over 2 years but within 3 years	-
Zhen'an District Housing Expropriation and Land Reserve Service Center	2,347,084.00	2.50	Entity transactions	Within 1 year	-
Dandong Jingmao Green Agriculture Co., Ltd.	2,000,000.00	2.13	Entity transactions	Over 3 years	1,000,000.00
Total	49,950,745.00	53.19	/	/	4,000,000.00

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Inventories

(1) Inventories by nature

Item	30 June 2026			31 December 2025		
	Gross carrying amount	Provision	Carrying amount	Gross carrying amount	Provision	Carrying amount
Raw materials	1,209,535,721.80	224,172,704.82	985,363,016.98	1,135,507,544.93	221,431,084.76	914,076,460.17
Work in progress	1,816,234,298.21	–	1,816,234,298.21	1,671,245,175.26	60,491,842.78	1,610,753,332.48
Finished goods	156,691,048.60	1,520,715.05	155,170,333.55	214,325,947.22	53,878,738.61	160,447,208.61
Total	3,182,461,068.61	225,693,419.87	2,956,767,648.74	3,021,078,667.41	335,801,666.15	2,685,277,001.26

(2) Provision for inventories

For the six months ended 30 June 2026

Item	Opening balance	Additions		Reductions			Closing balance
		Provision	Others	Reversal	Write-back	Others	
Raw materials	221,431,084.76	9,645,270.55	–	–	–	6,903,650.49	224,172,704.82
Work in progress	60,491,842.78	–	–	41,166,675.31	18,530,066.01	795,101.46	–
Finished goods	53,878,738.61	969,151.32	–	1,365,303.60	51,944,650.47	17,220.81	1,520,715.05
Total	335,801,666.15	10,614,421.87	–	42,531,978.91	70,474,716.48	7,715,972.76	225,693,419.87

Note: “Others” under “Reductions” refer to the decrease in raw materials, work in progress and finished goods caused by exchange difference on translation of foreign operations.

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Inventories (Continued)

(2) Provision for inventories (Continued)

Item	Determination basis of net realisable value	Basis of making provision for inventories	Reasons for reversal of provision for inventories
Raw materials	Market price of raw materials/Market price of relevant finished goods	Defectiveness and obsolescence/Decrease in market price of relevant finished goods	Increase in market price of relevant finished goods
Work in progress	Market price of relevant finished goods	Decrease in market price of relevant finished goods	Increase in market price of relevant finished goods
Finished goods	Market price/Contract price	Decrease in market price	Increase in market price

Details of provision for inventories based on group are as follows:

Item	30 June 2026			31 December 2025		
	Gross carrying amount	Provision	Proportion (%)	Gross carrying amount	Provision	Proportion (%)
Raw materials	1,209,535,721.80	224,172,704.82	18.53	1,135,507,544.93	221,431,084.76	19.50
Work in progress	1,816,234,298.21	-	-	1,671,245,175.26	60,491,842.78	3.62
Finished goods	156,691,048.60	1,520,715.05	0.97	214,325,947.22	53,878,738.61	25.14
Total	3,182,461,068.61	225,693,419.87	/	3,021,078,667.41	335,801,666.15	/

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other current assets

Item	30 June 2026	31 December 2025
Deductible VAT and prepaid taxes	126,766,763.11	63,977,818.30
Professional service fees for the placing of new shares in Hong Kong Stock Exchange	169,033.29	–
Total	126,935,796.40	63,977,818.30

8. Long-term equity investments

Item	Opening balance	Investment income/(losses) under the equity method during the period	Closing balance	Closing balance of impairment provision
Associates				
Shanghai Chijin Fengyu New Energy Technology Co., Ltd. ("Fengyu New Energy")	1,212,698.20	–	1,212,698.20	–
Beijing Guohong Gold Co., Ltd. ("Guohong Gold")	31,232.01	342.32	31,574.33	–
Shanghai Chijin Enbo Technology Partnership (Limited Partnership) ("Enbo Technology")	4,089,354.23	(112,371.17)	3,976,983.06	–
Shanghai Enbo Chijin New Energy Technology Co., Ltd. ("Enbo New Energy")	42,002.39	1.29	42,003.68	–
Anhui Wanxun Technology Co., Ltd. ("Anhui Wanxun")	3,395,659.13	(186,513.94)	3,209,145.19	–
Total	8,770,945.96	(298,541.50)	8,472,404.46	–

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

9. Other equity instrument investments

(1) Details of other equity instrument investments

				Gains recognised in other comprehensive income for the current period	Accumulated gains recognised in other comprehensive income	Accumulated gains transferred to retained earnings due to derecognition	Reasons for designation as at FVTOCI
Non-listed companies	Closing balance	Opening balance	Reduction in investments for the current period	for the current period	for the current period	for the current period	
Shanghai Blue Star Qizang Intelligent Technology Co., Ltd	25,015,978.44	10,000,000.00	2,306,569.32	22,515,978.44	22,515,978.44	5,193,430.68	Strategic holding

(2) Derecognition of other equity instrument investments

Non-listed companies	Accumulated gains transferred to retained earnings due to derecognition	Reasons for designation
Shanghai Blue Star Qizang Intelligent Technology Co., Ltd	5,193,430.68	Partial disposal

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Fixed assets

Item	30 June 2026	31 December 2025
Fixed assets	7,134,525,965.36	7,075,322,210.36
Disposal of fixed assets	553,373.03	122,209.57
Total	7,135,079,338.39	7,075,444,419.93

Item	Buildings	Well construction and auxiliary facilities	Machinery	Vehicles	Electronic equipment and others	Total
Cost						
Opening balance	1,756,970,150.13	7,761,129,275.86	6,767,559,167.18	947,216,378.38	177,932,447.67	17,410,807,419.22
Purchases	3,045,458.36	–	9,423,776.75	71,834,375.59	2,852,577.15	87,156,187.85
Transferred from construction in progress	33,129,214.09	389,803,169.20	82,610,667.84	502,013.12	–	506,045,064.25
Disposals or write-off	–	–	(111,155.00)	–	(2,779,686.90)	(2,890,841.90)
Foreign currency translation adjustment	(31,864,718.76)	(175,007,996.43)	(190,455,294.56)	(28,104,076.02)	(3,303,216.19)	(428,735,301.96)
Environmental rehabilitation and restoration adjustment	–	21,849,334.85	–	–	–	21,849,334.85
Others	29,371,651.34	(32,006,422.84)	(1,108,333.33)	(638,400.00)	–	(4,381,504.83)
Closing balance	1,790,651,755.16	7,965,767,360.64	6,667,918,828.88	990,810,291.07	174,702,121.73	17,589,850,357.48
Accumulated depreciation						
Opening balance	843,326,196.81	3,047,093,764.32	5,544,834,425.56	757,610,787.17	142,620,035.00	10,335,485,208.86
Charge for the period	42,677,060.41	242,477,677.85	92,708,383.53	23,613,020.66	5,632,811.15	407,108,953.60
Disposals or write-off	–	–	(97,390.85)	–	(2,353,867.44)	(2,451,258.29)
Foreign currency translation adjustment	(20,079,565.55)	(74,765,760.95)	(163,290,059.03)	(22,975,766.11)	(2,987,848.19)	(284,098,999.83)
Others	18,791,755.73	(18,812,833.91)	(156,997.16)	(541,436.88)	–	(719,512.22)
Closing balance	884,715,447.40	3,195,992,847.31	5,473,998,362.05	757,706,604.84	142,911,130.52	10,455,324,392.12
Carrying amount						
At the end of the period	905,936,307.76	4,769,774,513.33	1,193,920,466.83	233,103,686.23	31,790,991.21	7,134,525,965.36
At the beginning of the period	913,643,953.32	4,714,035,511.54	1,222,724,741.62	189,605,591.21	35,312,412.67	7,075,322,210.36

As at 30 June 2026, the Group had no fixed assets that were temporarily idle.

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Fixed assets (Continued)

At 30 June 2026, fixed assets leased out under operating leases were as follows:

	Cost	Accumulated depreciation	Impairment provision	Carrying amount
Buildings	8,088,805.84	6,205,266.56	–	1,883,539.28

As at 30 June 2026, fixed assets of which certificates of title have not been obtained were as follows:

Item	Carrying amount	Reason why certificates of title were not obtained
No. 5 Plant of Guangyuan Technology	829,041.84	Under processing
No. 1 Office Building of Guangyuan Technology	950,000.00	Under processing
No. 2 Office Building of Guangyuan Technology	356,250.00	Under processing

As at 30 June 2026, certain fixed assets of the Group were pledged as collateral for the Group's long-term borrowings. For details, please refer to Note V. 27.

11. Construction in progress

Item	30 June 2026	31 December 2025
Construction in progress	1,403,694,886.82	776,911,092.97
Less: Impairment provision	–	–
Total	1,403,694,886.82	776,911,092.97

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Construction in progress (Continued)

Movements of material construction in progress during the period

The movements of material construction in progress are as follows:

Project Name	Budget	Opening balance	Additions	Transferred to fixed assets	Foreign currency translation adjustment	Closing balance	Source of funds	Progress of project
GSWL drainage and power infrastructure construction project in Mpohor area	44,229,953.95	4,590,994.20	28,844,422.73	-	(486,707.82)	32,948,709.11	Self-owned funds	74%
LXML copper oxide grinding enhancement project	49,038,480.00	47,982,378.10	1,973,570.03	-	(1,483,855.29)	48,472,092.84	Self-owned funds /Proceeds raised	99%
LXML resin leaching project	49,079,345.40	47,583,178.88	-	(46,525,742.80)	(1,057,436.08)	-	Self-owned funds /Proceeds raised	100%
LXML WTFS development project	134,256,862.64	43,783,616.95	-	(43,121,683.64)	(661,933.31)	-	Self-owned funds /Proceeds raised	100%
LXML improvement of the extended area of the western tailings storage facility	296,444,391.57	31,046,530.96	31,830,060.65	-	(1,164,926.07)	61,711,665.54	Self-owned funds /Proceeds raised	85%
LXML Khanong Cu development	48,733,705.71	37,374,096.96	6,769,134.25	-	(900,297.09)	43,242,934.12	Self-owned funds /Proceeds raised	97%
LXML portal construction and supporting infrastructure project of Discovery Deepes phase II	49,862,598.90	12,776,690.75	16,428,453.89	-	(592,234.79)	28,612,909.85	Self-owned funds /Proceeds raised	57%
LXML flotation plant upgrade Phase II project	59,254,830.00	24,458,281.87	31,839,722.65	-	(1,138,375.87)	55,159,628.65	Self-owned funds /Proceeds raised	93%

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Right-of-use assets

Item	Buildings	Machinery and equipment	Leasehold land	Total
Cost				
Opening balance	12,940,656.72	209,098,901.24	76,255,785.85	298,295,343.81
Additions	–	–	17,496,629.69	17,496,629.69
Reductions	(1,217,981.33)	–	(1,046,965.82)	(2,264,947.15)
Foreign currency translation adjustment	(115,846.57)	(6,482,280.13)	–	(6,598,126.70)
Closing balance	11,606,828.82	202,616,621.11	92,705,449.72	306,928,899.65
Accumulated depreciation				
Opening balance	7,064,646.25	91,551,580.44	16,240,387.09	114,856,613.78
Additions	2,910,289.29	11,709,244.50	3,265,023.97	17,884,557.76
Reductions	(1,217,981.33)	–	(1,046,965.82)	(2,264,947.15)
Foreign currency translation adjustment	(66,049.91)	(3,157,113.22)	–	(3,223,163.13)
Closing balance	8,690,904.30	100,103,711.72	18,458,445.24	127,253,061.26
Carrying amount				
At the end of the period	2,915,924.52	102,512,909.39	74,247,004.48	179,675,838.39
At the beginning of the period	5,876,010.47	117,547,320.80	60,015,398.76	183,438,730.03

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Intangible assets

For the six months ended 30 June 2026

Item	Land use rights	Trademarks	Patents	Exploration and mining rights	Forest land use rights	Exploration and evaluation assets	Other intangible assets	Total
Cost								
Opening balance	113,063,650.05	300,000.00	6,714,748.35	9,392,575,258.38	567,680.00	247,796,087.36	72,809,103.06	9,833,826,527.20
Purchases	-	-	-	-	-	51,058,204.91	203,522.00	51,261,726.91
Foreign currency translation adjustment	-	-	-	(249,929,542.49)	-	(6,100,791.06)	(2,072,068.46)	(258,102,402.01)
Disposal or write-off	-	-	-	-	-	-	(9,335.26)	(9,335.26)
Others	-	-	-	3,688,935.54	-	-	-	3,688,935.54
Closing balance	113,063,650.05	300,000.00	6,714,748.35	9,146,334,651.43	567,680.00	292,753,501.21	70,931,221.34	9,630,665,452.38
Accumulated amortisation								
Opening balance	18,757,781.93	300,000.00	5,142,708.06	3,399,610,060.51	135,038.85	-	61,752,478.91	3,485,698,068.26
Amortisation provided for the period	1,297,842.54	-	254,080.32	81,582,667.89	5,160.72	-	1,186,285.82	84,326,037.29
Foreign currency translation adjustment	-	-	-	(86,549,098.77)	-	-	(1,858,379.05)	(88,407,477.82)
Disposal or write-off	-	-	-	-	-	-	(9,335.26)	(9,335.26)
Closing balance	20,055,624.47	300,000.00	5,396,788.38	3,394,643,629.63	140,199.57	-	61,071,050.42	3,481,607,292.47
Impairment provision								
Opening balance	-	-	-	53,995,800.00	-	-	-	53,995,800.00
Closing balance	-	-	-	53,995,800.00	-	-	-	53,995,800.00
Carrying amount								
At the end of the period	93,008,025.58	-	1,317,959.97	5,697,695,221.80	427,480.43	292,753,501.21	9,860,170.92	6,095,062,359.91
At the beginning of the period	94,305,868.12	-	1,572,040.29	5,938,969,397.87	432,641.15	247,796,087.36	11,056,624.15	6,294,132,658.94

As at 30 June 2026, the Group has no intangible assets subject to any restrictions on title or use.

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Goodwill

(1) Original value of goodwill

Item	Opening balance and closing balance
Guangyuan Technology	41,968,889.08

(2) Goodwill impairment provision

Item	Opening balance and closing balance
Guangyuan Technology	26,227,289.77

15. Long-term deferred expense

Item	Opening balance	Addition	Amortisation	Closing balance
Preliminary fees for mining	36,886,410.84	2,684,052.59	10,136,873.98	29,433,589.45
License fees for mining right	301,562.50	–	24,375.00	277,187.50
Leasehold improvements	–	2,227,323.00	–	2,227,323.00
Total	37,187,973.34	4,911,375.59	10,161,248.98	31,938,099.95

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Deferred tax assets/liabilities

Deferred tax assets before offsetting

Item	30 June 2026		31 December 2025	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision – land restoration obligations	225,892,844.28	66,767,871.31	217,331,797.80	62,969,110.82
Difference in depreciation and amortisation policies	151,786,004.33	50,152,736.17	191,678,070.75	63,241,822.96
Lease liabilities	160,547,329.86	52,096,762.81	179,788,719.88	53,968,660.94
Deductible tax losses (Note 1)	88,229,297.76	22,057,324.45	89,743,552.63	22,435,888.16
Hedging losses (Note 2)	78,615,096.40	27,515,283.74	81,130,216.20	28,395,575.67
Deferred income	5,693,500.95	854,025.14	5,948,000.91	892,200.14
Bad debt provision for receivables	5,287,302.45	1,268,244.32	5,311,997.16	831,534.02
Inventory impairment provision	5,378,127.99	1,340,013.52	4,870,074.80	831,777.42
Others	59,972,303.46	14,120,537.14	59,167,832.67	8,875,174.90
Total	781,401,807.48	236,172,798.60	834,970,262.80	242,441,745.03

Note 1: As at 30 June 2026, deferred tax assets arising from the above deductible losses were recognised to the extent that it was probable that taxable profit would be available against which the deductible tax losses can be utilised.

Note 2: The product hedging losses of GSWL can be used to offset future hedging gains.

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Deferred tax assets/liabilities (Continued)

Deferred tax liabilities before offsetting

Item	30 June 2026		31 December 2025	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Business combination not under common control	5,144,894,563.80	1,800,713,097.33	5,372,504,350.51	1,880,376,522.68
Differences in depreciation and amortisation policies	1,441,568,409.36	489,411,852.71	1,376,496,627.39	463,120,836.11
Right-of-use assets	179,675,838.39	51,238,655.17	182,820,809.66	51,185,622.43
Fixed assets – land restoration obligations	82,090,912.51	17,010,264.63	62,469,303.95	10,475,094.30
Changes in fair value – Other-equity instrument investments	17,322,547.76	4,330,636.94	–	–
Others	75,003,129.79	18,626,344.32	79,806,499.26	14,451,294.92
Total	6,940,555,401.61	2,381,330,851.10	7,074,097,590.77	2,419,609,370.44

Net balance of the deferred tax assets and deferred tax liabilities after offsetting

Item	30 June 2026		31 December 2025	
	Offset amount	Closing balance after offsetting	Offset amount	Closing balance after offsetting
Deferred tax assets	176,019,445.94	60,153,352.66	167,319,877.28	75,121,867.75
Deferred tax liabilities	176,019,445.94	2,205,311,405.16	167,319,877.28	2,252,289,493.16

Details of the unrecognised deferred tax assets

Item	30 June 2026	31 December 2025
Deductible tax losses	527,927,756.36	429,550,103.92
Deductible temporary differences – bad debt provision for receivables	5,513.46	6,918.71
Deductible temporary differences – Inventory impairment provision	–	70,474,716.48
Total	527,933,269.82	500,031,739.11

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Deferred tax assets/liabilities (Continued)

Deductible tax losses of unrecognised deferred tax assets will expire in the following years:

Year	30 June 2026	31 December 2025	Note
2026	19,165,664.23	19,165,664.23	/
2027	113,892,966.49	120,969,397.85	/
2028	69,938,362.20	69,938,362.20	/
2029	77,200,567.60	77,397,293.61	/
2030	85,931,934.78	86,164,935.15	Not yet certified by the tax authorities
2031 and the following years	161,798,261.06	55,914,450.88	Not yet certified by the tax authorities
Total	527,927,756.36	429,550,103.92	/

It is probable that sufficient taxable profit will be available against which deductible tax losses and temporary differences can be utilised in the future, except those that were not recognised as deferred tax assets. Therefore, the Group recognised the related deferred tax assets.

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Other non-current assets

Item	30 June 2026			31 December 2025		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
Mine restoration and improvement of ecological environment in mines fund	124,853,435.34	-	124,853,435.34	121,120,040.47	-	121,120,040.47
Prepayments for land use rights	120,493,298.85	-	120,493,298.85	80,642,938.85	-	80,642,938.85
Prepayments for fixed asset and constructions	120,245,888.22	-	120,245,888.22	51,707,823.37	-	51,707,823.37
Less: the portion due within one year	-	-	-	-	-	-
Total	365,592,622.41	-	365,592,622.41	253,470,802.69	-	253,470,802.69

As at 30 June 2026, the RMB124,853,435.34 of the other non-current assets (including the portion due within one year) was in restriction (31 December 2025: RMB121,120,040.47) for the mine restoration and improvement of ecological environment in mines fund which cannot be withdrawn at any time.

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Assets with restricted ownership or right to use

For the six months ended 30 June 2026

Item	Carrying amount at the end of the year	Reasons of being restriction
Cash and bank balances	251,781,916.46	Refer to the Note V.1 to the financial statements
Other non-current assets	124,853,435.34	Refer to the Note V.17 to the financial statements
Fixed assets	172,672,363.11	Refer to the Note V.27 to the financial statements
Total	549,307,714.91	/

19. Short-term borrowings

Item	30 June 2026	31 December 2025
Credit borrowings	272,474,945.27	704,131.97
Gold leasing (Note)	263,252,116.57	706,896,499.34
Total	535,727,061.84	707,600,631.31

Note: When leasing gold, the Group simultaneously enters into a forward contract with the same bank that provides the gold leasing. The forward contract has the same quantity, specifications and maturity date as those of the gold leasing. It is agreed that on the maturity date, the Group will purchase from the bank gold of the same quantity and specifications at the agreed RMB price, which will be used to repay the leased gold. The Group believes that under this business model of gold leasing, the risk of fluctuations in the gold price during the gold leasing period is entirely borne by the bank, and the Group only bears the agreed gold leasing fees and related handling fees. Accordingly, the Group recognises the present value of the amount repayable at maturity as short-term borrowings.

As at 30 June 2026 and 31 December 2025, the short-term borrowings include RMB-denominated loans and USD denominated loans. As at 30 June 2026, the annual interest rates of the above-mentioned borrowings ranged from 1.70% to 5.15% (as at 31 December 2025: from 1.20% to 5.34%).

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Short-term borrowings (Continued)

As at 30 June 2026, The Company has provided guarantees for gold leasing totaling RMB155,386,116.57 for Jilong Mining. (31 December 2025: the Company has provided guarantees for gold leasing totaling RMB456,682,858.38, including RMB200,731,447.01 for Jilong Mining and RMB255,951,411.37 for Wulong Mining).

As at 30 June 2026, the Group had no overdue and unpaid short-term borrowings (as at 31 December 2025: Nil).

20. Trade payables

Item	30 June 2026	31 December 2025
Trade payables	716,217,755.92	655,174,034.33

An ageing analysis of the trade payables, based on the invoice dates, is as follows:

Ageing	30 June 2026	31 December 2025
Within 1 year	713,615,521.97	650,740,747.74
Over 1 year but within 2 years	801,094.24	3,462,029.33
Over 2 years but within 3 years	1,493,387.17	662,882.07
Over 3 years	307,752.54	308,375.19
Total	716,217,755.92	655,174,034.33

As at 30 June 2026, the Group had no significant trade payables aged over 1 year (as at 31 December 2025: Nil).

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Contract liabilities

Item	30 June 2026	31 December 2025
Advances from sales of goods	6,190,349.63	5,401,017.16
Contract liabilities of Metal Streaming Arrangement (Note)	39,513,989.19	42,683,764.66
Total	45,704,338.82	48,084,781.82

Note: Further details of the Metal Streaming Arrangement, please refer to Note V. 32.

22. Employee benefits payable

Item	Opening balance	Additions	Reductions	Closing balance
Short-term employee benefits	178,199,956.77	631,215,295.50	724,522,754.44	84,892,497.83
Post-employment benefits				
– defined contribution plan	950,390.68	35,231,408.92	36,175,926.94	5,872.66
Termination benefits	–	12,529,308.10	5,522,809.89	7,006,498.21
Total	179,150,347.45	678,976,012.52	766,221,491.27	91,904,868.70

Short-term employee benefits:

Item	Opening balance	Additions	Reductions	Closing balance
Wages or salaries, bonuses, allowances and subsidies	153,845,534.69	556,019,459.26	644,014,658.70	65,850,335.25
Staff welfare	1,754.00	36,218,858.79	36,220,612.79	–
Social security contributions	302,164.65	21,390,489.19	21,400,800.26	291,853.58
Including: Medical (Maternity) insurance	301,372.10	19,027,380.07	19,037,793.58	290,958.59
Work-related injury insurance	792.55	2,363,109.12	2,363,006.68	894.99
Housing provident fund	17,337.00	2,052,259.52	2,050,019.52	19,577.00
Employee union fund and employee education fund	4,611,838.19	4,798,644.63	5,549,796.04	3,860,686.78
Short-term paid absences	19,421,328.24	10,338,763.31	14,890,046.33	14,870,045.22
Other short-term employee benefits	–	396,820.80	396,820.80	–
Total	178,199,956.77	631,215,295.50	724,522,754.44	84,892,497.83

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Employee benefits payable (Continued)

Defined contribution plan:

Item	Opening balance	Additions	Reductions	Closing balance
Basic pension insurance	949,358.13	18,714,578.60	19,659,462.42	4,474.31
Unemployment insurance	1,032.55	619,541.47	619,175.67	1,398.35
Enterprise annuity payment	–	15,897,288.85	15,897,288.85	–
Total	950,390.68	35,231,408.92	36,175,926.94	5,872.66

23. Tax payable

Item	30 June 2026	31 December 2025
CIT	709,260,477.18	1,087,135,382.77
Resources tax	187,250,177.33	163,734,253.65
Growth and sustainability levy	88,036,676.40	73,565,759.07
Individual income tax	22,546,279.36	5,902,279.41
VAT	20,398,368.84	4,978,558.46
Others	1,239,733.99	2,773,988.25
Total	1,028,731,713.10	1,338,090,221.61

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Other payables

Item	30 June 2026	31 December 2025
Other payables	353,996,337.33	607,927,322.54

Other payables by nature

Item	30 June 2026	31 December 2025
Payables for construction work	135,058,100.79	162,172,526.13
Guarantees and deposits	60,344,521.62	46,943,054.73
Payables for equipment	44,869,167.62	51,061,414.60
Acquisition consideration payable to non-controlling shareholders of subsidiaries	58,290,000.00	58,290,000.00
Borrowings from non-controlling shareholders of subsidiaries	16,608,379.65	17,139,728.80
Withholding of employee payments	11,447,078.76	8,017,873.56
Phase III ESOP	–	222,704,873.69
Others	27,379,088.89	41,597,851.03
Total	353,996,337.33	607,927,322.54

As at 30 June 2026, the significant other payables with an aging of more than one year are as follows:

Item	30 June 2026	Reasons for not being settled
Amounts due to non-controlling interest	58,290,000.00	The payment conditions have not been met.
Borrowings from non-controlling shareholders of subsidiaries	16,608,379.65	Project support

As at 31 December 2025, the significant other payables with an aging of more than one year are as follows:

Item	31 December 2025	Reasons for not being settled
Amounts due to non-controlling interest	58,290,000.00	The payment conditions have not been met.
Borrowings from non-controlling shareholders of subsidiaries	17,139,728.80	Project support

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

25. Non-current liabilities due within one year

Item	30 June 2026	31 December 2025	
Current portion of long-term borrowings	81,022,350.35	100,793,640.80	Please refer to Note V.27 to the financial statements
Current portion of lease liabilities	26,900,226.69	35,228,262.99	Please refer to Note V.28 to the financial statements
Current portion of long-term payables	6,219,670.31	6,071,669.43	Please refer to Note V.29 to the financial statements
Current portion of provisions	38,249,324.03	45,131,767.18	Please refer to Note V.30 to the financial statements
Total	152,391,571.38	187,225,340.40	

26. Other current liabilities

Item	30 June 2026	31 December 2025
Output VAT to be transferred	500,183.93	185,670.01
Others	157,985.16	163,039.55
Total	658,169.09	348,709.56

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

27. Long-term borrowings

Item	30 June 2026	31 December 2025
Secured and pledged borrowings	50,255,133.57	100,367,878.16
Credit borrowings	30,767,216.78	70,043,161.23
Subtotal	81,022,350.35	170,411,039.39
Less: Current portion of long-term borrowings	81,022,350.35	100,793,640.80
Total	—	69,617,398.59

As at 30 June 2026, all long-term borrowings were RMB loans, with the principal of RMB79,700,000.00 (31 December 2025: all long-term borrowings were RMB loans, with the principal of RMB169,800,000.00).

As at 30 June 2026, the annual interest rates of the above-mentioned borrowings ranged from 2.70% to 3.15% (31 December 2025: from 2.70% to 3.15%).

Secured and pledged borrowings

As at 30 June 2026, the Group's long-term borrowing of RMB50,255,133.57 was secured by the fixed assets of Wulong Mining with the carrying amount of RMB118,501,988.10 the fixed assets of Jilong Mining with the carrying amount of RMB54,170,375.01 (31 December 2025: long-term borrowing of RMB100,367,878.16 was secured by the fixed assets of Wulong Mining with the carrying amount of RMB135,119,736.54 and the fixed assets of Jilong Mining with the carrying amount of RMB60,151,831.98).

The analysis of the maturity dates of long-term borrowings is as follows:

	30 June 2026	31 December 2025
Within 1 year or repayable on demand	81,022,350.35	100,793,640.80
Over 1 year but within 2 years	—	69,617,398.59
Total	81,022,350.35	170,411,039.39

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For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Lease liabilities

Item	30 June 2026	31 December 2025
Lease liabilities	160,624,618.59	183,745,252.78
Less: Current portion of lease liabilities	26,900,226.69	35,228,262.99
Total	133,724,391.90	148,516,989.79

Item	30 June 2026	31 December 2025
Opening balance	183,745,252.78	217,436,431.65
New leases	1,867,828.69	9,981,376.00
Interest expenses recognised during the period/year	4,221,712.81	9,725,185.80
Foreign currency translation adjustment	(4,377,933.51)	(5,077,386.16)
Payments during the period/year	(24,832,242.18)	(48,320,354.51)
Closing balance	160,624,618.59	183,745,252.78

The analysis of the maturity dates of lease liabilities is as follows:

	30 June 2026	31 December 2025
Within 1 year or repayable on demand	26,900,226.69	35,228,262.99
Over 1 year but within 2 years	28,240,799.64	28,379,179.44
Over 2 years but within 5 years	78,335,577.40	93,644,060.65
Over 5 years	27,148,014.86	26,493,749.70
Total	160,624,618.59	183,745,252.78

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Long-term payables

Item	30 June 2026	31 December 2025
Payables for acquisitions of mining rights	58,253,794.49	59,167,832.67
Less: Current portion of long-term payables	6,219,670.31	6,071,669.43
Total	52,034,124.18	53,096,163.24

The analysis of the maturity dates of long-term payables is as follows:

	30 June 2026	31 December 2025
Within one year or repayable on demand	6,219,670.31	6,071,669.43
Over 1 year but within 2 years	6,526,629.42	6,371,293.97
Over 2 years but within 5 years	21,577,609.28	21,063,854.14
Over 5 years	23,929,885.48	25,661,015.13
Total	58,253,794.49	59,167,832.67

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For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Provisions

Item	30 June 2026	31 December 2025
Provision for environmental rehabilitation and restoration of mines – domestic subsidiaries	87,461,991.22	71,712,915.14
Provision for environmental rehabilitation and restoration of mines – LXML	1,427,796,064.51	1,477,394,142.49
Provision for environmental rehabilitation and restoration of mines – GSWL	138,430,853.11	145,618,882.41
Provision for environmental rehabilitation and restoration of mines – Chixia Mining	4,097,982.21	3,907,272.74
Subtotal	1,657,786,891.05	1,698,633,212.78
Less: Current portion of provisions	38,249,324.03	45,131,767.18
Total	1,619,537,567.02	1,653,501,445.60

Item	Opening balance	Additions	Reductions	Foreign currency translation adjustment	Closing balance
Provision for environmental rehabilitation and restoration of mines – domestic subsidiaries	71,712,915.14	23,340,380.01	7,591,303.93	–	87,461,991.22
Provision for environmental rehabilitation and restoration of mines – LXML	1,477,394,142.49	4,889,443.16	8,686,176.19	(45,801,344.95)	1,427,796,064.51
Provision for environmental rehabilitation and restoration of mines – GSWL	145,618,882.41	2,838,964.00	5,543,971.91	(4,483,021.39)	138,430,853.11
Provision for environmental rehabilitation and restoration of mines – Chixia Mining	3,907,272.74	190,709.47	–	–	4,097,982.21
Total	1,698,633,212.78	31,259,496.64	21,821,452.03	(50,284,366.34)	1,657,786,891.05

The provision represents environmental rehabilitation and restoration of mines based on estimation of the lives of mining tenements, timing of mine closure and costs of rehabilitation to be incurred at mine closure, and will be updated according to the latest mine rehabilitation plan.

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Deferred income

Item	Opening balance	Additions	Recognised in other income	Closing balance	Reason
Hanfeng Mining Special subsidies for Tianbaoshan environmental rehabilitation and technological transformation and restructuring of Hanfeng Mining enterprises	233,333.94	–	49,999.98	183,333.96	Asset-related
Hanfeng Mining Subsidy funds related to re-modification of mineral processing plant	299,666.97	–	61,999.98	237,666.99	Asset-related
Hanfeng Mining Special fund for the high-quality development of the manufacturing industry	285,000.00	–	7,500.00	277,500.00	Asset-related
Hanfeng Mining Enterprise development support funds of the Bureau of Industry and Information Technology	5,130,000.00	–	135,000.00	4,995,000.00	Asset-related
Total	5,948,000.91	–	254,499.96	5,693,500.95	/

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

32. Other non-current liabilities

Item	30 June 2026	31 December 2025
Contract liabilities – Metal Streaming Arrangement	538,761,294.78	563,555,634.09

Note: GSR, acquired by the Group in 2022, had the following transaction: In May 2015, GSR entered into a gold purchase and sale agreement (the “Metal Streaming Arrangement”) with RGLD Gold AG through its subsidiary Caystar Finance Co., in which GSR obtained USD145,000,000.00 from RGLD Gold AG. GSR committed to delivering a portion of its future gold production to RGLD Gold AG. The agreement is divided into two phases. In the first phase, GSR fulfilled its delivery obligation with 10.5% of its gold production, and RGLD Gold AG shall pay for the gold at 20.0% of the spot gold price until GSR completed the delivery of 240,000.00 ounces of gold. Thereafter the second phase begins, 5.5% of gold production will be delivered at 30.0% of spot gold price. As at 30 June 2026, GSR delivered an accumulated 213,807.41 ounces of gold to RGLD Gold AG.

The Group expects that the delivery obligation of the Metal Streaming Arrangement will be satisfied in 2049.

The movements of contract liabilities – Metal Streaming Arrangement for the year ended 30 June 2026 are as follows:

	Gold delivery obligation
Opening balance	606,239,398.75
Revenue recognised from delivery of gold	(16,787,511.23)
Financial expenses	7,315,704.97
Foreign currency translation adjustment	(18,492,308.52)
Closing balance	578,275,283.97
Including: Current portion of contract liabilities (<i>Note V. 21</i>)	39,513,989.19
Closing balance	538,761,294.78

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For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

33. Share capital

Item	Opening and closing balance
Share capital	1,900,411,178.00

34. Capital reserve

Item	Opening and closing balance
Share premium	3,263,330,952.74

35. Treasury shares

Item	Opening and closing balance
Repurchase of shares of the Company for the purpose of ESOP	220,015,940.99

NOTES TO FINANCIAL STATEMENTS

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Other comprehensive loss

The accumulated balance of other comprehensive loss attributable to shareholders of the parent in the consolidated statement of financial position is as follows:

For the six months ended 30 June 2026

Item	Opening balance	Amount before tax	Less: Income tax expenses	Movements			Closing balance
				Amount attributable to shareholders of the parent after tax	Amount attributable to non-controlling interests after tax	Less: Amount of other comprehensive income recognised in previous periods and transferred to retained earnings during the current period	
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods							
Change in fair value of other equity instrument investments	-	22,515,978.44	4,330,636.94	18,185,341.50	-	5,193,430.68	12,991,910.82
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods							
Foreign currency translation adjustment	(3,960,215.70)	(310,581,225.03)	-	(240,007,846.34)	(70,573,378.69)	-	(243,968,062.04)
Total	(3,960,215.70)	(288,065,246.59)	4,330,636.94	(221,822,504.84)	(70,573,378.69)	5,193,430.68	(230,976,151.22)

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Special reserve

Item	Opening balance	Additions	Reductions	Closing balance
Work safety fund	–	15,386,885.10	14,330,434.15	1,056,450.95

38. Surplus reserve

Item	Opening and closing balance
Statutory surplus reserve	269,782,850.97

Pursuant to the stipulations of the Company Law of PRC and the Articles of Associations of the Company, the Company shall make provision for statutory surplus reserve at the amount of 10% of net profit. Provision for statutory surplus reserve is optional if the aggregate balance of the statutory surplus reserve reaches 50% of the Company's registered capital.

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Retained earnings

Item	30 June 2026	31 December 2025
Opening balance	8,205,640,053.21	5,427,338,050.01
Add: Net profit attributable to shareholders of the parent	1,732,292,421.21	3,082,367,791.68
Add: Other comprehensive income transferred to retained earnings	5,193,430.68	–
Less: Cash dividends payable for ordinary shareholders	600,843,901.77	304,065,788.48
Closing balance	9,342,282,003.33	8,205,640,053.21

Pursuant to the resolution passed on the annual general meeting of the Company held on 8 May 2026, the Company distributed a cash dividend of RMB0.32 per share to shareholders recorded on the ex-dividend date, calculated on the basis of number of the issued shares, i.e., 1,900,411,178, with an aggregate amount of RMB608,131,576.96.

The Phase III ESOP was terminated on 28 May 2026. Consequently, the cash dividends for the year 2024 and 2025 attributable to the Phase III ESOP, totaling RMB7,287,675.19, were no longer required to be paid were therefore deducted from the total cash dividends payable.

40. Operating income and operating costs

Item	For the six months ended 30 June 2026		For the six months ended 30 June 2025	
	Operating income	Operating costs	Operating income	Operating costs
Principal operations	7,010,959,184.34	2,978,109,745.87	5,260,611,037.77	2,725,958,092.88
Other operations	6,813,118.18	1,208,912.64	11,426,575.19	10,141,109.75
Total	7,017,772,302.52	2,979,318,658.51	5,272,037,612.96	2,736,099,202.63

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Operating income and operating costs (Continued)

The disaggregated information of operating income is as follows:

For the six months ended 30 June 2026

Reportable segments	Domestic mining	Overseas mining	Others	Total
Main business areas				
Chinese mainland	1,576,224,902.75	–	126,950,709.06	1,703,175,611.81
Laos	–	3,098,250,971.47	–	3,098,250,971.47
Ghana	–	2,216,345,719.24	–	2,216,345,719.24
Total	1,576,224,902.75	5,314,596,690.71	126,950,709.06	7,017,772,302.52
Main types of products				
Self-mined gold	1,484,448,323.59	4,693,377,173.97	–	6,177,825,497.56
Purchased gold	–	81,334,671.76	–	81,334,671.76
Copper cathodes	–	477,062,756.80	–	477,062,756.80
Copper concentrate	21,211,850.67	–	–	21,211,850.67
Lead concentrate	10,128,360.86	–	–	10,128,360.86
Zinc concentrate	52,688,357.05	–	–	52,688,357.05
Molybdenum concentrate	6,514,352.37	–	–	6,514,352.37
Rare earth products	–	57,787,107.76	–	57,787,107.76
Comprehensive resource recycling and utilisation	–	–	126,406,229.51	126,406,229.51
Others	1,233,658.21	5,034,980.42	544,479.55	6,813,118.18
Total	1,576,224,902.75	5,314,596,690.71	126,950,709.06	7,017,772,302.52
Timing of revenue recognition				
At a point in time	1,576,224,902.75	5,314,596,690.71	126,427,077.78	7,017,248,671.24
Over time	–	–	523,631.28	523,631.28
Total	1,576,224,902.75	5,314,596,690.71	126,950,709.06	7,017,772,302.52

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Operating income and operating costs (Continued)

The disaggregated information of operating income is as follows: (Continued)

For the six months ended 30 June 2025

Reportable segments	Domestic mining	Overseas mining	Others	Total
Main business areas				
Chinese mainland	1,215,651,350.50	–	125,775,458.79	1,341,426,809.29
Laos	–	2,427,407,760.17	–	2,427,407,760.17
Ghana	–	1,503,203,043.50	–	1,503,203,043.50
Total	1,215,651,350.50	3,930,610,803.67	125,775,458.79	5,272,037,612.96
Main types of products				
Gold	1,074,383,453.93	3,671,922,665.26	–	4,746,306,119.19
Copper cathodes	–	198,148,299.50	–	198,148,299.50
Copper concentrate	22,960,863.60	–	–	22,960,863.60
Lead concentrate	19,410,482.79	–	–	19,410,482.79
Zinc concentrate	59,364,285.22	–	–	59,364,285.22
Molybdenum concentrate	37,923,719.11	–	–	37,923,719.11
Rare earth products	–	50,915,540.63	–	50,915,540.63
Comprehensive resource recycling and utilisation	–	–	125,581,727.73	125,581,727.73
Others	1,608,545.85	9,624,298.28	193,731.06	11,426,575.19
Total	1,215,651,350.50	3,930,610,803.67	125,775,458.79	5,272,037,612.96
Timing of revenue recognition				
At a point in time	1,215,651,350.50	3,930,589,366.17	125,614,934.98	5,271,855,651.65
Over time	–	21,437.50	160,523.81	181,961.31
Total	1,215,651,350.50	3,930,610,803.67	125,775,458.79	5,272,037,612.96

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Operating income and operating costs (Continued)

The disaggregated information of operating costs is as follows:

For the six months ended 30 June 2026

Reportable segments	Domestic mining	Overseas mining	Others	Total
Main business areas				
Chinese mainland	422,664,827.52	–	111,496,638.79	534,161,466.31
Laos	–	1,361,614,290.29	–	1,361,614,290.29
Ghana	–	1,083,542,901.91	–	1,083,542,901.91
Total	422,664,827.52	2,445,157,192.20	111,496,638.79	2,979,318,658.51
Main types of products				
Self-mined gold	375,862,698.83	1,994,310,325.17	–	2,370,173,024.00
Purchased gold	–	79,705,822.57	–	79,705,822.57
Copper cathodes	–	284,324,033.15	–	284,324,033.15
Copper concentrate	4,573,508.74	–	–	4,573,508.74
Lead concentrate	1,559,777.48	–	–	1,559,777.48
Zinc concentrate	32,807,060.49	–	–	32,807,060.49
Molybdenum concentrate	6,906,089.76	–	–	6,906,089.76
Rare earth products	–	86,817,011.31	–	86,817,011.31
Comprehensive resource recycling and utilisation	–	–	111,243,418.37	111,243,418.37
Others	955,692.22	–	253,220.42	1,208,912.64
Total	422,664,827.52	2,445,157,192.20	111,496,638.79	2,979,318,658.51
Timing of revenue recognition				
At a point in time	422,664,827.52	2,445,157,192.20	111,253,493.05	2,979,075,512.77
Over time	–	–	243,145.74	243,145.74
Total	422,664,827.52	2,445,157,192.20	111,496,638.79	2,979,318,658.51

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Operating income and operating costs (Continued)

The disaggregated information of operating costs is as follows: (Continued)

For the six months ended 30 June 2025

Reportable segments	Domestic mining	Overseas mining	Others	Total
Main business areas				
Chinese mainland	349,632,769.50	–	105,953,317.84	455,586,087.34
Laos	–	1,381,740,349.47	–	1,381,740,349.47
Ghana	–	898,772,765.82	–	898,772,765.82
Total	349,632,769.50	2,280,513,115.29	105,953,317.84	2,736,099,202.63
Main types of products				
Gold	264,864,852.88	1,893,541,754.34	–	2,158,406,607.22
Copper cathodes	–	318,933,544.24	–	318,933,544.24
Copper concentrate	5,762,379.39	–	–	5,762,379.39
Lead concentrate	8,889,020.40	–	–	8,889,020.40
Zinc concentrate	43,204,879.06	–	–	43,204,879.06
Molybdenum concentrate	25,675,558.08	–	–	25,675,558.08
Rare earth products	–	59,222,089.58	–	59,222,089.58
Comprehensive resource recycling and utilisation	–	–	105,864,014.91	105,864,014.91
Others	1,236,079.69	8,815,727.13	89,302.93	10,141,109.75
Total	349,632,769.50	2,280,513,115.29	105,953,317.84	2,736,099,202.63
Timing of revenue recognition				
At a point in time	349,632,769.50	2,280,513,115.29	105,897,222.16	2,736,043,106.95
Over time	–	–	56,095.68	56,095.68
Total	349,632,769.50	2,280,513,115.29	105,953,317.84	2,736,099,202.63

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Operating income and operating costs (Continued)

Revenue recognised during the current period for amounts included in contract liabilities at the beginning of the period is as follows:

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Advances from sales of goods	3,972,786.36	3,606,794.32
Metal Streaming Arrangement	16,787,511.23	18,992,112.35
Total	20,760,297.59	22,598,906.67

Information about the Group's performance obligations is as follows:

Sale of goods

The Group sells commodities such as gold, copper cathodes, zinc, etc. to clients, and recognises revenue when clients gain the control of goods. Prepayments received from clients before delivery of goods are recognised as contract liabilities in the consolidated financial statements. Among these, the sales arrangement related to the Metal Streaming Arrangement is detailed in Note V. 32. The Group acts as the principal and assumes no obligation to refund to clients or to provide quality assurances.

As at 30 June 2026, the estimated timing for revenue recognition from performance obligations under existing contracts that remain unfulfilled or incompletely fulfilled:

Item	30 June 2026	31 December 2025
Within 1 year	45,704,338.82	48,084,781.82
Over 1 year	538,761,294.78	563,555,634.09
Total	584,465,633.60	611,640,415.91

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

41. Taxes and surcharges

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Resources tax	438,276,995.11	264,506,800.70
Growth and sustainability levy (Note)	39,157,408.68	33,273,623.80
Land use tax	3,089,757.29	3,452,518.16
Stamp duty	1,476,330.37	826,845.68
Property tax	1,208,852.20	945,016.07
City construction and maintenance tax	793,293.62	683,154.49
Education surcharges	775,776.01	682,940.43
Export duties	687,966.54	988,949.69
Others	549,048.57	414,027.45
Total	486,015,428.39	305,773,876.47

Note: Growth and sustainability levy was the tax payable by GSWL, an overseas subsidiary of the Group. This tax was established under Ghana's Growth and Sustainability Tax Act and has been levied since 1 May 2023. Initially, it was calculated at 1% of the company's gross revenue. The tax rate has been raised to 3% since the act was amended in April 2025. The tax rate was restored to 1% since 1 April 2026.

42. Administrative expenses

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Labour costs	160,733,899.18	133,695,798.64
Professional consulting expenses	33,549,692.52	36,149,248.88
Office and travelling expenses	28,533,405.65	18,916,175.74
Insurance premium	17,509,601.13	10,787,194.49
Depreciation and amortisation	16,616,373.20	14,964,571.79
Material consumption	6,510,298.71	6,851,411.53
Rental fees	2,618,437.19	4,244,476.25
Entertainment expenses	2,283,685.57	1,717,767.71
Environmental protection expenses	1,080,121.96	522,123.38
Others	18,472,707.10	27,522,995.43
Total	287,908,222.21	255,371,763.84

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

43. Research and development expenses

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Labour costs	14,650,629.16	16,939,799.66
Outsourced research and development expenses	5,635,587.30	6,367,165.74
Material consumption	7,848,219.00	11,932,481.99
Power expenses	2,370,316.65	4,383,729.65
Depreciation	308,880.08	1,392,355.61
Total	30,813,632.19	41,015,532.65

The research and development expenditures of the Group are all expensed.

44. Financial expenses

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Interest expenses	11,720,092.76	42,566,339.50
Amortisation of unrecognised finance cost	22,383,541.39	23,032,958.25
Less: Interest income	67,981,461.36	36,538,631.02
Foreign exchange losses	100,049,790.92	7,192,706.80
Financial institution commissions	1,630,123.86	1,166,326.62
Total	67,802,087.57	37,419,700.15

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Other income

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Refund of withholding personal income tax handling fees	701,713.69	468,207.63
Government grants related to daily operating activities	623,853.96	832,381.79
Total	1,325,567.65	1,300,589.42

46. Investment income/(losses)

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Investment income/(losses) from disposal of financial assets and liabilities held for trading (Note)	4,439,120.45	(112,424,207.38)
Investment losses from long-term equity investments under equity method	(298,541.50)	(21,223.35)
Total	4,140,578.95	(112,445,430.73)

Note: Details of investment income/(losses) from disposal of financial assets and liabilities held for trading are as follows:

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Investment income from wealth management products	4,439,120.45	–
Investment losses from gold leasing investment at fair value	–	(192,086,807.38)
Investment income from gold leasing hedging contracts	–	79,662,600.00
Total	4,439,120.45	(112,424,207.38)

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

47. (Losses)/Gains on changes in fair value

Source of the changes in fair value	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Financial assets held for trading-stock investments	(7,838,630.53)	(124,661.93)
Financial assets at fair value through profit or loss		
– structured deposits	11,282.20	–
Derivative financial instruments-gold leasing hedging contracts	–	(5,251,800.00)
Financial liabilities held for trading-gold leasing at fair value	–	107,738,300.00
Total	(7,827,348.33)	102,361,838.07

48. Credit impairment losses

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Losses of bad debt provision for other receivables	(320,067.60)	(2,108,085.53)

49. Assets impairment reversal/(losses)

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Impairment reversal/(losses) on inventories	31,917,557.04	(17,067,717.46)

50. Gains on disposal of non-current assets

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Gains on disposal of fixed assets	332,431.07	142,132.35

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For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

51. Non-operating income

Item	For the six months ended 30 June 2026	Non-recurring profit or loss for the six months ended 30 June 2026	For the six months ended 30 June 2025	Non-recurring profit or loss for the six months ended 30 June 2025
Income from waste disposal	101,383.73	101,383.73	64,534.08	64,534.08
Income from default and penalty	12,250.00	12,250.00	27,457.84	27,457.84
Government grants not related to daily operating activities	10,000.00	10,000.00	10,000.00	10,000.00
Others	—	—	43,600.00	43,600.00
Total	123,633.73	123,633.73	145,591.92	145,591.92

52. Non-operating expenses

Item	For the six months ended 30 June 2026	Non-recurring profit or loss for the six months ended 30 June 2026	For the six months ended 30 June 2025	Non-recurring profit or loss for the six months ended 30 June 2025
Donations	2,932,312.55	2,932,312.55	4,405,098.83	4,405,098.83
Penalties and compensations	1,205,126.70	1,205,126.70	1,113,669.35	1,113,669.35
Others	630,489.21	630,489.21	1,195,293.49	1,195,293.49
Total	4,767,928.46	4,767,928.46	6,714,061.67	6,714,061.67

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

53. Income tax expenses

Income tax expenses

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Current income tax expenses	1,054,077,831.44	575,017,099.68
Deferred tax expenses	31,367,526.48	4,834,049.62
Total	1,085,445,357.92	579,851,149.30

Reconciliation of income tax expenses to profit before tax is as follows:

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Profit before tax	3,190,800,537.70	1,861,781,949.43
Income tax expenses calculated at the statutory tax rate of 25%	797,700,134.43	465,445,487.36
Effect of applying different tax rates by certain subsidiaries	241,952,664.33	86,270,397.26
Adjustments in respect of current tax of previous periods	12,686,610.34	(4,081,172.92)
Losses attributable to associates	74,635.38	–
Non-taxable income	(8,854,931.85)	(6,523,729.32)
Non-deductible expenses	11,103,677.53	28,707,671.33
Tax losses utilised from previous periods	(441,181.65)	(1,077,118.47)
Unrecognised deductible temporary differences and tax losses	31,622,912.74	12,903,383.68
Additional deduction for research and development expenses and wages for disabled employees	(4,315,980.25)	(1,793,769.62)
Recognition of previously unrecognised deductible temporary differences and tax losses	(1,770,682.02)	–
Effect of changes in tax rate on opening deferred tax balances	5,687,498.94	–
Income tax expense of the Group	1,085,445,357.92	579,851,149.30

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. Note to the statement of cash flows

(1) Cash flow related to operating activities

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Other cash receipts relating to operating activities		
Interest income	64,733,424.46	29,795,626.89
Deposits received	12,208,073.07	10,785,869.78
Entities transactions	2,951,483.57	8,682,704.10
Government grants	374,200.00	380,148.23
Margin for product hedging business	290,000.00	–
Default and penalty	25,250.00	15,400.00
Others	3,263,365.60	7,012,952.10
Total	83,845,796.70	56,672,701.10
Other cash payments relating to operating activities		
Deposits paid	22,241,572.27	5,530,481.25
Entities transactions	17,810,683.28	9,190,702.99
Compensation and donation	2,916,854.24	8,736,367.34
Margin for product hedging business	17,227,390.00	61,949,321.59
Commissions	969,113.13	169,724.44
Other administrative expenses	36,811,297.47	32,143,187.62
Total	97,976,910.39	117,719,785.23

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. Note to the statement of cash flows (Continued)

(2) Cash flow related to investing activities

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Cash received from investment recovery		
Redemption of wealth management products	3,794,831,843.62	—
Receipt from disposal of the other equity instrument investments	7,500,000.00	—
Total	3,802,331,843.62	—
Other cash receipts relating to investing activities		
Margin refund for futures and other investment business	140,000.00	204,000,000.00
Total	140,000.00	204,000,000.00
Cash payments for investments		
Purchase of wealth management products	3,863,000,000.00	—
Purchase of time deposits with maturities exceeding three months	110,062,344.04	—
Total	3,973,062,344.04	—
Other cash payments relating to investing activities		
Others	—	13,145,124.82
Total	—	13,145,124.82

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. Note to the statement of cash flows (Continued)

(3) Cash flow related to financing activities

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Other cash receipts relating to financing activities		
Release of margin deposits related to financing activities	—	294,839,632.57
Receipt of subscription for share-based payment	—	222,704,873.69
Total	—	517,544,506.26
Other cash payments relating to financing activities		
Repayment of gold leasing business	—	777,115,500.00
Margin deposits related to financing activities	2,003,704.05	100,208,800.00
Lease payment	24,832,242.18	26,413,284.44
Listing Expenses of H shares	169,033.29	22,136,746.09
Repayment of borrowings from minority shareholders	—	9,800,000.00
Repayment of the Phase III ESOP	220,180,000.00	—
Others	516,366.46	225,530.56
Total	247,701,345.98	935,899,861.09

(4) The movements in various liabilities arising from financing activities are as follows:

Item	Opening balance	Additions		Reductions		Closing balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term borrowings	707,600,631.31	718,986,050.00	4,135,250.22	894,994,869.69	—	535,727,061.84
Long-term borrowings (including non-current liabilities within one year)	170,411,039.39	—	2,971,580.96	92,360,270.00	—	81,022,350.35
Lease liabilities (including non-current liabilities within one year)	183,745,252.78	—	6,089,541.50	24,832,242.18	4,377,933.51	160,624,618.59
Total	1,061,756,923.48	718,986,050.00	13,196,372.68	1,012,187,381.87	4,377,933.51	777,374,030.78

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Supplementary information to the statement of cash flows

(1) Supplementary information to the statement of cash flows

Supplementary information	For the six months ended 30 June 2026	For the six months ended 30 June 2025
1. Reconciliation of net profit to net cash flows from operating activities:		
Net profit	2,105,355,179.78	1,281,930,800.13
Add: Impairment (reversal)/losses on assets	(31,917,557.04)	17,067,717.46
Credit impairment losses	320,067.60	2,108,085.53
Depreciation of fixed assets	407,108,953.60	452,293,227.15
Depreciation of right-of-use assets	17,884,557.76	18,155,589.11
Amortisation of intangible assets	84,326,037.29	127,495,250.39
Amortisation of long-term deferred expenses	10,161,248.98	24,375.00
Gains from disposal of fixed assets, intangible assets and other non-current assets	(332,431.07)	(142,132.35)
Losses/(Gains) on changes in fair value	7,827,348.33	(102,361,838.07)
Financial expenses	134,153,425.07	81,619,589.09
Investment (income)/losses	(4,140,578.95)	112,445,430.73
Decrease in deferred tax assets	13,176,110.15	2,276,796.46
Increase in deferred tax liabilities	18,191,416.33	3,438,981.20
Increase in inventories	(319,954,379.59)	(99,668,082.94)
Increase in special reserve	1,067,206.40	7,273,251.42
Share-based payment	–	24,899,464.00
Increase in receivables from operating activities	(98,153,086.30)	(197,928,418.37)
Decrease in payables from operating activities	(464,688,264.98)	(118,196,483.38)
Net cash flows from operating activities	1,880,385,253.36	1,612,731,602.56
2. Net changes in cash and cash equivalents:		
Closing balance of cash and cash equivalents	5,781,275,035.62	5,100,110,281.09
Less: Opening balance of cash and cash equivalents	6,702,709,528.90	2,516,898,967.10
Net (decrease)/increase in cash and cash equivalents	(921,434,493.28)	2,583,211,313.99

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

55. Supplementary information to the statement of cash flows (Continued)

(2) Net cash payments for acquisitions of subsidiaries

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Cash and cash equivalents paid for the acquisitions of subsidiaries in the current period	—	68,695,050.30
Including: Xinhenghe Mining	—	—
Chixia Mining	—	68,695,050.30
Add: Cash and cash equivalents paid in the current period for acquisitions of subsidiaries in previous years	—	43,880,116.25
Including: Xinhenghe Mining	—	43,880,116.25
Less: Cash and cash equivalents obtained from acquisitions of subsidiaries on acquisition date	—	21,759,112.42
Including: Chixia Mining	—	21,759,112.42
Net cash paid for the acquisitions of subsidiaries	—	90,816,054.13

(3) Composition of cash and cash equivalents

Item	30 June 2026	31 December 2025
I. Cash	5,781,275,035.62	6,702,709,528.90
Including: Cash on hand	502,784.77	577,451.30
Bank deposits that can be drawn on demand	5,780,772,250.85	6,702,132,077.60
II. Closing balance of cash and cash equivalents	5,781,275,035.62	6,702,709,528.90
Including: Restricted cash and cash equivalents held by the Group	—	—

(4) The monetary funds of the Group that are not classified as cash and cash equivalents are other monetary funds. Please refer to Note V.1.

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

56. Foreign currency monetary items

(1) Foreign currency monetary items

Item	Original currency	Exchange rate	Equivalent to RMB
Cash and cash equivalents			
Including:			
EUR	15,666.87	7.7671	121,686.15
CNY	1,915,224.66	1.0000	1,915,224.66
GHS	10,329,924.89	0.6039	6,238,241.64
LAK	59,872,222,328.65	0.0003	17,961,666.70
AUD	710,841.22	4.6804	3,327,021.25
THB	7,796,067.22	0.2042	1,591,956.93
CAD	756.91	4.7847	3,621.59
GBP	117,544.12	9.0145	1,059,601.47
HKD	901,836,426.54	0.8686	783,335,120.09
USD	168,673,368.15	6.8109	1,148,817,443.13
Trade receivables			
Including:			
LAK	1,074,183,626.35	0.0003	322,255.09
Other receivables			
Including:			
USD	480,228.04	6.8109	3,270,785.16
AUD	1,543.49	4.6804	7,224.15
HKD	2,477.15	0.8686	2,151.65
LAK	1,402,903,000.00	0.0003	420,870.90
Trade payables			
Including:			
EUR	1,607,230.45	7.7671	12,483,519.63
GBP	3,580.38	9.0145	32,275.34
AUD	3,155,378.12	4.6804	14,768,431.75
ZAR	489,735.20	0.4144	202,946.27
GHS	42,668,598.66	0.6039	25,767,566.73
LAK	23,927,680,280.35	0.0003	7,178,304.08
THB	32,285,929.43	0.2042	6,592,786.79
CNY	1,676,732.22	1.0000	1,676,732.22
CAD	35,129.49	4.7847	168,084.07
SGD	70.96	5.2605	373.29
NZD	3,482.17	3.8414	13,376.41
Other payables			
Including:			
THB	7,127,125.69	0.2042	1,455,359.07
EUR	258,368.33	7.7671	2,006,772.66
CNY	1,370,817.04	1.0000	1,370,817.04
AUD	210,302.75	4.6804	984,300.99
GBP	13,918.81	9.0145	125,471.11
LAK	3,687,657,583.00	0.0003	1,106,297.27
USD	3,212,300.00	6.8109	21,878,654.07

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

56. Foreign currency monetary items (Continued)

(2) Information on overseas operating entities

Item	Major place of overseas business	Accounting currency	Basis for adoption of accounting currency
GSR	Ghana	USD	Main trading currency
Chijin HK	Hong Kong	USD	Main trading currency
LXML	Laos	USD	Main trading currency

57. Leases

(1) As a lessee

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Interest expense on lease liabilities	4,221,712.81	5,086,078.79
Expenses relating to short-term leases accounting for applying practical expedients	2,133,189.14	4,212,766.47
Expense relating to low-value assets leases accounting for applying practical expedients	485,248.05	31,709.78
Income from sublease of right-of-use assets	—	21,437.50
Total cash outflow related to leases	27,450,679.37	30,657,760.69

Note: The Group's leased assets include buildings, machinery, land use rights, vehicles and other equipment used in operations. Leases of buildings and machinery generally have lease terms of 2 to 10 years. Leases of land use right generally have lease terms of 2 to 20 years. Leases of vehicles and other equipment are usually leased on a short-term basis.

Other information related to leases

For right-of-use assets, please refer to Note V. 12. For the practical expedients for short-term leases and low-value assets leases, please refer to Note III. 25. For lease liabilities, please refer to Note V. 28.

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

57. Leases (Continued)

(2) As a lessor

Operating leases

The Group has entered into operating leases for some of its buildings, and the lease term is 1 year. According to the lease contract, the rent is adjusted on an annual basis according to market rents.

Profit or loss relating to operating leases is as follows:

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Lease income	523,631.28	160,523.81

Pursuant to the operating lease agreements entered into with the lessees, the undiscounted lease payments to be received are as follows:

Item	30 June 2026	31 December 2025
Within 1 year (inclusive)	523,631.28	657,072.52
Total	523,631.28	657,072.52

For the fixed assets leased out under operating leases, please refer to Note V. 10.

Finance leases

The profit or loss relating to finance leases is as follows:

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Finance income on net investments in leases	—	21,437.50

As of 30 June 2026, the Group had no non-cancellable lease contracts entered into with lessees (as of 31 December 2025: Nil).

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

V. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

58. Earnings per share

Item	For the six months ended 30 June 2026 RMB/share	For the six months ended 30 June 2025 RMB/share
Basic earnings per share		
Continuing operations	0.92	0.63
Diluted earnings per share		
Continuing operations	0.92	0.63

Basic earnings per share are calculated by dividing the net profit attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares issued during the period.

VI. RESEARCH AND DEVELOPMENT EXPENDITURES

For the research and development expenditures classified by nature, please refer to Note V. 43.

For the six months ended 30 June 2026, there were no research and development expenditures that met the capitalisation conditions in the Group (for the six months ended 30 June 2025: Nil).

VII. CHANGES IN THE SCOPE OF CONSOLIDATION

For the six months ended 30 June 2026, there were no changes in the scope of consolidation.

NOTES TO FINANCIAL STATEMENTS

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VIII. INVESTMENTS IN OTHER ENTITIES

1. Investments in subsidiaries

Composition of the Group

30 June 2026

Name of subsidiary	Principal place of business	Place of registration	Nature of business	Registered capital	Percentage of equity interest (%)		Initial recognition
					Direct	Indirect	
Jilong Mining	Chifeng, Inner Mongolia	Chifeng, Inner Mongolia	Gold mining	175,000,000	100.00	–	Acquisition
Chifeng Longji Mining Development Co., Ltd.	Chifeng, Inner Mongolia	Chifeng, Inner Mongolia	Resource Exploration	10,000,000	–	85.00	Newly established
Huatai Mining	Chifeng, Inner Mongolia	Chifeng, Inner Mongolia	Gold mining	20,000,000	–	100.00	Acquisition
Wulong Mining	Dandong, Liaoning	Dandong, Liaoning	Gold mining	40,000,000	–	100.00	Acquisition
Dandong Tongxing Mineral Processing Co., Ltd.	Dandong, Liaoning	Dandong, Liaoning	Gold ore processing and smelting	5,000,000	–	100.00	Acquisition
Hanfeng Mining	Longjing, Jilin	Longjing, Jilin	Non-ferrous metal mining and selection	429,200,000	100.00	–	Acquisition
Yanbian Longhan Mining Development Co., Ltd.	Longjing, Jilin	Longjing, Jilin	Resource Exploration	10,000,000	–	90.00	Newly established
Xinhenghe Mining	Kunming, Yunnan	Kunming, Yunnan	Management services	40,000,000	51.00	–	Acquisition
Jintai Mining (Note 1)	Dali, Yunnan	Dali, Yunnan	Gold mining	41,710,000	–	45.90	Acquisition
Guangyuan Technology	Hefei, Anhui	Hefei, Anhui	Disassembly of waste electrical and electronic products	44,776,000	55.00	–	Acquisition
Guangyuan Environmental Protection	Hefei, Anhui	Hefei, Anhui	Disassembly of waste electrical and electronic products	10,000,000	–	55.00	Newly established
Chijin Fengyu	Shanghai	Shanghai	Trade, import and export of goods or technology	100,000,000	100.00	–	Newly established
Chijin Xiawu	Xiamen	Xiamen	Trade of non-ferrous metal	400,000,000	51.00	–	Newly established

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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VIII. INVESTMENTS IN OTHER ENTITIES (CONTINUED)

1. Investments in subsidiaries (Continued)

Composition of the Group (Continued)

30 June 2026 (Continued)

Name of subsidiary	Principal place of business	Place of registration	Nature of business	Registered capital	Percentage of equity interest (%)		Initial recognition
					Direct	Indirect	
Chixia Laos	Cayman Islands	Cayman Islands	Investment and investment management business	USD50,000	–	51.00	Newly established
Chixia Mining (Note 2)	Laos	Laos	Investment and investment management business	LAK15,000,000,000	–	45.90	Acquisition
CIRE Mining (Note 2)	Laos	Laos	Rare earth mining	LAK25,200,000,000	–	39.47	Acquisition
CIREXK Mining (Note 2)	Laos	Laos	Rare earth mining	LAK25,200,000,000	–	39.47	Acquisition
Chijin Laos	Cayman Islands	Cayman Islands	Investment and investment management business	USD152,100,000	100.00	–	Acquisition
LXML	Laos	Laos	Gold and non-ferrous metal mining and selection	LAK1,436,516,830,000	–	90.00	Acquisition
Chijin HK	Hong Kong	Hong Kong	Investment and investment management business	HKD1, USD291,000,000	100.00	–	Newly established
GSR (Note 3)	Canada	Canada	Investment and investment management business	USD932,928,540.97	–	62.00	Acquisition
Caystar Holdings	Cayman Islands	Cayman Islands	Investment and investment management business	USD391,958,327.78	–	62.00	Acquisition
Caystar Finance Co.	Cayman Islands	Cayman Islands	Finance and sales business	USD49,942,491.69	–	62.00	Acquisition
Caystar Management Holdings	Cayman Islands	Cayman Islands	Management services	USD45,409,069.19	–	62.00	Acquisition
Wastford Holdings	Cayman Islands	Cayman Islands	Investment and investment management business	USD50,000	–	62.00	Acquisition
GSWL (Wassa) (Note 3)	Ghana	Ghana	Gold mining	GHS11,000,000	–	55.80	Acquisition
Golden Star Resources (UK) Ltd.	UK	UK	Management services	USD130	–	62.00	Acquisition
Chijin Fengtai (Chifeng) Trading Co., Ltd.	Chifeng, Inner Mongolia	Chifeng, Inner Mongolia	Trade of non-ferrous metal	34,000,000	–	100.00	Newly established
Chijin Minerals Investment Holding Co., Ltd.	British Virgin Islands	British Virgin Islands	Investment and investment management business	USD50,000	–	100.00	Newly established

Note 1: As Jintai Mining is a 90% owned subsidiary of Xinhenghe Mining (a direct subsidiary of the Company), the Company indirectly holds an interest in Jintai Mining through its chain of ownership.

Note 2: Chixia Mining is a 90% owned subsidiary of Chixia Laos, which is a wholly-owned subsidiary of Chijin Xiawu (a direct subsidiary of the Company). Therefore, the Company holds an indirect equity interest of 45.9% in Chixia Mining. Both CIRE Mining and CIREXK Mining are subsidiaries held 86% by Chixia Mining, leading to the Company's indirect ownership of 39.47% in each of these two companies.

Note 3: GSR is a 62% owned subsidiary of Chijin HK (a direct subsidiary of the Company). Therefore, the Company indirectly holds an interest in GSR. GSWL is a 90%-owned subsidiary of GSR.

Note 4: The abovementioned PRC subsidiaries are limited liability companies.

NOTES TO FINANCIAL STATEMENTS

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VIII. INVESTMENTS IN OTHER ENTITIES (CONTINUED)

1. Investments in subsidiaries (Continued)

Significant non-wholly owned subsidiaries:

For the six months ended 30 June 2026

Name of subsidiary	Percentage of equity interest held by non-controlling shareholders (%)	Profit or loss attributable to non-controlling interests in the current period	Dividend paid to non-controlling shareholders	Closing balance of non-controlling interests
LXML	10.00	105,931,461.38	–	529,754,575.27
GSR	38.00	169,532,387.51	–	2,279,968,991.43

The major financial information of the subsidiaries in the table above is stated below. Those amounts are before elimination among the enterprises of the Group:

Name of subsidiary	30 June 2026					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
LXML	4,750,007,138.97	3,395,820,244.61	8,145,827,383.58	1,446,528,478.83	1,401,753,152.01	2,848,281,630.84
GSR	1,367,079,218.91	8,088,785,109.60	9,455,864,328.51	1,745,371,540.67	2,937,515,870.93	4,682,887,411.60

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VIII. INVESTMENTS IN OTHER ENTITIES (CONTINUED)

1. Investments in subsidiaries (Continued)

Significant non-wholly owned subsidiaries: (Continued)

Name of subsidiary	For the six months ended 30 June 2026			
	Operating income	Net profits	Total comprehensive income	Net cash flows from operating activities
LXML	3,040,463,863.71	1,059,314,613.78	909,996,396.12	630,335,348.74
GSR	2,216,345,719.24	353,105,571.64	206,427,833.64	522,741,807.82

2. Interests in associates

Aggregate financial information of associates that are not individually significant

Item	30 June 2026/ For the six months ended 30 June 2026
Associates:	
Total book value of the Group's investments in associates	8,472,404.46
Items below were calculated by the proportion of equity interest	
– Share of net loss of associates	(298,541.50)
– Share of other comprehensive income of associates	–
– Share of total comprehensive loss of associates	(298,541.50)

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For the six months ended 30 June 2026

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IX. GOVERNMENT GRANTS

1. Government grant receivables

As at 30 June 2026, the balance of government grant receivables was RMB3,847,800.00.

2. Liabilities related to government grants

As at 30 June 2026, liabilities related to government grants are detailed in Note V.31.

Government grants recognised in profit or loss are as follows:

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Government grants related to assets		
Recognised in other income	254,499.96	635,999.96
Government grants related to income		
Recognised in other income	369,354.00	196,381.83
Recognised in non-operating income	10,000.00	10,000.00
Total	633,853.96	842,381.79

X. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

1. Offsetting of financial instruments

The Group has not entered into any offsetting agreements on financial instruments.

2. Risks of financial instruments

The Group is exposed to various risks in relation to financial instruments in its daily operations, mainly including credit risk, liquidity risk and market risk. Policies of the risk management of the Group are summarised below.

The Board of Directors is responsible for planning and establishing the Group's risk management framework, formulating the Group's risk management policies and relevant guidelines, and supervising the implementation of risk management measures. The Group has formulated risk management policies to identify and analyse the risks faced by the Group. These risk management policies clearly define specific risks and cover many aspects such as market risk, credit risk and liquidity risk management. The Group regularly assesses changes in the market environment and the Group's business activities to determine whether to update the risk management policies and systems. The Group's risk management is carried out by the Audit Committee in accordance with the policies approved by the Board of Directors. The Audit Committee works closely with other business departments of the Group to identify, assess, and mitigate relevant risks. The Group's internal audit department conducts periodic reviews of risk management controls and procedures and reports the findings to the Group's Audit Committee.

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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X. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

2. Risks of financial instruments (Continued)

(1) Credit risk

The Group only transacts with approved and reputable third parties. According to the Group's policy, all customers who wish to transact on credit terms are subject to credit verification procedures. In addition, the Group continuously monitors the balance of trade receivables to ensure that the Group is not exposed to significant bad debt risks.

Since counterparties of cash and bank balance are banks with good reputation and high credit ratings, credit risk arising from these financial instruments is low.

Other financial assets of the Group include equity instrument investment, receivables and certain derivatives. The credit risk associated with these financial assets arises from default of counterparties, with a maximum exposure equal to the carrying amounts of these instruments.

The Group only transacts with approved and reputable third parties, therefore collateral is not needed. Credit risk is managed centrally based on customers/counterparties, geographic regions and industries. As at 30 June 2026, the Group had a specific concentration of credit risk. 52.10% and 95.79% of the Group's trade receivables were due from the largest customer and the five largest customers, respectively (31 December 2025: 59.67% and 95.20%, respectively). The balance of trade receivables of the Group did not hold any collateral or other credit enhancement.

Determination of significant increase in credit risk

At each reporting date, the Group assesses whether the credit risk of the relevant financial instruments has increased significantly since initial recognition. The Group determines that the credit risk of financial instruments has significantly increased when one or more of the following quantitative or qualitative criteria below are met: significant adverse changes in the debtor's operating environment, internal and external credit ratings, actual or expected operating results, etc.

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

X. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

2. Risks of financial instruments (Continued)

(1) Credit risk (Continued)

Definition of credit-impaired financial assets

In order to determine whether credit impairment occurs, the defined criteria adopted by the Group are consistent with the internal credit risk management objectives for relevant financial instruments, both of which incorporate quantitative and qualitative indicators. When assessing whether a debtor has suffered credit impairment, the Group primarily considers the following factors:

- (1) significant financial difficulty of the issuer or the debtor;
- (2) breach of contract by the debtor, such as defaulting or delaying the payment of interest or principal repayment;
- (3) a concession granted by the creditor to the debtor due to economic or contractual considerations related to the debtor's financial difficulty, which will not be granted under any other circumstances;
- (4) possible bankruptcy or other financial restructuring of the debtor;
- (5) disappearance of an active market for the financial asset due to financial difficulty of the issuer or the debtor;
- (6) financial assets acquired or sourced at large discounts indicating credit losses have occurred.

Financial assets may be credit-impaired due to the joint effects of multiple events rather than separately identifiable events.

NOTES TO FINANCIAL STATEMENTS

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X. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

2. Risks of financial instruments (Continued)

(2) Liquidity risk

The Group's objective is to maintain a balance between continuity and flexibility of funding by utilising a variety of financing instruments. The Group finances its operations through funds generated from operations and borrowings.

The following table summarises the maturity analysis of financial liabilities based on undiscounted contractual cash flows:

30 June 2026

Item	Within 1 year	1 to 5 years	Over 5 years	Total
Short-term borrowings	549,871,073.86	–	–	549,871,073.86
Trade payables	716,217,755.92	–	–	716,217,755.92
Other payables	353,996,337.33	–	–	353,996,337.33
Long-term borrowings	81,186,870.00	–	–	81,186,870.00
Long-term payables	8,789,500.00	35,158,000.00	19,318,500.00	63,266,000.00
Lease liabilities	34,130,666.73	120,854,008.00	31,278,100.00	186,262,774.73
Total	1,744,192,203.84	156,012,008.00	50,596,600.00	1,950,800,811.84

31 December 2025

Item	Within 1 year	1 to 5 years	Over 5 years	Total
Short-term borrowings	711,580,760.44	–	–	711,580,760.44
Trade payables	655,174,034.33	–	–	655,174,034.33
Other payables	607,927,322.54	–	–	607,927,322.54
Long-term borrowings	104,401,752.50	70,398,660.00	–	174,800,412.50
Long-term payables	8,789,500.00	35,158,000.00	28,108,000.00	72,055,500.00
Lease liabilities	43,111,774.82	139,330,864.00	31,278,100.00	213,720,738.82
Total	2,130,985,144.63	244,887,524.00	59,386,100.00	2,435,258,768.63

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X. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

2. Risks of financial instruments (Continued)

(3) Market risk

Interest rate risk

The Group's exposure to the risk of changes in market interest rates primarily relates to the Group's debt obligations with a floating interest rate. The Group manages interest rate risk by closely monitoring changes in interest rates and reviewing borrowings on a regular basis.

Exchange rate risk

The Group has transactional exchange rate risk exposures mainly arising from sales or purchases by subsidiaries in currencies other than the subsidiaries' functional currencies. The Group has subsidiaries using USD and RMB as their functional currencies. These subsidiaries have transactions in currencies other than their functional currencies. The Group manages its foreign exchange business in an integrated manner and, when necessary, uses derivative financial instruments such as foreign exchange forward contracts to reduce its exposure to exchange rate risk.

As of 30 June 2026, the Company and its subsidiaries were exposed to foreign currency exchange rate risks in currencies other than USD and HKD, such as the Ghanaian Cedi and the Laotian Kip, though all such exposures were not material.

Price risk of equity instrument investments

Price risk of equity instrument investments refers to the risk that the fair value of equity securities decreases due to changes in the level of stock indices and the value of individual securities. As at 30 June 2026, the Group was exposed to price risk arising from equity instrument investments classified as at fair value through profit or loss (Note V.2) and at fair value through other comprehensive income.

The Group's listed equity instrument investments are listed on the Australian Securities Exchange and the Canadian Securities Exchange, and are measured at quoted market prices as at the balance sheet date. For unlisted equity instrument investments held by the Group, the fair value is estimated using the market approach. Refer to Note XI.4.

NOTES TO FINANCIAL STATEMENTS

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X. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

2. Risks of financial instruments (Continued)

(3) Market risk (Continued)

Commodity price risk

The Group is mainly exposed to the risk of changes in major metals' prices in the future, including gold, copper and zinc. These commodity price fluctuations may affect the Group's operating performance.

The Group has carried out hedging businesses on the future sales of gold. The Board of Directors approves the maximum position size for gold hedging derivative transactions. The leaders of the futures hedging business and the hedging business team are responsible for organising and implementing these transactions and constantly monitoring the price fluctuations of commodity futures contracts.

3. Capital management

The Group's primary objectives for capital management are to safeguard the Group's continuity of operation and keep the capital ratio at a healthy level, so that it can support business development and maximize the value of shareholders.

The Group manages its capital structure and makes adjustments in response to changes in economic conditions and risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, repurchase shares, issue new shares, etc. The Group is not subject to any externally imposed capital requirements. For the six months ended 30 June 2026 and in 2025, the capital management objectives, policies or procedures remain unchanged.

The Group manages its capital with the debt-to-asset ratio, which is total liabilities divided by total assets. The debt-to-asset ratio of the Group as at the reporting date was as follows:

Item	30 June 2026	31 December 2025
Total assets	25,253,221,038.12	24,980,770,851.47
Total liabilities	7,480,394,100.17	8,470,126,514.40
Debt-to-asset ratio	29.62%	33.91%

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X. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

4. Hedging

(1) Risk Management through the Implementation of Hedging

Item	Corresponding risk management strategies and objectives	Qualitative and quantitative information about the hedged risks	The economic relationship between hedges and related hedging instruments	The effectiveness of expected risk management objectives	The impact of corresponding hedging risk exposure
Commodity Hedging Business – Gold Sales	Managing price risks of expected gold sales with gold futures contracts	Gold is an important product of the Group and faces price-fluctuation risks in expected sales	The Group's principal product, gold, is the same as the gold sold in the corresponding gold futures contracts. The hedging instruments (gold futures contracts) and the hedges (gold expected to be sold) have the same underlying variables. The Group has determined through qualitative analysis that the quantity ratio of the hedging instruments to the hedges is 1:1.	Expected to be highly effective	The corresponding hedging activities have effectively hedged the price risks of the expected gold sales. For such hedging activities, the Group adopts the accounting method of cash flow hedging.

(2) Conducting eligible hedging business and applying hedge accounting

Item	Hedging category	Carrying amount related to the hedged item and the hedging instrument	Accumulated fair value adjustments on the hedged included in the carrying amount of hedges	Sources of hedging effectiveness and the ineffectiveness of hedging	The relevant impacts of hedge accounting on the financial statements
Commodity Price Risk – Gold Sales	Cash flow hedging	As at 30 June 2026, the hedged item: Expected sales, with no carrying value. As at 30 June 2026, the hedging instruments: all positions have been closed, with no carrying value.	Not Applicable	Expected to be highly effective	For the six months ended 30 June 2026, the spot element income of derivatives amounted to RMB7,946,346.67, which increased the operating income by RMB7,946,346.67.

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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XI. DISCLOSURE OF FAIR VALUE

1. Assets and liabilities measured at fair value

30 June 2026

Item	Fair value at the end of the period			Total
	Level 1	Level 2	Level 3	
	fair value measurement	fair value measurement	fair value measurement	
Continuous fair value measurement				
Financial assets held for trading				
Equity instrument investments	10,776,598.97	–	–	10,776,598.97
Structured deposits	–	73,011,282.20	–	73,011,282.20
Other equity instrument investments	–	–	25,015,978.44	25,015,978.44
Total assets measured at fair value continuously	10,776,598.97	73,011,282.20	25,015,978.44	108,803,859.61

31 December 2025

Item	Fair value at the end of the year			Total
	Level 1	Level 2	Level 3	
	fair value measurement	fair value measurement	fair value measurement	
Continuous fair value measurement				
Financial assets held for trading				
Equity instrument investments	19,231,618.75	–	–	19,231,618.75
Other equity instrument investments	–	–	10,000,000.00	10,000,000.00
Total assets measured at fair value				
continuously	19,231,618.75	–	10,000,000.00	29,231,618.75

There were no amounts reclassified between the levels of fair value measurement in the current period.

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XI. DISCLOSURE OF FAIR VALUE (CONTINUED)

2. Level 1 fair value measurement

The fair value of an equity instrument investment in a listed company shall be determined at the quoted market price.

3. Level 2 fair value measurement

The Group's continuing Level 2 fair value measurement items are mainly structured deposits. The fair value of structured deposits is determined by estimating future cash flows with market-observable expected yields, and discounting them at rates based on the best estimate of expected risk levels.

4. Level 3 fair value measurement

The Group's continuing fair value measurements at Level 3 are primarily investments in unlisted equity instruments. The fair value is estimated with based on unobservable market data. The Group believes that the fair value and its changes estimated using valuation techniques are reasonable and represent the most appropriate values as of the balance sheet date.

5. Basis for determining the market price of continuous and non-continuous Level 1 fair value measurements

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry insider, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Among the continuous level 1 fair value measurements, financial assets held for trading is the equity investments in the secondary market, and the market price is determined based on the settlement price of the gold futures contract held on the Shanghai Futures Exchange at the reporting date and the public trading price in the stock exchange market.

6. Financial assets and financial liabilities not measured at fair value

Management has assessed cash and bank balances, trade receivable, other receivables, other current assets, short-term borrowings, trade payables, other payables, non-current liabilities due within one year, etc. Given the short-term maturities, the fair values approximate to the book values.

As at 30 June 2026, since the long-term borrowings were mainly floating-rate loans, the fair value determined by the discounted future cash flow method was similar to its carrying value.

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XII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. Parent company

The ultimate controller and controlling shareholder of the Company is Ms. Li Jinyang.

2. Subsidiaries

For details of the subsidiaries of the Company, please refer to Note VIII.1 Investments in subsidiaries.

3. Associates

For associates of the Group, please refer to Note V. 8 and Note VIII. 2 Interests in associates.

4. Other related parties

Name of other related parties	Related party relationships
Zhejiang Hanfeng	Persons acting in concert with the controlling shareholder
Beijing Hanfeng United Technology Co., Ltd.	Entity under common control of the actual controller
Beijing Eagleleap Technology Co., Ltd. ("Eagleleap")	Entity under common control of the actual controller
Beijing Hanfeng Management Consulting Services Co., Ltd.	Entity under common control of the actual controller
Jilin Hanfeng Investment Co., Ltd.	Entity under common control of the actual controller
Jilin Hanfeng Graphite Co., Ltd.	Entity under common control of the actual controller
Panshi Hengxiang Animal Husbandry Co., Ltd.	Entity under common control of the actual controller
Jilin Hanfeng Graphite New Material Technology Co., Ltd.	Entity under common control of the actual controller
Beijing Anxin Xingye Management Consulting Co., Ltd.	Entity under common control of the actual controller
Jilin Shiji Xingjin Corn Technology Development Co., Ltd.	Entity under common control of the actual controller
Jilin Hanfeng Electric Co., Ltd.	Shareholding company of the actual controller's immediate family
Yitong Manchu Autonomous County Jisen Fenghua Zinc Industry Co., Ltd.	Shareholding company of the actual controller's immediate family
Liang Xiaoyan	Other shareholder of the subsidiary

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions

(1) Related party transactions of purchase and sale of goods, rendering and receipt of services

Summary of purchase of goods/receipt of services

Related party	Related party transactions	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Eagleleap	Utilities expense	68,448.00	56,768.00
Eagleleap	Service fees for catering, accommodation, etc.	356,453.00	419,175.00

(2) Related party leases

The Group as a lessee:

For the six months ended 30 June 2026

Related party	Category of leased assets	Rental expenses relating to short-term leases and leases with low-value assets	Variable lease payments not included in the measurement of lease liabilities	Rental payments	Interest expenses of lease liabilities	Increase in right-of-use assets
Eagleleap	Buildings and vehicles	-	-	4,224,948.00	156,630.24	-

For the six months ended 30 June 2025

Related party	Category of leased assets	Rental expenses relating to short-term leases and leases with low-value assets	Variable lease payments not included in the measurement of lease liabilities	Rental payments	Interest expenses of lease liabilities	Increase in right-of-use assets
Eagleleap	Buildings and vehicles	220,000.00	-	4,224,948.00	152,275.08	7,985,812.00

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(2) Related party leases (Continued)

The Group as a lessor:

Item	Category of leased assets	The lease revenue for the six months ended 30 June 2026	The lease revenue for the six months ended 30 June 2025
Anhui Wanxun	Buildings	380,952.38	–

(3) Related party guarantee

The Group as a guarantor

Guaranteed party	Utilised Guarantee Amount	Start date of guarantee	Expiration date of guarantee	Whether the guarantee has been completed
Jilong Mining	RMB149,732,550	15 June 2026	17 December 2029	No
LXML	USD40,000,000	30 June 2026	17 May 2030	No

All the guarantees provided by the Company as the guarantor are free of charge.

(4) Compensation of key management

Unit: ten thousands yuan Currency: RMB

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Compensation of key management	1,891.86	1,126.09

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Receivables and payables of related parties

(1) Payables

Item	Related party	30 June 2026	31 December 2025
Lease liabilities (Including: due within one year)	Eagleleap	—	4,224,948.00

The payables to related parties are interest free and unsecured.

7. Related party commitments

Unit: ten thousands yuan Currency: RMB

Related party	30 June 2026		31 December 2025	
	Subscribed registered capital	Paid-in registered capital	Subscribed registered capital	Paid-in registered capital
Fengyu New Energy	25,500	200	25,500	200
Enbo Technology	420	420	420	420
Enbo New Energy	30	4.2	30	4.20
Guohong Gold	1,100	—	1,100	—

Please refer to Note XIV. 1 for the amount affected by the commitments of the above-mentioned related parties.

8. Other description

Regarding 5. (2) above, the related party transactions also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Hong Kong Listing Rules.

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XIII. SHARE-BASED PAYMENT

1. Phase III ESOP

On 30 December 2024, the Company convened the 33rd meeting of the 8th Board of Directors and the 24th meeting of the 7th Board of Supervisors. On 15 January 2025, the Company held the 2025 first Extraordinary General Meeting. These meetings respectively reviewed and approved the “Proposal of < Draft of the Phase III ESOP of Chifeng Jilong Gold Mining Co., Ltd.> and Its Summary”, the “Proposal of <Administrative Measures for the Phase III ESOP of Chifeng Jilong Gold Mining Co., Ltd.>”, and the “Proposal of Requesting the General Meeting to Authorise the Board of Directors to Handle Matters Related to the Company’s Phase III ESOP”.

The Company and its subsidiaries’ directors, supervisors, senior management, and other core personnel participated in the Phase III ESOP, with a total of 194 individuals actually subscribing. The Company granted 15,182,600 shares at a grant price of RMB14.50 per share, with the registration completed on 24 February 2025. As of 24 February 2025, the incentive recipients had fully paid the subscription amount of RMB220,147,700.00 to the Company.

Pursuant to the terms of the Phase III ESOP, if the vesting conditions specified in the plan are met (The vesting condition is “the Group’s gold production in 2025 increases by 5% (inclusive) or more year-on-year”), the incentive recipients may apply to unlock up to the full number of shares granted as of 24 February 2026.

The year-on-year growth in gold production for 2025 was below 5%, which did not meet the conditions for vesting. The Remuneration and Appraisal Committee of the 9th Board of Directors and the Board of Directors have resolved to terminate the Phase III ESOP early. As of June 30, 2026, all principal and corresponding interest under the Phase III ESOP have been fully returned to the employees’ accounts.

XIV. COMMITMENTS AND CONTINGENCIES

1. Significant commitments

Item	30 June 2026	31 December 2025
Signed but not provisioned		
Capital commitment	436,912,559.50	301,566,941.11
Investment commitment	264,258,000.00	264,258,000.00
Total	701,170,559.50	565,824,941.11

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XIV. COMMITMENTS AND CONTINGENCIES (CONTINUED)

2. Contingencies

(1) Material contingent events existing on the balance sheet date

The Company's subsidiary, LXML, has had a contractual dispute with Qingdao Guolin Environmental Protection Technology Co., Ltd. (the Defendant) over equipment. As the plaintiff, LXML engaged DeTong International Limited Liability Partnership to file a complaint with the High Court of Hong Kong on 10 December 2021, and a writ of summons was issued by the Court of First Instance of the High Court of Hong Kong. The case has not yet been officially heard in court, and the outcome of the litigation is uncertain.

XV. EVENTS AFTER THE REPORTING DATE

On 7 August 2026, the 9th meeting of the 9th Board of Directors of the Group reviewed and approved the "Proposal on Suspension of Operations of the Mengkham Rare Earth Element Project by a Subsidiary", agreeing that the subsidiary Chijin Xiawu should suspend operations of the Mengkham Rare Earth Element Project located in Mengkham County, Xiangkhouang Province, Laos.

In light of the progressively improving national policy framework for rare earth resources, Chijin Xiawu has conducted a comprehensive review and optimization of its relevant businesses to ensure that all operational activities are carried out in compliance with applicable laws and regulations. In order to respond to and strictly comply with the relevant policy requirements governing the development of rare earth resources, and to effectively fulfill its corporate social responsibilities, following a prudent study and assessment, Chijin Xiawu has decided to suspend the operations of the Mengkham Rare Earth Element Project, will continue to advance the renewal of mining rights, closely monitor subsequent policy developments and actively seek viable solutions. The Board of Directors of the Group agrees with Chijin Xiawu's decision to suspend the operations of the Mengkham Rare Earth Element Project in Laos. The suspension is not expected to have a material impact on the overall operating performance of the Group. Currently, Chijin Xiawu is uncertain about when operations at this project will resume. The Group will continue to monitor changes in relevant policies and the subsequent progress of the project.

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XVI. OTHER SIGNIFICANT EVENTS

1. Segment information

(1) Determination basis and accounting policies of reporting segments

The Directors and certain senior managers of the Company (hereinafter referred to as “senior management”) perform the functions of principal operating decision makers. Senior management reviews the internal reports of the Group to evaluate the performance of operating segments and allocate resources. The Company determines its operating segments based on such internal reports.

The Group’s operating segments include domestic mining segment, overseas mining segment and others segments. The domestic mining segment conducts mining and processing of gold and nonferrous metals in China. The overseas mining segment conducts mining and processing of gold, nonferrous metals and rare earths in Laos and Ghana. Others segment is mainly engaged in comprehensive resource recycling in China.

The senior management monitors the results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted operating profit before tax. The adjusted operating profit before tax is measured consistently with the Group’s operating profit before tax except that interest income, interest expenses, dividend income, gains or losses on changes in fair value of the financial instruments as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude cash and bank balances, deferred tax assets, equity investments at fair value through profit or loss, other equity instrument investments, derivative financial instruments and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude financial liabilities at fair value through profit or loss, derivative financial instruments, borrowings, deferred tax liabilities, taxes payable and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XVI. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment information (Continued)

(2) Financial information of each reporting segment

For the six months ended 30 June 2026

Item	Domestic mining	Overseas mining	Others	Total
Operating income	1,576,224,902.75	5,314,596,690.71	200,908,682.14	7,091,730,275.60
Operating income between segments	–	–	(73,957,973.08)	(73,957,973.08)
External operating income	1,576,224,902.75	5,314,596,690.71	126,950,709.06	7,017,772,302.52
Segment profits	986,096,824.21	2,249,366,779.47	18,121,450.70	3,253,585,054.38
Reconciliation:				
Head office profits and unallocated profits and losses	/	/	/	(96,662,343.89)
Interest income	/	/	/	67,981,461.36
Interest expenses	/	/	/	(34,103,634.15)
Profit before tax	/	/	/	3,190,800,537.70
Assets and liabilities				
Segment assets	3,695,566,772.56	14,966,699,152.01	372,575,444.72	19,034,841,369.29
Unallocated assets	/	/	/	6,218,379,668.83
Total assets	/	/	/	25,253,221,038.12
Segment liabilities	464,939,295.69	3,139,617,718.89	21,062,793.87	3,625,619,808.45
Unallocated liabilities	/	/	/	3,854,774,291.72
Total liabilities	/	/	/	7,480,394,100.17

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XVI. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment information (Continued)

(2) Financial information of each reporting segment (Continued)

For the six months ended 30 June 2026 (Continued)

Item	Domestic mining	Overseas mining	Others	Head office	Total
External operating income	1,576,224,902.75	5,314,596,690.71	126,950,709.06	-	7,017,772,302.52
Share of (losses)/income of associates	(112,369.88)	-	(186,513.94)	342.32	(298,541.50)
Impairment reversal/(losses) on assets	-	32,413,016.82	(495,459.78)	-	31,917,557.04
Depreciation and amortisation	92,759,494.31	421,047,338.93	2,892,735.02	2,781,229.37	519,480,797.63
Income tax expenses	219,647,558.65	861,137,175.87	4,660,623.40	-	1,085,445,357.92
Investments in associates	4,018,986.74	-	3,209,145.19	1,244,272.53	8,472,404.46

For the six months ended 30 June 2025

Item	Domestic mining	Overseas mining	Others	Total
Operating income	1,215,651,350.50	3,930,610,803.67	168,312,260.78	5,314,574,414.95
Operating income between segments	-	-	(42,536,801.99)	(42,536,801.99)
External operating income	1,215,651,350.50	3,930,610,803.67	125,775,458.79	5,272,037,612.96
Segment profits	705,224,471.93	1,216,876,315.26	17,894,876.68	1,939,995,663.87

Reconciliation:

Head office profits and unallocated

profits and losses	/	/	/	(49,153,047.71)
Interest income	/	/	/	36,538,631.02
Interest expenses	/	/	/	(65,599,297.75)

Profit before tax	/	/	/	1,861,781,949.43
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NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XVI. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment information (Continued)

(2) Financial information of each reporting segment (Continued)

31 December 2025

Item	Domestic mining	Overseas mining	Others	Total
Assets and liabilities				
Segment assets	3,479,710,912.01	14,155,006,582.39	365,255,587.30	17,999,973,081.70
Unallocated assets	/	/	/	6,980,797,769.77
Total assets	/	/	/	24,980,770,851.47
Segment liabilities	542,382,230.34	3,190,192,137.23	21,106,795.28	3,753,681,162.85
Unallocated liabilities	/	/	/	4,716,445,351.55
Total liabilities	/	/	/	8,470,126,514.40

For the six months ended 30 June 2025

Item	Domestic mining	Overseas mining	Others	Head office	Total
External operating income	1,215,651,350.50	3,930,610,803.67	125,775,458.79	–	5,272,037,612.96
Share of losses of associates	–	–	–	(21,223.35)	(21,223.35)
Impairment (losses)/reversal on assets	–	(17,260,555.30)	192,837.84	–	(17,067,717.46)
Depreciation and amortisation	90,671,488.77	501,775,381.38	2,963,666.43	2,557,905.07	597,968,441.65
Income tax expenses	104,401,719.54	471,623,679.05	3,825,750.71	–	579,851,149.30
Investments in associates	2,537,474.35	–	–	1,396,947.97	3,934,422.32

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XVI. OTHER SIGNIFICANT EVENTS (CONTINUED)

1. Segment information (Continued)

(2) Financial information of each reporting segment (Continued)

Regional information

External operating income

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Chinese mainland	1,703,175,611.81	1,341,426,809.29
Overseas	5,314,596,690.71	3,930,610,803.67
Total	7,017,772,302.52	5,272,037,612.96

The external operating income above is based on the locations of the subsidiaries.

Non-current assets

Item	30 June 2026	31 December 2025
Chinese mainland	3,546,251,571.87	3,398,556,605.46
Overseas	11,564,152,142.43	11,125,421,577.24
Total	15,110,403,714.30	14,523,978,182.70

The non-current asset information above is based on the locations of the assets and excludes financial assets and deferred tax assets.

Information about major customers

Operating income of RMB2,548,612,411.52 was derived from sales by the overseas mining segment to a single customer ABC Refinery (Australia) Pty Limited (for the six months ended 30 June 2025: RMB2,168,845,041.51), and operating income of RMB1,665,184,460.44 was derived from sales by the overseas mining segment to a single customer Rand Refinery Proprietary Limited (for the six months ended 30 June 2025: RMB1,314,123,756.27).

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XVII. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS

1. Other receivables

Item	30 June 2026	31 December 2025
Dividends receivable	170,000,000.00	–
Other receivables	1,254,383,386.00	1,146,785,248.46
Total	1,424,383,386.00	1,146,785,248.46

An ageing analysis of other receivables is as follows:

Ageing	30 June 2026	31 December 2025
Within 1 year	1,252,561,319.74	1,106,304,782.20
Over 1 year but within 2 years	500,000.00	502,055.86
Over 2 years but within 3 years	1,322,066.26	39,978,410.40
Subtotal	1,254,383,386.00	1,146,785,248.46
Less: Bad debt provision for other receivables	–	–
Total	1,254,383,386.00	1,146,785,248.46

The details of other receivables by nature are as follows:

Nature	30 June 2026	31 December 2025
Intra-group transactions	1,251,859,078.60	1,144,434,303.97
Guarantees and deposits	2,060,878.48	2,127,614.44
Employee borrowings, reserves and personal transactions	463,428.92	223,330.05
Total	1,254,383,386.00	1,146,785,248.46

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XVII. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Other receivables (Continued)

30 June 2026

Item	Gross carrying amount		Bad debt provision		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision made individually	1,254,383,386.00	100.00	–	–	1,254,383,386.00

31 December 2025

Item	Gross carrying amount		Bad debt provision		Carrying amount
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision made individually	1,146,785,248.46	100.00	–	–	1,146,785,248.46

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XVII. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

1. Other receivables (Continued)

Other receivables for which bad debt provision has been made individually are as follows:

Item	30 June 2026				31 December 2025		
	Gross carrying amount	Bad debt provision	Percentage of provision (%)	Reason for provision	Gross carrying amount	Bad debt provision	Percentage of provision (%)
Chijin Laos	474,556,016.12	-	-	Based on the proportion of risk	418,975,326.73	-	-
Chijin HK	350,270,282.41	-	-	Based on the proportion of risk	329,809,672.24	-	-
LXML	116,466,390.00	-	-	Based on the proportion of risk	80,128,320.00	-	-
Jilong Mining	105,430,000.00	-	-	Based on the proportion of risk	70,000,000.00	-	-
Jintai Mining	30,042,879.52	-	-	Based on the proportion of risk	60,005,000.00	-	-
Guangyuan Technology	19,714,775.00	-	-	Based on the proportion of risk	59,849,335.00	-	-
Wulong Mining	107,866,000.00	-	-	Based on the proportion of risk	57,000,000.00	-	-
GSWL	37,459,950.00	-	-	Based on the proportion of risk	38,658,400.00	-	-
Hanfeng Mining	-	-	-	Based on the proportion of risk	20,000,000.00	-	-
Guangyuan Environmental Protection	10,007,500.00	-	-	Based on the proportion of risk	10,008,250.00	-	-
Chixia Laos	45,285.55	-	-	Based on the proportion of risk	-	-	-
Others	2,524,307.40	-	-	Based on the proportion of risk	2,350,944.49	-	-
Total	1,254,383,386.00	-	/ /		1,146,785,248.46	-	/

The five entities with the largest closing balances of other receivables as at 30 June 2026 are as follows:

Name	Closing balance	Proportion to total closing balance of other receivables (%)	Nature	Ageing	Closing balance of provision bad debt
Chijin Laos	474,556,016.12	37.84	Transactions among entities	Within 1 year	-
Chijin HK	350,270,282.41	27.92	Transactions among entities	Within 1 year	-
LXML	116,466,390.00	9.28	Transactions among entities	Within 1 year	-
Wulong Mining	107,866,000.00	8.60	Transactions among entities	Within 1 year	-
Jilong Mining	105,430,000.00	8.40	Transactions among entities	Within 1 year	-
Total	1,154,588,688.53	92.04 /	/	/	/

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XVII. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Long-term equity investments

30 June 2026

Item	30 June 2026		
	Gross carrying amount	Impairment provision	Carrying amount
Investments in subsidiaries	6,441,145,909.23	–	6,441,145,909.23
Investments in associates	1,244,272.53	–	1,244,272.53
Total	6,442,390,181.76	–	6,442,390,181.76

(1) Investments in subsidiaries

30 June 2026

Investee	Opening balance	Additions	Reductions	Closing balance	Impairment provision for the current period	Closing balance of impairment provision
Jilong Mining	1,694,207,878.30	–	–	1,694,207,878.30	–	–
Guangyuan Technology	100,000,000.00	–	–	100,000,000.00	–	–
Chijin Laos	1,909,708,750.00	–	–	1,909,708,750.00	–	–
Hanfeng Mining	531,714,480.93	–	–	531,714,480.93	–	–
Chijin Fengyu	49,380,000.00	–	–	49,380,000.00	–	–
Chijin HK	1,839,934,800.00	–	–	1,839,934,800.00	–	–
Xinhenghe Mining	61,200,000.00	–	–	61,200,000.00	–	–
Chijin xiauwu	204,000,000.00	51,000,000.00	–	255,000,000.00	–	–
Total	6,390,145,909.23	51,000,000.00	–	6,441,145,909.23	–	–

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XVII. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Long-term equity investments (Continued)

(2) Investments in associates

For the six months ended 30 June 2026

Investee	Opening balance	Movements during the period Investment income under the equity method	Closing balance	Closing balance of impairment provision
Associates				
Fengyu New Energy	1,212,698.20	—	1,212,698.20	—
Guohong Gold	31,232.01	342.32	31,574.33	—
Total	1,243,930.21	342.32	1,244,272.53	—

3. Operating income and operating costs

Item	For the six months ended 30 June 2026		For the six months ended 30 June 2025	
	Operating income	Operating costs	Operating income	Operating costs
Other operations	39,305,015.00	—	40,947,090.00	—
Total	39,305,015.00	—	40,947,090.00	—

NOTES TO FINANCIAL STATEMENTS

For the six months ended 30 June 2026

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(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

XVII. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Investment income/(losses)

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Investment income from long-term equity investments under the cost method	1,530,000,000.00	–
Investment income/(losses) from long-term equity investments under the equity method	342.32	(21,223.35)
Investment income received from disposal of financial assets and liabilities held for trading (Note)	3,612,570.42	–
Total	1,533,612,912.74	(21,223.35)

Note: Details of investment income from the disposal of financial assets and liabilities held for trading are as follows:

Item	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Investment income from wealth management products	3,612,570.42	–
Total	3,612,570.42	–

SUPPLEMENTARY INFORMATION

For the six months ended 30 June 2026

RMB

(English translation is for reference only. In the case of any discrepancies, the Chinese version shall prevail.)

1. SUMMARY OF NON-RECURRING GAINS OR LOSSES

For the six months ended 30 June 2026

Item	Amount
Gains or losses from disposal of non-current assets, including the write-off of the provision for impairment of assets	332,431.07
Government grants included in the current profit or loss, except those that are closely related to the Group's normal business operations, which comply with national policies and can be obtained based on established standards, and which have a continuing impact on the Group's profit or loss	633,853.96
Gains or losses from changes in fair value of financial assets and financial liabilities held by non-financial enterprises, and gains or losses from the disposal of financial assets and financial liabilities except effective hedging related to the Group's normal business operations	(3,388,227.88)
Reversal of impairment provision for receivables which was individually tested for impairment	233,833.60
Non-operating income and expenses other than those mentioned items	(4,654,294.73)
Other gains or losses items within the definition of non-recurring gains or losses	701,713.69
Subtotal	(6,140,690.29)
Less: Effect of income tax	(98,877.01)
Impact on the non-controlling interests (after tax)	27,437.83
Total	(6,069,251.11)

Note: The non-recurring gains or losses of the Group was recognised under the Explanatory Announcement No.1 on Information Disclosure and Presentation Rules for Companies Making Public Offering of Securities – Nonrecurring Profit or Loss (CSRC Announcement 2023 No. 65, 2023 Revision).

2. RETURN ON NET ASSETS AND EARNINGS PER SHARE

Net profit during the Reporting Period	Weighted average return on net assets (%)	Earnings per share	
		Basic	Diluted
Net profit attributable to ordinary shareholders of the parent	12.31	0.92	0.92
Net profit after non-recurring profit or loss attributable to ordinary shareholders of the parent	12.35	0.92	0.92

GLOSSARY

“2025 AGM”	the 2025 annual general meeting of the Company held on 8 May 2026
“A Share(s)”	domestic ordinary share(s) in the share capital of the Company with nominal value of RMB1.00 each, which are traded in Renminbi and listed on the Shanghai Stock Exchange
“AISC”	all-in sustaining costs, a metric which means cost of sales excluding amortisation and depreciation, plus all costs not included therein relating to sustaining current production including sustaining capital expenditure. It generally comprises of cash costs (including by-product credits), sustaining capital, exploration expenses and general and administrative expenses
“Articles of Association”	the articles of association of the Company
“AUD”	Australian dollars, the lawful currency of Australia
“Audit Committee”	the audit committee of the Board
“Au”	the chemical symbol for gold
“AuEq”	gold equivalent; including gold and other saleable elements converted into gold equivalent
“AusIMM”	the Australasian Institute of Mining and Metallurgy
“Board” or “Board of Directors”	the board of Directors
“CASBE”	Basic Standards and the Specific Standards of the China Accounting Standards for Business Enterprises
“GHS” or “Ghanaian Cedi”	the lawful currency of Ghana
“Chifeng Gold”, “Company” or “Listed Company”	Chifeng Jilong Gold Mining Group Limited (赤峰吉隆黃金礦業集團股份有限公司), a joint stock company incorporated under the laws of the PRC with limited liability on 22 June 1998, the A Shares and H Shares of which are listed on the Shanghai Stock Exchange (stock code: 600988) and the Main Board of the Hong Kong Stock Exchange (stock code: 6693) respectively
“Chijin Fengyu”	Shanghai Chijin Fengyu Industrial Co., Ltd. (上海赤金豐余實業有限公司), a direct wholly owned subsidiary of the Company

GLOSSARY

“Chijin HK”	Chijin International (HK) Limited (赤金國際(香港)有限公司), a company incorporated in Hong Kong with limited liability and a direct wholly owned subsidiary of the Company
“Chijin Xiawu”	Xiamen Chijin Xiawu Metal Resources Limited (廈門赤金廈鎢金屬資源有限公司), previously known as Shanghai Chijin Xiawu Metal Resources Limited (上海赤金廈鎢金屬資源有限公司), a private limited liability company established under the PRC laws and a direct non-wholly owned subsidiary of the Company
“Chixia Laos”	CHIXIA Laos Holdings Limited (赤廈老撾控股有限公司), a company registered in the Cayman Islands with limited liability and wholly owned by Chijin Xiawu
“Chixia Mining”	Chixia Mining (Laos) Co., Ltd (赤廈礦業老撾有限公司), a company registered in Laos, a subsidiary of Chixia Laos with 90% of shares owned by Chixia Laos
“CIRE Mining”	China Investment Rare Earth Mining Co., Ltd, a company registered in Laos with limited liability, a direct subsidiary of Chixia Mining, and the operator of the trial mining area of the Mengkham Rare Earth Element Project
“CIREX Mining”	China Investment Rare Earth Mining Xiangkhouang Co. Ltd, a company registered in Laos with limited liability and a direct subsidiary of Chixia Mining, and the operator of the exploration area of the Mengkham Rare Earth Element Project
“Company Law”	the Company Law of the People’s Republic of China
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Hong Kong Listing Rules
“CSDC Shanghai Branch”	the China Securities Depository and Clearing Corporation Limited Shanghai Branch

GLOSSARY

“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Cu”	the chemical symbol for copper
“Director(s)”	director(s) of the Company
“ESG”	environmental, social and governance
“Ghana”	the Republic of Ghana
“Global Offering”	the offer of the H Shares for subscription by the public in Hong Kong and outside the United States in offshore transactions, details of which are set out in the Prospectus
“Golden Star Resources” or “GSR”	Golden Star Resources Ltd., a company registered in Canada and an indirect non-wholly owned subsidiary of the Company
“grade”	ratio of the content of a useful element or its compounds in an ore, for which the greater the content, the higher the grade. For gold, grade is commonly expressed in grams per tonne of milled ore (g/t Au)
“Group”	the Company and its subsidiaries
“GSWL”	Golden Star (Wassa) Ltd, a company registered in Ghana and an indirect non-wholly owned subsidiary of GSR
“g/t”	gram(s) per metric tonne – metal concentration
“Guangyuan Environmental Protection”	Hefei Guangyuan Environmental Protection Technology Co., Ltd. (合肥廣源環保技術有限公司), a wholly owned subsidiary of Guangyuan Technology
“Guangyuan Technology”	Anhui Guangyuan Technology Development Co., Ltd. (安徽廣源科技發展有限公司), a private limited liability company established under the PRC laws and a direct non-wholly subsidiary of the Company

GLOSSARY

“H Share(s)”	overseas listed foreign ordinary shares in the share capital of the Company with nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
“Hanfeng Mining”	Jilin Hanfeng Mining Technology Co., Ltd. (吉林瀚豐礦業科技有限公司), a direct wholly owned subsidiary of the Company
“HKD” or “HK\$”	Hong Kong dollars, being the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Hong Kong Listing Rules” or “Listing Rules”	the Rules Governing the Listing of Securities on The Hong Kong Stock Exchange
“Huatai Mining”	Chifeng Huatai Mining Co., Ltd. (赤峰華泰礦業有限責任公司), which is registered in the PRC and is a wholly owned subsidiary of Jilong Mining
“Indicated Mineral Resources”	that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit
“Inferred Mineral Resources”	that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes
“Jilong Mining”	Chifeng Jilong Mining Co. Ltd. (赤峰吉隆礦業有限責任公司), a private limited liability company established under the PRC laws and a direct wholly owned subsidiary of the Company

GLOSSARY

“Jintai Mining”	Eryuan Jintai Mining Development Co., Ltd. (洱源錦泰礦業開發有限責任公司), a private limited liability company established under the PRC laws and a direct non-wholly owned subsidiary of Xinhenghe Mining
“JORC”	the Joint Ore Reserves Committee formed by the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia
“JORC Code”	the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves released by the JORC
“KIP” or “LAK” or “Lao Kip”	the lawful currency of Laos
“kt”	kilotonne(s)
“Laos”	the Lao People’s Democratic Republic
“LXML”	Lane Xang Minerals Limited Company, a company registered in Laos, an indirect non-wholly owned subsidiary of the Company and is the operator of the Sepon Gold and Copper Mine
“Mengkham Rare Earth Element Project”	a rare earth mine project operated by CIRE Mining in Laos
“Mineral Reserves”	the economically mineable part derived from a Measured and/or Indicated Mineral Resource, including diluting materials and allowances for losses which might occur when the material is mined or extracted and is defined by studies at the appropriate pre-feasibility or feasibility level with application of Modifying Factors and providing reasonable justification for extraction
“Mineral Resources”	A concentration or occurrence of solid material of economic interest in or on the Earth’s crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into inferred, indicated and measured categories
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Hong Kong Listing Rules

GLOSSARY

“MOF”	Ministry of Finance
“Mt”	million tonnes
“Moz”	million ounces
“oz”	ounce(s)
“pp”	percentage points
“Phase III ESOP”	Phase III Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Group Limited
“PRC”	the People’s Republic of China, and solely for the purpose of this report, excluding Taiwan, the Macao Special Administrative Region of the PRC and Hong Kong
“Prospectus”	the prospectus of the Company in connection with the Global Offering dated 28 February 2025
“QA/QC”	quality assurance/quality control
“Reporting Period” or “Period”	six months ended 30 June 2026
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Laos Sepon Gold and Copper Mine”	a large-scale mining operation located in Vilabouly District, Savannakhet Province, Laos, operated by LXML, a company registered in Laos, an indirect non-wholly owned subsidiary of the Company
“Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising our A Shares and our H Shares
“Shareholder(s)”	holder(s) of the Share(s)
“SND Project”	project located within the Sepon mining concession, which is owned and operated by LXML, an indirect non-wholly owned subsidiary of the Company
“t”	tonnes
“US\$” or “USD” or “U.S. dollars”	United States dollars, the lawful currency of the United States of America
“Wassa Gold Mine”	gold mine in Ghana operated by GSWL

GLOSSARY

“Wulong Mining”	Liaoning Wulong Gold Mining Co., Ltd. (遼寧五龍黃金礦業有限責任公司), a private limited liability company established under the PRC laws and a direct wholly owned subsidiary of Jilong Mining
“Xinhenghe Mining”	Kunming Xinhenghe Mining Co., Ltd. (昆明新恒河礦業有限公司), a private limited liability company established under the PRC laws and is a direct non-wholly owned subsidiary of the Company
“Zhejiang Hanfeng”	Zhejiang Hanfeng Venture Capital Partnership (Limited Partnership)* (浙江瀚豐創業投資合夥企業(有限合夥))(previously known as Yantai Hanfeng Zhongxing Management Consultancy Center (Limited Partnership)* (煙台瀚豐中興管理諮詢中心(有限合夥))), which holds 51,515,151A Shares, representing approximately 2.71% of the issued share capital of the Company as at the date of this report
“Zijin Gold”	Zijin Gold (Group) Co., Ltd.* (紫金黃金(集團)有限公司), limited liability company established under the laws of the PRC and a wholly-owned subsidiary of Zijin Mining Group
“Zijin Group”	Zijin Mining Group and its associates
“Zijin Mining Group”	Zijin Mining Group Co., Ltd.* (紫金礦業集團股份有限公司), a joint stock limited company incorporated in the PRC. The shares of Zijin Mining Group are dual listed on the Shanghai Stock Exchange (stock code: 601899) and the Hong Kong Stock Exchange (stock code: 2899)
“%”	per cent