

**ACCOUNTANTS' REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE
 DIRECTORS OF YUNNAN JINXUN RESOURCES CO., LTD. AND HUATAI
 FINANCIAL HOLDINGS (HONG KONG) LIMITED**

Introduction

We report on the historical financial information of Yunnan Jinxun Resources Co., Ltd.* (雲南金濤資源股份有限公司) (the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages I-4 to I-73, which comprises the consolidated statements of financial position of the Group and the statements of financial position of the Company as at 31 December 2022, 2023 and 2024 and 30 June 2025, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows, for each of the years ended 31 December 2022, 2023 and 2024 and the six months ended 30 June 2025 (the “**Track Record Period**”), and material accounting policy information and other explanatory information (together, the “**Historical Financial Information**”). The Historical Financial Information set out on pages I-4 to I-73 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated 31 December 2025 (the “**Prospectus**”) in connection with the initial listing of H shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited.

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 “Accountants’ Reports on Historical Financial Information in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

* *For identification purposes only*



Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purpose of the accountants' report, a true and fair view of the Company's and the Group's financial position as at 31 December 2022, 2023 and 2024 and 30 June 2025, and of the Group's financial performance and cash flows for the Track Record Period in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information.

Review of stub period corresponding financial information

We have reviewed the stub period corresponding financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the six months ended 30 June 2024 and other explanatory information (the "**Stub Period Corresponding Financial Information**"). The directors of the Company are responsible for the preparation and presentation of the Stub Period Corresponding Financial Information in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Corresponding Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Corresponding Financial Information, for the purpose of the accountants' report, is not prepared, in all material respects, in accordance with the basis of preparation and presentation set out in Note 1 to the Historical Financial Information.



Report on matters under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong limited and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to Note 29(c) to the Historical Financial Information which contains information about the dividends paid by the Company in respect of the Track Record Period.

A handwritten signature in black ink, appearing to read 'KPMG'.

Certified Public Accountants

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

31 December 2025



HISTORICAL FINANCIAL INFORMATION

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, were audited by KPMG under separate terms of engagement with the Company in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "**Underlying Financial Statements**").

Consolidated statements of profit or loss and other comprehensive income
(Expressed in Renminbi ("RMB"))

	Note	Years ended 31 December			Six months ended 30 June	
		2022	2023	2024	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	4	637,303	675,701	1,769,833	595,965	963,785
Cost of sales		(466,810)	(545,558)	(1,402,166)	(450,312)	(741,105)
Gross profit		170,493	130,143	367,667	145,653	222,680
Other income	5	6,332	3,131	1,865	1,265	818
Other gains and losses	6	(7,601)	(35,255)	(7,101)	15,237	11,555
Distribution and selling expenses . . .		(9,498)	(10,159)	(11,626)	(5,163)	(6,252)
Administrative expenses		(44,206)	(48,175)	(81,173)	(36,265)	(59,552)
Profit from operations		115,520	39,685	269,632	120,727	169,249
Finance costs	7(a)	(6,811)	(13,410)	(26,870)	(12,218)	(8,045)
Share of losses of an associate	15	(14,823)	(252)	—	—	—
Profit before taxation	7	93,886	26,023	242,762	108,509	161,204
Income tax	8	(10,382)	3,123	(40,324)	(15,425)	(26,222)
Profit for the year/period		<u>83,504</u>	<u>29,146</u>	<u>202,438</u>	<u>93,084</u>	<u>134,982</u>
Other comprehensive income for the year/period						
Item that are or may be reclassified subsequently to profit or loss:						
Exchange differences on translation of financial statements of overseas subsidiaries		15,941	3,442	3,464	1,197	(1,550)
Other comprehensive income for the year/period		<u>15,941</u>	<u>3,442</u>	<u>3,464</u>	<u>1,197</u>	<u>(1,550)</u>
Total comprehensive income for the year/period		<u>99,445</u>	<u>32,588</u>	<u>205,902</u>	<u>94,281</u>	<u>133,432</u>
Earnings per share						
Basic and diluted (RMB)	11	<u>0.81</u>	<u>0.27</u>	<u>1.84</u>	<u>0.84</u>	<u>1.22</u>

The accompanying notes form part of the Historical Financial Information.

Consolidated statements of financial position
(Expressed in RMB)

	Note	At 31 December			At 30 June
		2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets					
Property, plant and equipment	12	339,428	504,961	617,621	654,834
Intangible assets	13	–	7,608	9,433	9,634
Right-of-use assets	14	6,046	20,223	20,160	20,333
Interest in an associate	15	252	–	–	–
Deferred tax assets	28	6,405	14,459	11,041	12,199
Prepayments, deposits and other receivables	19	46,141	45,150	36,196	53,747
		398,272	592,401	694,451	750,747
Current assets					
Inventories	17	56,417	182,357	432,129	423,557
Trade receivables at amortised cost ..	18	1,174	491	264	2,204
Trade receivables at fair value through profit or loss (“FVTPL”) ..	18	43,161	25,084	36,517	39,743
Prepayments, deposits and other receivables	19	58,910	42,609	81,554	114,148
Time deposit	20	–	–	5,000	6,050
Cash and cash equivalents	20	79,062	39,876	123,901	126,510
		238,724	290,417	679,365	712,212
Current liabilities					
Trade payables at amortised cost	21	29,317	56,241	82,868	106,422
Trade payables designated at FVTPL ..	21	28,481	82,036	271,527	191,248
Accrued expenses and other payables	22	78,171	93,439	104,402	99,968
Contract liabilities	23	33,495	27,989	62,782	84,735
Income tax payable	28	11,176	10,855	34,848	39,131
Bank and other borrowings	24	81,485	195,505	207,171	176,167
Lease liabilities	25	695	250	90	139
Financial liabilities at FVTPL	26	246	66	–	107
		263,066	466,381	763,688	697,917
Net current (liabilities)/assets		(24,342)	(175,964)	(84,323)	14,295
Total assets less current liabilities ..		373,930	416,437	610,128	765,042

The accompanying notes form part of the Historical Financial Information.

	Note	At 31 December			At 30 June
		2022	2023	2024	2025
		RMB'000	RMB'000	RMB'000	RMB'000
Non-current liabilities					
Bank and other borrowings	24	5,904	17,706	61,456	69,019
Lease liabilities	25	529	78	–	401
Provision for restoration, rehabilitation and environmental costs	27	3,581	9,380	10,746	22,123
Deferred tax liabilities.....	28	<u>3,442</u>	<u>–</u>	<u>2,944</u>	<u>4,758</u>
		<u>13,456</u>	<u>27,164</u>	<u>75,146</u>	<u>96,301</u>
NET ASSETS		<u>360,474</u>	<u>389,273</u>	<u>534,982</u>	<u>668,741</u>
CAPITAL AND RESERVES					
Share capital	29	110,297	110,297	110,297	110,297
Reserves	29	<u>250,177</u>	<u>278,976</u>	<u>424,685</u>	<u>558,444</u>
TOTAL EQUITY		<u>360,474</u>	<u>389,273</u>	<u>534,982</u>	<u>668,741</u>

The accompanying notes form part of the Historical Financial Information.

Statements of financial position of the Company
(Expressed in RMB)

Note	At 31 December				At 30 June
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Non-current assets					
Property, plant and equipment	12	2,615	2,880	1,001	2,639
Right-of-use assets		944	—	—	—
Investments in subsidiaries	16	89,663	124,257	176,814	176,814
Deferred tax assets		759	1,649	16	59
Prepayments, deposits and other receivables	19	—	294	—	7,311
		93,981	129,080	177,831	186,823
Current assets					
Inventories	17	4,197	23,276	8,089	30,996
Trade receivables at amortised cost ..	18	63,590	106,609	103,181	143,299
Trade receivables FVTPL	18	10,867	8,561	882	87
Prepayments, deposits and other receivables	19	120,507	98,687	38,640	106,176
Time deposit	20	—	—	5,000	5,000
Cash and cash equivalents	20	61,428	9,769	25,220	7,614
		260,589	246,902	181,012	293,172
Current liabilities					
Trade payables at amortised cost ..	21	9,736	47,685	7,318	25,613
Trade payables designated at FVTPL ..	21	217	967	1,093	—
Accrued expenses and other payables	22	82,836	37,249	51,588	82,852
Contract liabilities	23	869	2,850	169	4,042
Income tax payable		1,863	336	2,528	6,600
Bank and other borrowings	24	49,037	41,062	44,572	42,608
Lease liabilities	25	304	—	—	—
Financial liabilities at FVTPL	26	246	66	—	107
		145,108	130,215	107,268	161,822
Net current assets					
		115,481	116,687	73,744	131,350
Total assets less current liabilities ..					
		209,462	245,767	251,575	318,173
Non-current liabilities					
Lease liabilities	25	339	—	—	—
NET ASSETS					
		209,123	245,767	251,575	318,173
CAPITAL AND RESERVES					
Share capital	29	110,297	110,297	110,297	110,297
Reserves	29	98,826	135,470	141,278	207,876
TOTAL EQUITY		209,123	245,767	251,575	318,173

The accompanying notes form part of the Historical Financial Information.

Consolidated statements of changes in equity
(Expressed in RMB)

	Share capital	Capital reserve	Statutory reserve	Exchange reserve	Retained profits	Total equity
	<i>RMB'000</i> <i>(Note 29(b))</i>	<i>RMB'000</i> <i>(Note 29(d))</i>	<i>RMB'000</i> <i>(Note 29(e))</i>	<i>RMB'000</i> <i>(Note 29(f))</i>	<i>RMB'000</i>	<i>RMB'000</i>
Balance at 1 January 2022	68,629	1,637	7,136	(14,987)	157,129	219,544
Changes in equity for 2022:						
Profit and total comprehensive income for the year	–	–	–	15,941	83,504	99,445
Appropriation to statutory reserve.	–	–	4,459	–	(4,459)	–
Issuance of ordinary shares, net of issuance cost <i>(Note 29(b)(ii))</i>	7,353	40,995	–	–	–	48,348
Dividends declared <i>(Note 29(c))</i>	–	–	–	–	(6,863)	(6,863)
Stock dividends declared <i>(Note 29(b)(i))</i>	<u>34,315</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(34,315)</u>	<u>–</u>
Balance at 31 December 2022 and 1 January 2023	<u>110,297</u>	<u>42,632</u>	<u>11,595</u>	<u>954</u>	<u>194,996</u>	<u>360,474</u>
Changes in equity for 2023:						
Profit and total comprehensive income for the year	–	–	–	3,442	29,146	32,588
Appropriation to statutory reserve.	–	–	4,043	–	(4,043)	–
Employees share-based payments <i>(Note 30)</i>	–	623	–	–	–	623
Dividends declared <i>(Note 29(c))</i>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(4,412)</u>	<u>(4,412)</u>
Balance at 31 December 2023 and 1 January 2024	<u><u>110,297</u></u>	<u><u>43,255</u></u>	<u><u>15,638</u></u>	<u><u>4,396</u></u>	<u><u>215,687</u></u>	<u><u>389,273</u></u>
Balance at 31 December 2023 and 1 January 2024	<u>110,297</u>	<u>43,255</u>	<u>15,638</u>	<u>4,396</u>	<u>215,687</u>	<u>389,273</u>
Changes in equity for 2024:						
Profit and total comprehensive income for the year	–	–	–	3,464	202,438	205,902
Appropriation to statutory reserve.	–	–	6,600	–	(6,600)	–
Employees share-based payments <i>(Note 30)</i>	–	470	–	–	–	470
Dividends declared <i>(Note 29(c))</i>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(60,663)</u>	<u>(60,663)</u>
Balance at 31 December 2024	<u><u>110,297</u></u>	<u><u>43,725</u></u>	<u><u>22,238</u></u>	<u><u>7,860</u></u>	<u><u>350,862</u></u>	<u><u>534,982</u></u>

The accompanying notes form part of the Historical Financial Information.

	Share capital <i>RMB'000 (Note 29(b))</i>	Capital reserve <i>RMB'000 (Note 29(d))</i>	Statutory reserve <i>RMB'000 (Note 29(e))</i>	Exchange reserve <i>RMB'000 (Note 29(f))</i>	Retained profits <i>RMB'000</i>	Total equity <i>RMB'000</i>
(unaudited)						
Balance at 1 January 2024 . . .	110,297	43,255	15,638	4,396	215,687	389,273
Changes in equity for the six months ended 30 June 2024:						
Profit and total comprehensive income for the period	–	–	–	1,197	93,084	94,281
Appropriation to statutory reserve.	–	–	5,648	–	(5,648)	–
Employees share-based payments (Note 30)	–	236	–	–	–	236
Dividends declared (Note 29(c)).	–	–	–	–	(5,515)	(5,515)
Balance at 30 June 2024 . . .	<u>110,297</u>	<u>43,491</u>	<u>21,286</u>	<u>5,593</u>	<u>297,608</u>	<u>478,275</u>
Balance at 1 January 2025 . . .	110,297	43,725	22,238	7,860	350,862	534,982
Changes in equity for the six months ended 30 June 2025:						
Profit and total comprehensive income for the period	–	–	–	(1,550)	134,982	133,432
Appropriation to statutory reserve.	–	–	6,627	–	(6,627)	–
Employees share-based payments (Note 30)	–	327	–	–	–	327
Balance at 30 June 2025 . . .	<u>110,297</u>	<u>44,052</u>	<u>28,865</u>	<u>6,310</u>	<u>479,217</u>	<u>668,741</u>

The accompanying notes form part of the Historical Financial Information.

Consolidated statements of cash flows
(Expressed in RMB)

Note	Years ended 31 December			Six months ended 30 June	
	2022 <i>RMB'000</i>	2023 <i>RMB'000</i>	2024 <i>RMB'000</i>	2024 <i>RMB'000</i> (unaudited)	2025 <i>RMB'000</i>
Operating activities					
Profit before taxation	93,886	26,023	242,762	108,509	161,204
Adjustments for:					
Depreciation of property, plant and equipment 7(c)	8,670	20,495	41,144	17,759	25,465
Depreciation of right-of-use assets 7(c)	1,030	989	668	332	332
Amortisation of intangible assets . 7(c)	–	35	636	243	323
Expense for employees share- based payments 30	–	623	470	236	327
Finance costs 7(a)	6,811	13,410	26,870	12,218	8,045
Interest income 5	(1,032)	(1,309)	(175)	(91)	(283)
Share of losses of an associate . . .	14,823	252	–	–	–
Net foreign exchange (gains)/losses 6	(4,061)	19,692	1,482	(2,037)	(9,328)
Impairment losses/(gains):					
– input value added tax (“VAT”) receivables 6	1,930	6,780	(3,774)	(1,887)	8,456
– other financial assets under expected credit loss (“ECL”) model 6	144	12,467	680	771	704
– property, plant and equipment . . .	–	–	4,438	–	–
Losses/(gains) arising on fair value change of financial assets/liabilities at FVTPL	9,942	(3,635)	2,213	(12,084)	(11,436)
Net (gains)/losses on disposal of property, plant and equipment . . 6	(354)	(49)	2,062	–	49
Changes in working capital:					
Decrease/(increase) in inventories . .	24,828	(125,835)	(247,048)	(103,154)	8,572
Increase in trade receivables and prepayments, deposits and other receivables	(2,150)	(10,448)	(31,134)	(48,515)	(22,620)
Increase/(decrease) in trade and other payables and accrued expenses	26,372	98,538	225,443	94,141	(58,190)
Increase/(decrease) in contract liabilities	29,690	(5,506)	34,793	23,010	21,953
Cash generated from operations . .	210,529	52,522	301,530	89,451	133,573
Income tax paid 28(a)	(8,349)	(9,193)	(8,972)	(4,302)	(22,040)
Net cash generated from operating activities	202,180	43,329	292,558	85,149	111,533
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The accompanying notes form part of the Historical Financial Information.

Note	Years ended 31 December			Six months ended 30 June	
	2022 <i>RMB'000</i>	2023 <i>RMB'000</i>	2024 <i>RMB'000</i>	2024 <i>RMB'000</i> (unaudited)	2025 <i>RMB'000</i>
Investing activities					
Interest received	90	323	175	91	283
Payments for the purchase of property, plant and equipment and intangible assets	(201,465)	(192,718)	(171,386)	(73,695)	(72,120)
Proceeds from disposal of property, plant and equipment, net of transaction costs	689	110	210	—	119
Net cash used in investing activities	(200,686)	(192,285)	(171,001)	(73,604)	(71,718)
Financing activities					
Proceeds from issuance of ordinary shares, net of issuance cost	48,348	—	—	—	—
Increase in time deposits	—	—	(5,000)	(5,000)	(1,050)
Payments for costs incurred in connection with the proposed initial public offering of H shares	—	—	—	—	(5,726)
(Increase)/decrease in deposits to secure guarantees granted by third parties	(2,000)	2,000	—	—	—
Dividends paid to shareholders of the Company	(6,863)	(4,412)	(60,663)	(5,515)	—
Proceeds from bank and other borrowings	20(b)	100,165	262,477	512,170	228,928
Repayment of bank and other borrowings	20(b)	(81,861)	(137,888)	(458,700)	(220,607)
Interest paid	20(b)	(6,284)	(12,331)	(25,962)	(5,582)
Capital element of lease rentals paid	20(b)	(931)	(416)	(241)	(116)
Interest element of lease rentals paid	20(b)	(78)	(75)	(10)	(6)
Net cash generated from/(used in) financing activities	50,496	109,355	(38,406)	(7,898)	(36,925)
Net increase/(decrease) in cash and cash equivalents	51,990	(39,601)	83,151	3,647	2,890
Cash and cash equivalents at 1 January	20(a)	27,001	79,062	39,876	39,876
Effect of foreign exchange rate changes	71	415	874	151	(281)
Cash and cash equivalents at end of the year/period	20(a)	79,062	39,876	123,901	43,674

The accompanying notes form part of the Historical Financial Information.

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

(Expressed in RMB unless otherwise indicated)

1 BASIS OF PREPARATION AND PRESENTATION OF HISTORICAL FINANCIAL INFORMATION

Yunnan Jinxun Resources Co., Ltd. (雲南金淳資源股份有限公司, the "Company") was established in the People's Republic of China (the "PRC") on 21 January 2010 as a limited liability company under the laws of the PRC and was converted into a joint stock limited liability company on 15 July 2016. Its shares have been quoted on the National Equities Exchange and Quotations (the "NEEQ") since February 2017 (Stock Code: 870844).

The Company and its subsidiaries (together, the "Group") are principally engaged in the mineral processing, smelting and trading of non-ferrous metals.

The statutory financial statements of the Company for the years ended 31 December 2022, 2023 and 2024 were prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and audited by RSM China Accounting Firm (Special General Partnership) (容誠會計師事務所(特殊普通合夥)) ("RSM China").

The Company had direct or indirect interests in the following subsidiaries, all of which are private companies:

Name of company	Place of establishment and business	Date of establishment	Particulars of registered/ paid-in capital	The Group's effective interest	Held by the Company	Held by subsidiaries	Principal activities
Shanghai Jinxun New Energy Co., Ltd. (Notes (i) and (ii)) 上海金淳新能源有限公司 ("Jinxun Shanghai") . . .	The PRC	3 February 2016	RMB10,000,000/ RMB10,000,000	100%	100%	-	Investment holding and mining trading business
Rong Xing Investments Limited (Notes (iii)) ("Rong Xing Investments") . . .	Zambia	16 August 2016	Zambian Kwacha ("ZMW")20,000/ ZMW20,000	100%	99%	1%	Smelting, processing and sales of cathode copper and copper concentrate
Tibet Huiyi Information Technology Co., Ltd. (Notes (i) and (iv)) ("Tibet Huiyi") 西藏匯益信息科技有限公司 . . .	The PRC	21 February 2017	RMB20,000,000/ RMB20,000,000	100%	100%	-	Mining trading business
Jinxun (Singapore) International Trade PTE. Ltd. (Notes (v)) ("Jinxun Singapore") . . .	Singapore	25 April 2018	Singapore Dollar ("SGD")14,141,374/ SGD14,141,374	100%	100%	-	Mining trading business
Jin Xun Congo Mining SARL (Notes (vi)) . . .	The Democratic Republic of the Congo ("DRC")	13 August 2018	United States Dollar ("USD")10,000/ USD10,000	100%	-	100%	Smelting and sales of cathode copper and cobalt
Minera Jinxun Peru S.A.C. (Notes (vii)) . . .	Peru	14 October 2020	Peruvian Nuevo Sol ("SOL")2,168,054/ SOL2,168,054	100%	1%	99%	Mining trading business
Anhui Jinxun New Energy Material Co., Ltd. (Notes (i) and (ii)) 安徽金淳新能源材料有限公司 ("Jinxun Anhui") . . .	The PRC	8 October 2022	USD10,000,000/ USD5,499,821	100%	-	100%	Manufacturing and sale of cobalt related material

Notes:

- (i) These entities were registered as limited liability companies under the laws and regulations in the PRC. The official names of the entities are in Chinese. The English translations are for identification only.
- (ii) The statutory financial statements of these entities for the years ended 31 December 2022, 2023 and 2024 were prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and audited by RSM China.
- (iii) The statutory financial statements of the entity for the years ended 31 December 2022, 2023 and 2024 were prepared in accordance with IFRS Accounting Standards and audited by HLB Zambia Audit Services Limited.
- (iv) The statutory financial statements of the entity for the years ended 31 December 2022, 2023 and 2024 were prepared in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and audited by Anhui Jinkaicheng Certified Public Accountants (General Partnership) (安徽金凱誠會計師事務所(普通合夥)).
- (v) The statutory financial statements of the entity for the years ended 31 December 2022, 2023 and 2024 were prepared in accordance with Financial Reporting Standards in Singapore and audited by CLA Global TS Public Accounting Corporation.
- (vi) As at the date of this report, no audited financial statements have been prepared for the entity.
- (vii) The statutory financial statements of the entity for the fiscal years ended 31 December 2022, 2023 and 2024 were prepared in accordance with IFRS Accounting Standards. Financial statements of the entity for the fiscal years ended 31 December 2022 and 2023 were audited by P&S Auditores, Consultores and financial statements of the entity for the year ended 31 December 2024 was audited by ECOVIS Peru.

All companies now comprising the Group have adopted 31 December as their financial year end date.

The Historical Financial Information has been prepared in accordance with all applicable IFRS Accounting Standards as issued by the International Accounting Standards Board (the "IASB"). Further details of the material accounting policy information are set out in Note 2.

The IASB has issued a number of new and revised IFRS Accounting Standards. For the purpose of preparing this Historical Financial Information, the Group has adopted all applicable new and revised IFRS Accounting Standards to the Track Record Period, except for any new or revised standards or interpretations that are not yet effective for the accounting period beginning on 1 January 2025. The revised and new accounting standards and interpretations issued but not yet effective for the accounting period beginning on 1 January 2025 are set out in Note 36.

The Historical Financial Information also complies with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The accounting policies set out below have been applied consistently to all periods presented in the Historical Financial Information.

The Stub Period Corresponding Financial Information has been prepared in accordance with the same basis of preparation and presentation adopted in respect of the Historical Financial Information.

The Historical Financial Information are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

2 MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of measurement

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

- Trade receivables and trade payables under provisional priced sales arrangements (see Note 2(d), 2(l) and 2(n)); and
- derivative financial instruments (see Note 2(d)).

(b) Use of estimates and judgements

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

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

Judgements made by management in the application of IFRS Accounting Standards that have significant effect on the Historical Financial Information and major sources of estimation uncertainty are discussed in Note 3.

(c) Subsidiaries and associate

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

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

An interest in an associate is accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequently, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income ("OCI") of those investees, until the date on which significant influence or joint control ceases.

When the Group's share of losses exceeds its interest in the associate, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with any other long-term interests that in substance form part of the Group's net investment in the associate.

Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent there is no evidence of impairment.

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

(d) Derivative financial instruments

The Group holds derivative financial instruments to manage its commodity price risk exposures. The Group's derivative financial instruments mainly include copper future contracts and those embedded in provisional price arrangements.

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

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

(e) Property, plant and equipment

Property, plant and equipment are stated at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses (see Note 2(h)(ii)).

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

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

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

The estimated useful lives for the Track Record Period for property, plant and equipment (other than construction in progress) are as follows:

	<u>Estimated useful lives</u>
Buildings	10-20 years
Machinery equipment	10 years
Electronic, transportation equipment and others	3-5 years

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

Construction in progress represents property, plant and equipment under construction, which is stated at cost less accumulated impairment losses (see Note 2(h)(ii)). Capitalisation of construction costs ceases and the construction in progress is transferred to property, plant and equipment when substantially all of the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided in respect of construction in progress until it is substantially completed and ready for its intended use.

(f) Intangible assets

Intangible assets that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses (see Note 2(h)(ii)).

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, if any, and is generally recognised in profit or loss.

The estimated useful lives of the exploitation certificate are determined based on the validity period of the exploitation certificate. The estimated useful lives for the exploitation certificate are 16 years.

Amortization methods, useful lives and residual values are reviewed annually and adjusted if appropriate.

(g) Leased assets

At inception of a contract, the Group assesses whether the 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. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

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

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

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

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

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

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

(ii) As a lessor

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

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

(h) **Credit losses and impairment of assets**

(i) ***Credit losses from financial instruments***

The Group recognises a loss allowance for expected credit losses ("ECLs") on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables measured at amortised cost, input VAT receivables, other receivables, deposits and bank deposit and bank balances).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

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

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

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

ECLs are measured on either of the following bases:

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

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

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

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

Significant increases in credit risk

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

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

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

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

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

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

Credit-impaired financial assets

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

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

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or past due event;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

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

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

(ii) Impairment of non-current assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

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

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

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

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

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

(i) Inventories

Inventories are stated at the lower of cost and net realisable value.

Costs of inventories are determined on the following bases:

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

Net realisable value represents the estimated selling price less any estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as cost of sales in the period in which the related revenue is recognised.

(j) Environmental rehabilitation

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

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

(k) Contract liabilities

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

(l) Trade and other receivables

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

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

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

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

(m) Cash and cash equivalents

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

(n) Trade and other payables

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

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

For purchase contracts containing one or more embedded derivatives, IFRS 9 permits designating the entire combined contract as FVTPL.

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

(o) Interest-bearing borrowings

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

(p) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

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

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

(ii) Retirement benefit costs

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

The employees of the Group's overseas subsidiaries are members of the state-managed retirement benefit schemes operated by local government. The subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefit schemes to fund the benefits.

In addition, certain employees of the Group are members of the state-managed retirement benefit scheme operated by the PRC government and the Group contributes a certain percentage of their payroll to the retirement benefit scheme to fund the benefit.

(iii) Share-based payments

The grant-date fair value of equity-settled share-based payments granted to employees is measured using market approach. The amount is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service conditions at the vesting date. The equity amount is recognised in the capital reserve.

(iv) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring that involves the payment of termination benefits.

(q) Income tax

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

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

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

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

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

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

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

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

(r) Provisions and contingent liabilities

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

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

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

(s) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods in the ordinary course of the Group's business.

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

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

(i) Sale of goods

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

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

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

(ii) Interest income

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

(iii) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred.

(t) Translation of foreign currencies

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

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

The assets and liabilities of foreign operations are translated into RMB at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into RMB at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the exchange reserve.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence is lost, the cumulative amount in the exchange reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. On disposal of a subsidiary that includes a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation that have been attributed to the NCI shall be derecognised, but shall not be reclassified to profit or loss. When the Group disposes of only part of an associate while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(u) Borrowing costs

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

(v) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

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

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

(w) Segment reporting

Operating segments, and the amounts of each segment item reported in the Historical Financial Information, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3 ACCOUNTING JUDGEMENTS AND ESTIMATES

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

(a) Impairment assessment of property, plant and equipment

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

(b) Restoration, rehabilitation and environmental costs

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

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

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

(c) Income taxes

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

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

(d) Impairment for input VAT receivables

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

4 REVENUE AND SEGMENT REPORTING

The Group is principally engaged in metal production and processing and trading business. Further details regarding the Group's principal activities are disclosed in Note 4(b).

(a) Revenue

(i) Disaggregation of revenue

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

	Years ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<i>Revenue from contracts with customers within the scope of IFRS 15 and recognised at a point in time</i>					
<i>Disaggregated by major products lines</i>					
<i>Copper production and processing</i>					
– Copper cathodes	328,220	404,785	1,228,967	448,256	828,021
– Copper concentrate	62,396	12,177	946	946	1,179
– Cobalt hydroxide.	–	–	–	–	10,739
Trading revenue	246,687	258,739	539,920	146,763	123,846
	637,303	675,701	1,769,833	595,965	963,785
	=====	=====	=====	=====	=====

Disaggregation of revenue from contracts with customers by geographic markets, based on the delivery location is as follows:

	Years ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<i>Disaggregated by delivery location</i>					
<i>DRC</i>					
DRC	–	126,370	877,004	308,104	699,681
Zambia	388,723	288,399	352,912	141,098	127,721
The PRC	241,754	260,932	409,070	112,465	84,029
Peru	6,826	–	130,847	34,298	52,354
	637,303	675,701	1,769,833	595,965	963,785
	=====	=====	=====	=====	=====

Disaggregation of revenue from contracts with customers by geographic markets, based on the place of registration of the customers is as follows:

	Years ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Disaggregated by place of registration					
Singapore	–	27,989	406,455	169,916	496,828
Switzerland	–	11,718	265,917	106,523	128,917
Chinese Mainland	241,754	350,521	634,035	199,708	120,965
Hong Kong	220,925	83,610	25,598	–	86,397
British Virgin Islands	107,295	192,513	266,201	98,266	78,255
Luxembourg	–	–	170,167	20,092	47,241
Peru	6,827	–	514	514	4,003
Zambia	60,502	9,350	946	946	1,179
	637,303	675,701	1,769,833	595,965	963,785

During the Track Record Period, the Group's customers with whom transactions have exceeded 10% of the total revenue of the Group in the respective years are as follows. Details of concentrations of credit risk arising from largest debtors are set out in Note 31(a).

	Years ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Customer A					
Customer A	281,428	92,960	*	*	*
Customer B	107,295	192,513	266,201	98,266	*
Customer C	74,563	*	*	*	–
Customer D	*	124,466	*	*	–
Customer E	–	*	233,377	126,329	150,760
Customer F	–	*	*	62,824	128,917
Customer G	–	–	*	–	237,235

***:** The corresponding customer did not contribute over 10% of the total revenue of the Group in the respective year/period.

The Group applies the practical expedient in paragraph 121(a) of IFRS 15 of not disclosing the transaction price allocated to the remaining performance obligation as the original expected duration of substantially all the contracts of the Group are within one year or less.

(b) **Segment reporting**

The Group manages its businesses by divisions, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following two reportable segments. No operating segments have been aggregated to form the following reportable segment.

- Metal production and processing – Production and sale of copper cathodes which are produced using the solvent extraction electrowinning technology, processing and sale of copper concentrate, and processing and sale of cobalt and related material.
- Trading business – Trading business for non-ferrous metal.

(i) **Segment results**

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments. The measure used for reporting segment result is gross profit.

The Group's other operating income and expenses, such as other income, other gains and losses, distribution and selling expenses and administrative expenses are not measured under individual segments. The Group's most senior executive management monitor the Group's assets and liabilities as a whole, accordingly, no segment assets and liabilities is presented.

Disaggregation information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the Track Record Period is set out below.

	2022		
	Metal production and processing <i>RMB'000</i>	Trading business <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue from external customers and reportable segment revenue.	390,616 <hr/>	246,687 <hr/>	637,303 <hr/>
Reportable segment gross profit	164,939 <hr/>	5,554 <hr/>	170,493 <hr/>
2023			
	Metal production and processing <i>RMB'000</i>	Trading business <i>RMB'000</i>	Total <i>RMB'000</i>
Revenue from external customers and reportable segment revenue.	416,962 <hr/>	258,739 <hr/>	675,701 <hr/>
Reportable segment gross profit	120,386 <hr/>	9,757 <hr/>	130,143 <hr/>

	2024		
	Metal production and processing	Trading business	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue from external customers and reportable segment revenue.	1,229,913	539,920	1,769,833
Reportable segment gross profit	<u>337,782</u>	<u>29,885</u>	<u>367,667</u>
Six months ended 30 June 2024			
	Metal production and processing	Trading business	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
(unaudited)			
Revenue from external customers and reportable segment revenue.	449,202	146,763	595,965
Reportable segment gross profit	<u>130,104</u>	<u>15,549</u>	<u>145,653</u>
Six months ended 30 June 2025			
	Metal production and processing	Trading business	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue from external customers and reportable segment revenue.	839,939	123,846	963,785
Reportable segment gross profit	<u>212,060</u>	<u>10,620</u>	<u>222,680</u>

5 OTHER INCOME

	Years ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Interest income	1,032	1,309	175	91	283
Government grants	4,628	918	266	13	332
Sale of spare parts and other materials.	135	162	730	467	129
Others.	<u>537</u>	<u>742</u>	<u>694</u>	<u>694</u>	<u>74</u>
	<u>6,332</u>	<u>3,131</u>	<u>1,865</u>	<u>1,265</u>	<u>818</u>

6 OTHER GAINS AND LOSSES

	Years ended 31 December			Six months ended 30 June	
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2024 RMB'000 (unaudited)	2025 RMB'000
Gains/(losses) on disposal of property, plant and equipment, net	354	49	(2,062)	—	(49)
Impairment (losses)/reversals recognised in respect of					
– input VAT receivables (Note 19)	(1,930)	(6,780)	3,774	1,887	(8,456)
– financial assets under ECL	(144)	(12,467)	(680)	(771)	(704)
– property, plant and equipment (Note 12)	—	—	(4,438)	—	—
Foreign exchange gains/(losses), net	4,061	(19,692)	(1,482)	2,037	9,328
(Losses)/gains from changes in fair value of financial liabilities/assets at FVTPL					
– trade receivables at FVTPL	(10,431)	3,141	2,871	17,021	11,901
– trade payables designated at FVTPL .	528	461	(94)	182	(358)
– other financial liabilities at FVTPL .	(39)	33	(4,990)	(5,119)	(107)
	<u>(7,601)</u>	<u>(35,255)</u>	<u>(7,101)</u>	<u>15,237</u>	<u>11,555</u>

7 PROFIT BEFORE TAXATION

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

(a) Finance costs

	Years ended 31 December			Six months ended 30 June	
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2024 RMB'000 (Unaudited)	2025 RMB'000
Interest on bank and other borrowings	7,050	13,647	26,472	11,744	8,433
Interest on lease liabilities	78	75	10	6	14
Unwinding of discount (Note 27)	335	916	1,025	499	996
Less: interest expense capitalised into plant under construction (Note)	(652)	(1,228)	(637)	(31)	(1,398)
	<u>6,811</u>	<u>13,410</u>	<u>26,870</u>	<u>12,218</u>	<u>8,045</u>

Note: Interest on bank and other borrowings have been capitalised at a rate of 10.0%, 10.0% and 4.3%, 4.3% (unaudited) and 4.3% per annum during the years ended 31 December 2022, 2023 and 2024 and the period ended six months ended 30 June 2024, 2025.

(b) Staff costs

	Years ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Salaries, wages and other benefits . . .	34,100	43,807	70,332	33,613	40,111
Contributions to defined contribution retirement schemes	1,643	2,387	3,538	1,500	1,802
	<u>35,743</u>	<u>46,194</u>	<u>73,870</u>	<u>35,113</u>	<u>41,913</u>

(c) Other items

	Years ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Depreciation of property, plant and equipment (Note 12)	8,670	20,495	41,144	17,759	25,465
Amortisation of intangible assets (Note 13)	—	35	636	243	323
Depreciation of right-of-use assets (Note 14)	1,030	989	668	332	332
Total amortisation and depreciation . . .	<u>9,700</u>	<u>21,519</u>	<u>42,448</u>	<u>18,334</u>	<u>26,120</u>
Lease payments not included in the measurement of lease liabilities.	299	531	1,166	708	901
Cost of inventories (Note)	466,810	545,338	1,402,166	450,312	741,105
Auditor's remuneration	1,283	566	547	519	538
Listing expenses	—	—	—	—	175

Notes:

Cost of sales of inventories includes RMB9,856,000, RMB17,536,000, RMB36,710,000, RMB16,974,000 (unaudited) and RMB18,947,000 relating to staff costs during the years ended 31 December 2022, 2023 and 2024, and the periods ended six months ended 30 June 2024, 2025, which are included in the respective total amounts disclosed separately above or in Note 7(b).

Cost of sales of inventories also includes RMB7,067,000, RMB19,244,000, and RMB39,884,000, RMB17,142,000 (unaudited) and RMB24,781,000 relating to depreciation and amortisation expenses during the years ended 31 December 2022, 2023 and 2024 and the periods ended six months ended 30 June 2024, 2025, which are also included in the respective total amounts disclosed separately above.

8 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(a) **Taxation in the consolidated statements of profit or loss and other comprehensive income represents:**

	Years ended 31 December			Six months ended 30 June	
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2024 RMB'000 (Unaudited)	2025 RMB'000
Current tax (Note 28(a))					
– Income tax in the PRC	7,119	4,128	14,835	6,529	15,342
– Income tax in Singapore	2,198	712	4,021	3,190	2,584
– Income tax in Peru	199	–	578	–	712
– Income tax in DRC	–	1,558	14,517	2,845	5,565
– Income tax in Zambia.	2,725	1,948	–	1,457	1,349
Provision for the year/period.	<u>12,241</u>	<u>8,346</u>	<u>33,951</u>	<u>14,021</u>	<u>25,552</u>
Deferred tax (Note 28(b))					
Origination and reversal of temporary differences	(1,859)	(11,469)	6,373	1,404	670
	<u>10,382</u>	<u>(3,123)</u>	<u>40,324</u>	<u>15,425</u>	<u>26,222</u>

Income tax in the PRC is calculated at 25% on the estimated taxable profit.

Income tax in Singapore is calculated at 17% on the estimated taxable profit.

Income tax in Peru is calculated at 29.5% on the estimated taxable profit.

Income tax in DRC is calculated at 30% on the estimated taxable profit when 30% of the taxable profit exceeds 1% of gross sales, and calculated at 1% of gross sales when 30% of the taxable profit does not exceeds 1% of gross sales.

Income tax in Zambia is calculated at 30% on the estimated taxable profit.

The Group enjoyed the following income tax incentives:

- Rong Xing Investments was granted a tax waiver on its income tax for the year ended 31 December 2022 of Zambian Kwacha (“ZMW”) 27,915,000 (equivalent to RMB10,409,000).
- Tibet Huiyi located in the PRC, is eligible for a 15% income tax rate from 1 January 2021 to 31 December 2030. Tibet Huiyi is also eligible for an additional 6% income tax rate relief from 1 January 2022 to 31 December 2025.
- Upon meeting certain requirements for trading businesses in Singapore, Jinxun Singapore is eligible for a 10% income tax rate for profit arising from certain specified commodities trading revenue from 1 April 2025 to 31 March 2028.
- In Singapore, the income tax is eligible for progressive tax relief. The subsidiary of the Company is eligible for 75% income tax relief when the profit before taxation is less than SGD10,000, 50% income tax relief when the profit before taxation is SGD10,000 or greater but less than SGD200,000.

Certain dividend income of Jinxun Singapore from subsidiaries in the PRC and DRC is subject to withholding tax at tax rate of 10%.

Certain dividend income of the Company and Jinxun Singapore from a subsidiary in Peru is subject to withholding tax at tax rate of 5%.

According to the Convention between the Republic of Zambia and the PRC for the Avoidance of Double Taxation, certain dividend income of the Company from a subsidiary in Zambia is subject to withholding tax at tax rate of 5%.

Certain dividend income of the Company from a subsidiary in Singapore is subject to withholding tax at tax rate of 10%.

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

	Years ended 31 December			Six months ended 30 June	
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2024 RMB'000 (Unaudited)	2025 RMB'000
Profit before taxation	<u>93,886</u>	<u>26,023</u>	<u>242,762</u>	<u>108,509</u>	<u>161,204</u>
Tax at income tax rate in the PRC					
– for operations at 25%	16,722	11,048	36,852	15,464	30,152
Tax at income tax rate in Singapore					
– for operations at 17%	(138)	1,706	10,054	4,658	5,103
Tax at income tax rate in Peru					
– for operations at 29.5%	448	(506)	512	269	802
Tax at income tax rate in DRC					
– for operations at 30%	(4,117)	(3,551)	6,129	3,088	675
Tax at income tax rate in Zambia					
– for operations at 30%	<u>12,003</u>	<u>(4,394)</u>	<u>4,215</u>	<u>2,415</u>	<u>1,683</u>
Expected tax on profit before taxation, calculated at the rate applicable to profits	24,918	4,303	57,762	25,894	38,415
Effect of changes of tax rate	322	(69)	(149)	–	1
Effect of tax incentives granted to the Group	(20,641)	(7,729)	(21,414)	(10,036)	(15,862)
Tax effect of non-deductible expenses	6,663	2,585	8,225	1,705	5,553
Tax effect of deductible temporary differences not recognised	409	1,134	497	142	428
Tax effect of utilisation of prior years' unused tax losses previously and other deductible temporary differences not recognised	(569)	(87)	(416)	(269)	–
Tax effect of non-taxable income	(720)	(3,260)	(4,181)	(2,011)	(2,313)
Income tax	<u>10,382</u>	<u>(3,123)</u>	<u>40,324</u>	<u>15,425</u>	<u>26,222</u>

9 DIRECTORS' AND SUPERVISORS' EMOLUMENTS

Details of the emoluments of the directors and supervisors of the Company during the Track Record Period are as follows:

	Year ended 31 December 2022					
	Directors' fees RMB'000	Salaries, allowances and benefits in kind RMB'000	Discretionary bonuses RMB'000	Share option scheme RMB'000	Retirement scheme contributions RMB'000	Total RMB'000
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive Directors:						
Mr. Yuan Rong <i>Note ((i))</i>	–	539	68	–	63	670
Ms. Yuan Mei <i>Note ((i))</i>	–	219	149	–	15	383
Mr. Yang Yongchang <i>Note ((i))</i>	–	269	64	–	15	348
Mr. Lv Jixue <i>Note ((i)) ((vi))</i>	–	43	1	–	11	55
Mr. Li Hai <i>Note ((i))</i>	–	143	26	–	9	178
	–	<u>1,213</u>	<u>308</u>	–	<u>113</u>	<u>1,634</u>
Supervisors:						
Mr. Yan Lei <i>Note ((ii))</i>	–	145	43	–	9	197
Mr. Zhu Zhiming <i>Note ((ii))</i>	–	90	128	–	11	229
Ms. Li Jinhua <i>Note ((ii))</i>	–	21	42	–	9	72
	–	<u>256</u>	<u>213</u>	–	<u>29</u>	<u>498</u>
	–	<u>1,469</u>	<u>521</u>	–	<u>142</u>	<u>2,132</u>

	Year ended 31 December 2023					
	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Share option scheme	Retirement scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive Directors:						
Mr. Yuan Rong <i>Note ((iii))</i>	—	724	37	—	68	829
Ms. Yuan Mei <i>Note ((iii))</i>	—	307	46	—	16	369
Mr. Yang Yongchang <i>Note ((iii))</i>	—	369	102	86	16	573
Non-executive director:						
Mr. Li Mengtao <i>Note ((iii))</i>	—	—	—	—	—	—
Independent non-executive directors:						
Ms. Zheng Dongyu <i>Note ((iv))</i>	60	—	—	—	—	60
Ms. Yao Ronghui <i>Note ((iv))</i>	60	—	—	—	—	60
Mr. Xia Hongying <i>Note ((iv))</i>	60	—	—	—	—	60
	180	1,400	185	86	100	1,951
Supervisors:						
Mr. Yan Lei <i>Note ((v))</i>	—	142	40	29	9	220
Mr. Zhu Zhiming <i>Note ((v))</i>	—	65	26	6	12	109
Ms. Wang Xiuxuan <i>Note ((v))</i>	—	77	26	—	8	111
	—	284	92	35	29	440
	180	1,684	277	121	129	2,391

	Year ended 31 December 2024					
	Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Share option scheme	Retirement scheme contributions	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Executive Directors:						
Mr. Yuan Rong	—	818	—	—	71	889
Ms. Yuan Mei	—	315	85	—	12	412
Mr. Yang Yongchang	—	379	86	86	15	566
Non-executive director:						
Mr. Li Mengtao	—	—	—	—	—	—
Independent non-executive directors:						
Ms. Zheng Dongyu	60	—	—	—	—	60
Ms. Yao Ronghui	60	—	—	—	—	60
Mr. Xia Hongying	60	—	—	—	—	60
	180	1,512	171	86	98	2,047
Supervisors:						
Mr. Yan Lei	—	155	79	29	9	272
Mr. Zhu Zhiming	—	74	19	6	13	112
Ms. Wang Xiuxuan	—	87	33	—	8	128
	—	316	131	35	30	512
	180	1,828	302	121	128	2,559

Six months ended 30 June 2024

	Directors' fees RMB'000	Salaries, allowances and benefits in kind RMB'000	Discretionary bonuses RMB'000	Share option scheme RMB'000	Retirement scheme contributions RMB'000	Total RMB'000
(unaudited)						
Executive Directors:						
Mr. Yuan Rong	—	388	—	—	35	423
Ms. Yuan Mei	—	156	54	—	7	217
Mr. Yang Yongchang	—	187	53	43	8	291
Non-executive director:						
Mr. Li Mengtao	—	—	—	—	—	—
Independent non-executive directors:						
Ms. Zheng Dongyu	30	—	—	—	—	30
Ms. Yao Ronghui	30	—	—	—	—	30
Mr. Xia Hongying	30	—	—	—	—	30
	90	731	107	43	50	1,021
Supervisors:						
Mr. Yan Lei	—	73	56	14	4	147
Mr. Zhu Zhiming	—	37	17	3	6	63
Ms. Wang Xiuxuan	—	43	18	—	4	65
	—	153	91	17	14	275
	90	884	198	60	64	1,296

Six months ended 30 June 2025

	Directors' fees RMB'000	Salaries, allowances and benefits in kind RMB'000	Discretionary bonuses RMB'000	Share option scheme RMB'000	Retirement scheme contributions RMB'000	Total RMB'000
Executive Directors:						
Mr. Yuan Rong	3	423	—	—	35	461
Ms. Yuan Mei	3	179	63	—	8	253
Mr. Yang Yongchang	—	194	53	43	—	301
Non-executive director:						
Mr. Li Mengtao <i>Note ((vii))</i>	—	—	—	—	—	—
Independent non-executive directors:						
Ms. Zheng Dongyu	30	—	—	—	—	30
Ms. Yao Ronghui <i>Note ((ix))</i>	20	—	—	—	—	20
Mr. Xia Hongying	30	—	—	—	—	30
Mr. Wong Hok Bun Mario <i>Note ((xi))</i>	18	—	—	—	—	18
	107	796	116	43	51	1,113
Supervisors:						
Mr. Yan Lei	—	80	22	14	4	120
Mr. Zhu Zhiming	—	40	5	3	7	55
Ms. Wang Xiuxuan <i>Note ((viii))</i>	—	27	4	—	2	33
Ms. Gao Chang <i>Note ((x))</i>	—	14	3	—	1	18
	—	161	34	17	14	226
	107	957	150	60	65	1,339

Notes:

(i) On 19 July 2019, Mr. Yuan Rong, Ms. Yuan Mei, Mr. Yang Yongchang, Mr. Lv Jixue and Mr. Li Hai were appointed as executive directors of the Company for the period from 2 August 2019 to 14 January 2023.

(ii) On 19 July 2019, Mr. Yan Lei was appointed as a supervisor of the Company for the period from 2 August 2019 to 14 January 2023. On 26 July 2021, Mr. Zhu Zhiming was appointed as a supervisor of the Company for the period from 26 July 2021 to 14 January 2023. Ms. Li Jinhua resigned as a supervisor of the Company on 31 August 2022.

(iii) On 14 January 2023, Mr. Yuan Rong, Ms. Yuan Mei and Mr. Yang Yongchang were appointed as executive directors of the Company, and Mr. Li Mengtao was appointed as a non-executive director of the Company for the period from 14 January 2023 to 14 January 2026.

Mr. Li Mengtao assumes a role in Chuanghe Xincai (Xiamen) Manufacturing Industry Transformation and Upgrading Fund Partnership Enterprise (Limited Partnership) (“創合鑫材(廈門)製造業轉型升級基金合夥企業(有限合夥)”, “Chuanghe Xincai”), a shareholder of the Company, and his emoluments for services rendered by him to the Group commencing from the date of his appointment have been borne by Chuanghe Xincai.

(iv) On 14 January 2023, Ms. Zheng Dongyu, Ms. Yao Ronghui and Mr. Xia Hongying were appointed as independent non-executive directors of the Company for the period from 14 January 2023 to 14 January 2026.

(v) On 14 January 2023, Mr. Yan Lei, Mr. Zhu Zhiming and Ms. Wang Xiuxuan were appointed as supervisors of the Company for the period from 14 January 2023 to 14 January 2026.

(vi) In March 2022, Mr. Lv Jixue resigned as an executive director of the Company.

(vii) In February 2025, Mr. Li Mengtao resigned as a non-executive director of the Company.

(viii) In March 2025, Ms. Wang Xiuxuan resigned as a supervisor of the Company.

(ix) In April 2025, Ms. Yao Ronghui resigned as an independent non-executive director of the Company.

(x) On 16 May 2025, Ms. Gao Chang was appointed as a supervisor of the Company for the period from 16 May 2025 to 14 January 2026.

(xi) On 16 May 2025, Mr. Wong Hok Bun Mario was appointed as an independent non-executive director of the Company for the period from 16 May 2025 to 14 January 2026.

(xii) On 8 August 2025, the board of supervisors was cancelled which was approved by supervisors of the Company.

No amounts were paid or payable by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of any office in connection with the management of the affairs of any member of the Group.

10 INDIVIDUALS WITH HIGHEST EMOLUMENTS

The number of directors, supervisors and other employees included in the five highest paid individuals for the years ended 31 December 2022, 2023 and 2024 and the periods ended six months ended 30 June 2024, 2025 are set forth below:

	Years ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	Number of individuals	Number of individuals	Number of individuals	Number of individuals (Unaudited)	Number of individuals
Director	1	1	—	1	1
Other employees	4	4	5	4	4
	—	—	—	—	—
	5	5	5	5	5
	—	—	—	—	—

The emoluments of the directors and supervisors are disclosed in Note 9. The aggregate of the emoluments in respect of the remaining highest paid individuals during the Track Record Period are as follows:

	Years ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000 (Unaudited)	RMB'000
Salaries, allowances and benefits in kind	3,195	3,818	4,927	2,280	2,206
Discretionary bonuses	279	417	210	115	5
Share option scheme	—	58	58	29	123
Retirement scheme contributions	30	35	45	23	10
	—	—	—	—	—
	3,504	4,328	5,240	2,447	2,344
	—	—	—	—	—

The emoluments of the individuals who are not directors or supervisors and who are amongst the five highest paid individuals of the Group are within the following band:

	Years ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	Number of individuals	Number of individuals	Number of individuals	Number of individuals (Unaudited)	Number of individuals
HK\$nil to HK\$500,000	—	—	—	—	1
HK\$500,001 to HK\$1,000,000	3	2	1	4	2
HK\$1,000,001 to HK\$1,500,000	—	1	4	—	1
HK\$1,500,001 to HK\$2,000,000	1	1	—	—	—
	—	—	—	—	—
	4	4	5	4	4
	—	—	—	—	—

During the Track Record Period, no emoluments were paid or payable by the Group to these individuals as an inducement to join or upon joining the Group or as compensation for loss of office in connection with the management of the affairs of any member of the Group.

11 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of the basic earnings per share during the Track Record Period is based on the profit attributable to ordinary equity shareholders of the Company and the weighted average number of ordinary shares in issue or deemed to be in issue during the Track Record Period.

As described in Note 29(b), the Company issued an aggregate stock dividend of 34,314,511 shares on 16 May 2022, which for the purpose of computing the weighted average number of ordinary shares, was deemed to be in issue prior to 1 January 2022.

Weighted average number of ordinary shares

	Years ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	<i>Number of shares</i>	<i>Number of shares</i>	<i>Number of shares</i>	<i>Number of shares (Unaudited)</i>	<i>Number of shares</i>
Ordinary shares issued at 1 January	68,629,022	110,296,643	110,296,643	110,296,643	110,296,643
Effect of ordinary shares issued (<i>Note 29(b)</i>)	181,310	—	—	—	—
Effect of ordinary shares deemed to be issued (<i>Note 29(b)</i>)	<u>34,314,511</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Weighted average number of ordinary shares in issue	<u>103,124,843</u>	<u>110,296,643</u>	<u>110,296,643</u>	<u>110,296,643</u>	<u>110,296,643</u>

(b) Diluted earnings per share

There were no dilutive potential shares outstanding during the Track Record Period. Hence, the diluted earnings per share is the same as basic earnings per share.

12 PROPERTY, PLANT AND EQUIPMENT

The Group

	Buildings <i>RMB'000</i>	Machinery equipment <i>RMB'000</i>	Electronic and transportation equipment and others <i>RMB'000</i>	Construction in progress <i>RMB'000</i>	Total <i>RMB'000</i>
Cost:					
At 1 January 2022	13,419	19,812	6,200	51,596	91,027
Additions	—	2,039	30,826	228,910	261,775
Transfer from construction in progress	50,009	30,955	1,173	(82,137)	—
Disposals	(109)	(174)	(1,621)	—	(1,904)
Exchange adjustments					
Other adjustments:	934	2,391	388	5,024	8,737
Provision for restoration, rehabilitation and environmental costs	(950)	—	—	—	(950)
At 31 December 2022 and					
1 January 2023	63,303	55,023	36,966	203,393	358,685
Additions	—	5,456	10,725	164,687	180,868
Transfer from construction in progress	172,622	92,073	5,271	(269,966)	—
Disposals	—	(91)	(73)	—	(164)
Exchange adjustments	1,169	1,010	415	3,494	6,088
Other adjustments:					
Provision for restoration, rehabilitation and environmental costs	4,819	—	—	—	4,819
At 31 December 2023 and					
1 January 2024	241,913	153,471	53,304	101,608	550,296
Additions	—	20,280	16,856	119,457	156,593
Transfer from construction in progress	44,719	58,363	—	(103,082)	—
Disposals	(21)	(452)	(2,388)	(291)	(3,152)
Exchange adjustments	4,070	2,358	359	1,451	8,238
Other adjustments:					
Provision for restoration, rehabilitation and environmental costs	191	—	—	—	191
At 31 December 2024 and 1 January					
2025	290,872	234,020	68,131	119,143	712,166
Additions	—	845	5,856	48,258	54,959
Transfer from construction in progress	1,991	7,491	629	(10,111)	—
Disposals	—	(434)	(281)	—	(715)
Exchange adjustments	(1,276)	(1,030)	(270)	(46)	(2,622)
Other adjustments:					
Provision for restoration, rehabilitation and environmental costs	10,428	—	—	—	10,428
At 30 June 2025	302,015	240,892	74,065	157,244	774,216

	Buildings <i>RMB'000</i>	Machinery equipment <i>RMB'000</i>	Electronic and transportation equipment and others <i>RMB'000</i>	Construction in progress <i>RMB'000</i>	Total <i>RMB'000</i>
Accumulated depreciation:					
At 1 January 2022	(1,837)	(4,376)	(2,653)	-	(8,866)
Charge for the year	(2,155)	(5,269)	(3,491)	-	(10,915)
Written back on disposals	23	163	1,383	-	1,569
Exchange adjustments	(166)	(668)	(211)	-	(1,045)
At 31 December 2022 and					
1 January 2023	(4,135)	(10,150)	(4,972)	-	(19,257)
Charge for the year	(7,859)	(8,329)	(9,158)	-	(25,346)
Written back on disposals	-	26	26	-	52
Exchange adjustments	(175)	(486)	(123)	-	(784)
At 31 December 2023 and					
1 January 2024	(12,169)	(18,939)	(14,227)	-	(45,335)
Charge for the year	(14,251)	(17,984)	(12,233)	-	(44,468)
Written back on disposals	5	316	559	-	880
Exchange adjustments	(320)	(502)	(315)	-	(1,137)
At 31 December 2024 and					
1 January 2025	(26,735)	(37,109)	(26,216)	-	(90,060)
Charge for the period	(7,739)	(11,350)	(6,454)	-	(25,543)
Written back on disposals	-	90	138	-	228
Exchange adjustments	136	202	122	-	460
At 30 June 2025	(34,338)	(48,167)	(32,410)	-	(114,915)
Accumulated impairment:					
At 31 December 2022,					
31 December 2023 and					
1 January 2024					
Charge for the year (<i>Note</i>)	(1,576)	(2,862)	-	-	(4,438)
Exchange adjustments	(16)	(31)	-	-	(47)
At 31 December 2024 and					
1 January 2025	(1,592)	(2,893)	-	-	(4,485)
Charge for the period (<i>Note</i>)	-	-	-	-	-
Exchange adjustments	6	12	-	-	18
At 30 June 2025	(1,586)	(2,881)	-	-	(4,467)
Net book value:					
At 31 December 2022	59,168	44,873	31,994	203,393	339,428
At 31 December 2023	229,744	134,532	39,077	101,608	504,961
At 31 December 2024	262,545	194,018	41,915	119,143	617,621
At 30 June 2025	266,091	189,844	41,655	157,244	654,834

As at 31 December 2022, 2023, 2024 and 30 June 2025, the Group pledged property, plant and equipment with a net carrying amount of RMB21,116,000, RMB86,223,000 and RMB190,665,000 and RMB143,018,000 to secure loans amounting to RMB14,226,000, RMB33,053,000, RMB90,457,000 and RMB96,057,000, respectively.

Note: In 2024, certain flotation facilities of Rong Xing Investments were not expected to be used in future and was therefore fully impaired.

The Company

	Machinery equipment <i>RMB'000</i>	Electronic and transportation equipment and others <i>RMB'000</i>	Construction in Process <i>RMB'000</i>	Total <i>RMB'000</i>
Cost:				
At 1 January 2022	74	2,214	586	2,874
Additions	—	306	1,288	1,594
Disposals	—	(1,087)	—	(1,087)
At 31 December 2022 and 1 January 2023	74	1,433	1,874	3,381
Additions	—	589	—	589
Transfer from construction in progress	—	1,758	(1,758)	—
Disposals	—	(11)	—	(11)
At 31 December 2023 and 1 January 2024	74	3,769	116	3,959
Additions	—	386	185	571
Disposals	—	(2,084)	(290)	(2,374)
At 31 December 2024 and 1 January 2025	74	2,071	11	2,156
Additions	—	271	1,595	1,866
Disposals	—	(123)	—	(123)
At 30 June 2025	74	2,219	1,606	3,899
Accumulated depreciation:				
At 1 January 2022	(47)	(1,536)	—	(1,583)
Charge for the year	(7)	(189)	—	(196)
Written back on disposals	—	1,013	—	1,013
At 31 December 2022 and 1 January 2023	(54)	(712)	—	(766)
Charge for the year	(7)	(311)	—	(318)
Written back on disposals	—	5	—	5
At 31 December 2023 and 1 January 2024	(61)	(1,018)	—	(1,079)
Charge for the year	(7)	(407)	—	(414)
Written back on disposals	—	338	—	338
At 31 December 2024 and 1 January 2025	(68)	(1,087)	—	(1,155)
Charge for the period	(2)	(155)	—	(157)
Written back on disposals	—	52	—	52
At 30 June 2025	(70)	(1,190)	—	(1,260)
Net book value:				
At 31 December 2022	20	721	1,874	2,615
At 31 December 2023	13	2,751	116	2,880
At 31 December 2024	6	984	11	1,001
At 30 June 2025	4	1,029	1,606	2,639

13 INTANGIBLE ASSETS
The Group

	<u>Exploitation certificate</u>
	<i>RMB '000</i>
Cost:	
At 31 December 2022 and 1 January 2023	-
Additions	7,645
	<u>7,645</u>
At 31 December 2023 and 1 January 2024	7,645
Additions	2,358
Exchange adjustment	113
	<u>113</u>
At 31 December 2024 and 1 January 2025	10,116
Additions	562
Exchange adjustment	(42)
	<u>(42)</u>
At 30 June 2025	10,636
Accumulated amortisation:	
At 31 December 2022 and 1 January 2023	-
Charge for the year	(35)
Exchange adjustment	(2)
	<u>(2)</u>
At 31 December 2023 and 1 January 2024	(37)
Charge for the year	(636)
Exchange adjustment	(10)
	<u>(10)</u>
At 31 December 2024 and 1 January 2025	(683)
Charge for the period	(323)
Exchange adjustment	4
	<u>4</u>
At 30 June 2025	(1,002)
Net book value:	
At 31 December 2022	-
	<u>-</u>
At 31 December 2023	7,608
	<u>7,608</u>
At 31 December 2024	9,433
	<u>9,433</u>
At 30 June 2025	9,634
	<u>9,634</u>

14 RIGHT-OF-USE ASSETS

The Group

	Properties leased for own use <i>RMB'000</i>	Interest in leasehold land held for own use <i>RMB'000</i>	Total <i>RMB'000</i>
Cost:			
At 1 January 2022	2,772	4,433	7,205
Additions	468	—	468
Expiration of lease term	(834)	—	(834)
Exchange adjustments	61	410	471
At 31 December 2022 and 1 January 2023	2,467	4,843	7,310
Additions	198	15,526	15,724
Expiration of lease term	(411)	—	(411)
Early termination of lease term	(1,573)	—	(1,573)
Exchange adjustments	(1)	81	80
At 31 December 2023 and 1 January 2024	680	20,450	21,130
Additions	—	431	431
Expiration of lease term	(225)	—	(225)
Exchange adjustments	2	180	182
At 31 December 2024 and 1 January 2025	457	21,061	21,518
Additions	553	—	553
Expiration of lease term	(189)	—	(189)
Exchange adjustments	—	(52)	(52)
At 30 June 2025	821	21,009	21,830
Accumulated depreciation:			
At 1 January 2022	(824)	(174)	(998)
Charge for the year	(917)	(113)	(1,030)
Expiration of lease term	834	—	834
Exchange adjustments	(49)	(21)	(70)
At 31 December 2022 and 1 January 2023	(956)	(308)	(1,264)
Charge for the year	(756)	(233)	(989)
Expiration of lease term	411	—	411
Early termination of lease term	944	0	944
Exchange adjustments	1	(10)	(9)
At 31 December 2023 and 1 January 2024	(356)	(551)	(907)
Charge for the year	(241)	(427)	(668)
Expiration of lease term	225	—	225
Exchange adjustments	(1)	(7)	(8)
At 31 December 2024 and 1 January 2025	(373)	(985)	(1,358)
Charge for the period	(114)	(218)	(332)
Expiration of lease term	189	—	189
Exchange adjustments	2	2	4
At 30 June 2025	(296)	(1,201)	(1,497)
Net book value:			
At 31 December 2022	1,511	4,535	6,046
At 31 December 2023	324	19,899	20,223
At 31 December 2024	84	20,076	20,160
At 30 June 2025	525	19,808	20,333

Notes:

- (i) Property leased for own use represents the right to use properties as its offices through tenancy agreements. The leases run for an initial period of 2 to 5 years.
- (ii) Interest in leasehold land held for own use represented land use right premiums paid by the Group for land situated in the PRC, Zambia and DRC. Lump sum payments were made upfront for these interests in leasehold land, and there are no ongoing payments to be made under the terms of the land lease. The period for these land use rights is no more than 25 to 99 years.
- (iii) As at 31 December 2022, 2023, 2024 and 30 June 2025, the Group pledged right-of-use assets with a net carrying amount of RMB4,535,000, RMB2,588,000, RMB14,493,000 and RMB14,307,000 to secure loans amounting to RMB14,226,000, RMB33,053,000, RMB90,457,000 and RMB 96,057,000, respectively.

The Group does not have the option to renew or early terminate the lease and there are no significant restrictions or covenants imposed to the lease. None of the leases includes variable lease payments.

Details of the maturity analysis of lease liabilities are set out in Note 25.

15 INTEREST IN AN ASSOCIATE

Name of associate	Place of establish and business	Particulars of paid-up capital	Proportion of ownership interest held by the Group	Principal activity
Jiangxi Tungsten Jinxun Resources Africa SAS 江钨金 溥非洲資源股份有限公司 ("Jiangwu Jinxun")	The DRC	USD100,000	49%	Trading business for metals

Jiangwu Jinxun is an unlisted entity whose quoted market price is not available. Jiangwu Jinxun is accounted for using the equity method in the Historical Financial Information.

Summarised financial information of Jiangwu Jinxun, adjusted for any differences in accounting policies, and reconciled to the carrying amounts in the Historical Financial Information, are disclosed below:

	At 31 December				At 30 June			
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000
Gross amounts of the associate								
Assets and liabilities:								
Current assets	63,825	3,563	3,435	3,451				
Non-current assets	1,748	257	203	203				
Current liabilities	(65,058)	(48,447)	(48,503)	(48,719)				
Non-current liabilities	—	—	—	—				
Equity	515	(44,627)	(44,865)	(45,065)				
<i>Included in the above assets and liabilities:</i>								
Cash and cash equivalents	340	259	1	1				
Profit or loss:								
Revenue	47,645	17,794	—	—				
(Loss)/gain and total comprehensive income for the year/period	(30,251)	(44,937)	64	—				

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
<i>Included in the above gains/loss:</i>					
Depreciation and amortisation	2,116	1,101	728	—	—
Reconciled to the Group's interests in the associate					
Gross amounts of net assets/(deficit) of the associate	515	(44,627)	(44,865)	(45,065)	
Group's interest held by the Company .	49%	49%	49%	49%	
Group's share of net assets of the associate	252	—	—	—	
Carrying amount in the Historical Financial Information	252	—	—	—	

The directors of the Company considered the Group and the Company has significant influence over Jiangwu Jinxun through its representative on the board of directors and the voting right of Jiangwu Jinxun.

16 INVESTMENTS IN SUBSIDIARIES

The Company

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Investments in subsidiaries, at cost . . .	<u>89,663</u>	<u>124,257</u>	<u>176,814</u>	<u>176,814</u>	

17 INVENTORIES

The Group

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Raw materials	27,127	78,400	230,502	211,950	
Spare parts and consumables	5,410	7,363	28,396	39,822	
Work in progress	3,233	54,768	79,981	71,505	
Finished goods	<u>20,647</u>	<u>41,826</u>	<u>93,250</u>	<u>100,280</u>	
	<u>56,417</u>	<u>182,357</u>	<u>432,129</u>	<u>423,557</u>	

The Company

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Spare parts and consumables	208	204	239	3,624	
Finished goods	<u>3,989</u>	<u>23,072</u>	<u>7,850</u>	<u>27,372</u>	
	<u>4,197</u>	<u>23,276</u>	<u>8,089</u>	<u>30,996</u>	

18 TRADE RECEIVABLES AT AMORTISED COST AND TRADE RECEIVABLES AT FVTPL

The Group

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Trade receivables at amortised cost-contracts with customers	1,244	517	278	2,316	
Less: Allowance for credit losses	(70)	(26)	(14)	(112)	
	<u>1,174</u>	<u>491</u>	<u>264</u>	<u>2,204</u>	
Trade receivables at FVTPL – contracts with customers	<u>43,161</u>	<u>25,084</u>	<u>36,517</u>	<u>39,743</u>	

Ageing analysis

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

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
0 to 30 days	649	422	264	2,204	
31 to 90 days.	–	7	–	–	
91 to 180 days	–	62	–	–	
181 to 365 days	387	–	–	–	
Over one year	<u>138</u>	<u>–</u>	<u>–</u>	<u>–</u>	
	<u>1,174</u>	<u>491</u>	<u>264</u>	<u>2,204</u>	

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

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
0 to 30 days	41,963	22,074	32,612	39,656	
31 to 90 days.	<u>1,198</u>	<u>3,010</u>	<u>3,905</u>	<u>87</u>	
	<u>43,161</u>	<u>25,084</u>	<u>36,517</u>	<u>39,743</u>	

The Company

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Trade receivables at amortised cost – contracts with customers	63,597	106,629	103,181	143,345	
Less: Allowance for credit losses	(7)	(20)	–	(46)	
	<u>63,590</u>	<u>106,609</u>	<u>103,181</u>	<u>143,299</u>	
Trade receivables at FVTPL – contracts with customers	<u>10,867</u>	<u>8,561</u>	<u>882</u>	<u>87</u>	

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

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Trade receivables at amortised cost – subsidiaries	63,462	106,240	103,181	142,429	

Ageing analysis

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

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
0 to 30 days	27,891	3,352	16,795	36,642	
31 to 90 days.	4,958	17,837	9,415	21,454	
91 to 180 days	23,250	26,932	10,951	4,918	
181 to 365 days	–	21,684	20,972	23,738	
Over one year	7,491	36,804	45,048	56,547	
	<u>63,590</u>	<u>106,609</u>	<u>103,181</u>	<u>143,299</u>	

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

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
0 to 30 days	10,867	8,561	153	–	
31 to 90 days.	–	–	729	87	
	<u>10,867</u>	<u>8,561</u>	<u>882</u>	<u>87</u>	

19 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group

	At 31 December			At 30 June
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
Non-current:				
Prepayments for property, plant and equipment	10,123	1,071	4,624	8,682
Deposits	–	71	301	332
Input VAT receivables (Note)	39,921	54,980	38,130	59,848
Less: loss allowance	(3,903)	(10,972)	(6,859)	(15,115)
	<u>46,141</u>	<u>45,150</u>	<u>36,196</u>	<u>53,747</u>
Current:				
Prepayments for inventories and others	4,881	3,041	14,748	10,106
Prepayments for costs incurred in connection with the proposed initial public offering of H shares	–	–	–	10,878
Input VAT receivables (Note)	25,827	16,669	30,989	43,854
Tax recoverable	14,665	16,274	18,795	20,167
Deposits	4,760	1,547	19,377	31,770
Loans granted to an associate	10,416	11,582	–	–
Deposits in transit	–	5,666	–	–
Other receivables	5,151	7,024	180	648
Less: loss allowance	(6,790)	(19,194)	(2,535)	(3,275)
	<u>58,910</u>	<u>42,609</u>	<u>81,554</u>	<u>114,148</u>
	<u>105,051</u>	<u>87,759</u>	<u>117,750</u>	<u>167,895</u>

The Company

	At 31 December			At 30 June
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
Non-current:				
Prepayments for property, plant and equipment	–	294	–	7,311
Current:				
Prepayments for inventories and others (to subsidiaries)	3,782	21,676	–	–
Prepayments for costs incurred in connection with the proposed initial public offering of H shares	–	–	–	10,878
Prepayments for inventories and others (to third parties)	4,169	2,330	3,541	3,580
Deposits	3,873	666	287	1,452
Tax recoverable	5,466	6,866	3,801	3,449
Amounts due from subsidiaries	27,737	24,166	31,046	41,793
Dividends receivable	75,600	43,000	–	45,000
Other receivables	2,966	4,812	47	126
Less: loss allowance	(3,086)	(4,829)	(82)	(102)
	<u>120,507</u>	<u>98,687</u>	<u>38,640</u>	<u>106,176</u>

Note: The gross carrying amount of input VAT receivables are primarily from the subsidiaries in Zambia and Peru. The impairment provision is estimated based on the present value of the estimated future cash flows, discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the input VAT receivables for which the estimates of future cash flows have not been adjusted. As at 31 December 2022, 2023, 2024 and 30 June 2025, impairment provision amounting to RMB4,508,000, RMB11,288,000, RMB7,514,000 and RMB16,896,000 respectively in aggregate has been made on input VAT receivables.

20 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

The Group

	At 31 December			At 30 June
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Cash at bank and on hand	79,062	39,876	128,901	132,560
Less: time deposit	—	—	(5,000)	(6,050)
Cash and cash equivalents	<u>79,062</u>	<u>39,876</u>	<u>123,901</u>	<u>126,510</u>

The Company

	At 31 December			At 30 June
	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Cash at bank and on hand	61,428	9,769	30,220	12,614
Less: time deposit	—	—	(5,000)	(5,000)
Cash and cash equivalents	<u>61,428</u>	<u>9,769</u>	<u>25,220</u>	<u>7,614</u>

The time deposits carry interest rates at 1.8% and 1.35% per annum during the year ended 31 December 2024 and the period ended 30 June 2025.

(b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statements of cash flows as cash flows from financing activities.

	Bank and other borrowings <i>RMB'000</i>	Lease liabilities <i>RMB'000</i>	Total <i>RMB'000</i>
At 1 January 2022	66,646	1,651	68,297
Changes from financing cash flows:			
Financing cash flows			
Proceeds from new loans	100,165	–	100,165
New leases	–	468	468
Interest expenses	6,398	78	6,476
Repayment of loans	(81,861)	(931)	(82,792)
Interest paid	(6,284)	(78)	(6,362)
Exchange adjustments	2,325	36	2,361
At 31 December 2022 and 1 January 2023	87,389	1,224	88,613
Changes from financing cash flows:			
Financing cash flows			
Proceeds from new loans	262,477	–	262,477
New leases	–	198	198
Early termination of the lease	–	(680)	(680)
Interest expenses	12,419	75	12,494
Repayment of loans	(137,888)	(416)	(138,304)
Interest paid	(12,331)	(75)	(12,406)
Exchange adjustments	1,145	2	1,147
At 31 December 2023 and 1 January 2024	213,211	328	213,539
Changes from financing cash flows:			
Financing cash flows			
Proceeds from new loans	512,170	–	512,170
Interest expenses	25,835	10	25,845
Repayment of loans	(458,700)	(241)	(458,941)
Interest paid	(25,962)	(10)	(25,972)
Exchange adjustments	2,073	3	2,076
At 31 December 2024 and 1 January 2025	268,627	90	268,717
Changes from financing cash flows:			
Financing cash flows			
Proceeds from new loans	147,369	–	147,369
New leases	–	553	553
Interest expenses	7,035	14	7,049
Repayment of loans	(168,705)	(103)	(168,808)
Interest paid	(8,696)	(14)	(8,710)
Exchange adjustments	(444)	–	(444)
At 30 June 2025	245,186	540	245,726

	Bank and other borrowings	Lease liabilities	Total
	RMB'000	RMB'000	RMB'000
(unaudited)			
At 1 January 2024	213,211	328	213,539
Changes from financing cash flows:			
Financing cash flows			
Proceeds from new loans	228,928	—	228,928
Interest expenses	11,713	6	11,719
Repayment of loans	(220,607)	(116)	(220,723)
Interest paid	(5,582)	(6)	(5,588)
Exchange adjustments	993	3	996
At 30 June 2024	228,656	215	228,871

21 TRADE PAYABLES AT AMORTISED COST AND TRADE PAYABLES AT FVTPL

The Group

	At 31 December			At 30 June		
	2022	2023	2024	2025		
	RMB'000	RMB'000	RMB'000	RMB'000		
Trade payables at amortised cost	29,317	56,241	82,868	106,422		
Trade payables at FVTPL	28,481	82,036	271,527	191,248		

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

	At 31 December			At 30 June		
	2022	2023	2024	2025		
	RMB'000	RMB'000	RMB'000	RMB'000		
0 to 30 days	25,871	20,865	58,545	77,088		
31 to 90 days	892	9,736	19,505	26,807		
91 to 180 days	—	13,686	2,506	2,017		
181 to 365 days	2,290	289	208	301		
Over one year	264	11,665	2,104	209		
	<u>29,317</u>	<u>56,241</u>	<u>82,868</u>	<u>106,422</u>		

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

	At 31 December			At 30 June		
	2022	2023	2024	2025		
	RMB'000	RMB'000	RMB'000	RMB'000		
0 to 30 days	12,025	34,191	254,244	139,100		
31 to 90 days	9,246	43,020	16,272	40,081		
91 to 180 days	7,195	4,632	—	4,045		
181 to 365 days	15	193	53	8,022		
Over one year	—	—	958	—		
	<u>28,481</u>	<u>82,036</u>	<u>271,527</u>	<u>191,248</u>		

The Company

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Trade payables at amortised cost	9,736	47,685	7,318	25,613	
Trade payables at FVTPL	217	967	1,093	—	

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

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Trade payables at amortised cost – subsidiaries	9,101	41,079	5,657	24,447	

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

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
0 to 30 days	8,101	17,605	6,914	19,100	
31 to 90 days	1,635	7,515	259	6,368	
91 to 180 days	—	20,055	145	—	
181 to 365 days	—	2,510	—	145	
	9,736	47,685	7,318	25,613	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	

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

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
0 to 30 days	81	967	306	—	
31 to 90 days	—	—	787	—	
91 to 180 days	136	—	—	—	
	217	967	1,093	—	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	

All trade payables are expected to be settled within one year or are repayable on demand.

22 ACCRUED EXPENSES AND OTHER PAYABLES

The Group

	At 31 December			At 30 June
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000
Payables for properties, plant and equipment and intangible assets	68,120	65,643	62,131	53,652
Payables for costs incurred in connection with the proposed initial public offering of H shares	—	—	—	5,152
Deposits	1,367	16,084	15,143	15,130
Others	2,926	2,773	11,585	10,934
Financial liabilities measured at amortised cost	72,413	84,500	88,859	84,868
Payroll payables	5,420	4,366	7,490	7,162
Other tax payables	338	4,573	8,053	7,938
	<u>78,171</u>	<u>93,439</u>	<u>104,402</u>	<u>99,968</u>

The Company

	At 31 December			At 30 June
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000
Payables for properties, plant and equipment	248	1,711	3,449	2,188
Payables for costs incurred in connection with the proposed initial public offering of H shares	—	—	—	5,152
Deposits	592	15,309	15,030	15,030
Amounts due to subsidiaries	77,840	17,693	27,533	57,278
Others	<u>1,576</u>	<u>387</u>	<u>1,503</u>	<u>1,191</u>
Financial liabilities measured at amortised cost	80,256	35,100	47,515	80,839
Payroll payables	2,298	1,626	3,902	1,790
Other tax payables	<u>282</u>	<u>523</u>	<u>171</u>	<u>223</u>
	<u>82,836</u>	<u>37,249</u>	<u>51,588</u>	<u>82,852</u>

23 CONTRACT LIABILITIES

The Group

	At 31 December			At 30 June
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000
Advance from customers	<u>33,495</u>	<u>27,989</u>	<u>62,782</u>	<u>84,735</u>

During each of years ended 31 December 2022, 2023 and 2024 and the period ended 30 June 2025, respectively, revenue of RMB3,805,000, RMB33,495,000, RMB27,989,000 and RMB62,782,000 recognised was related to contract liabilities carried forward.

As at 31 December 2022, 2023 and 2024 and 30 June 2025, all of contract liabilities is expected to be recognised as revenue within one year.

The Company

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB '000	RMB '000	RMB '000	RMB '000	
Advance from customers	869 =	2,850 =	169 =	4,042 =	

24 BANK AND OTHER BORROWINGS

(a) The Group's and Company's bank and other borrowings comprise:

The Group

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB '000	RMB '000	RMB '000	RMB '000	
Bank loans:					
Guaranteed by related parties and/or third parties	39,055	61,084	66,098	67,066	
Pledged by bank deposits of a related party	4,505	—	—	—	
Secured by property, plant and equipment, right-of-use assets and trade receivables of the Group	14,226	33,053	28,754	96,057	
Guaranteed by related parties, pledged by securities of the related parties, and secured by property, plant and equipment and right-of-use assets of the Group	—	—	61,703	—	
Secured by time deposits of the Group	—	—	4,503	6,441	
Unguaranteed and unsecured bank loans	2,534	2,002	—	2,336	
	<u>60,320</u>	<u>96,139</u>	<u>161,058</u>	<u>171,900</u>	
Other borrowings:					
Guaranteed by related parties and secured by inventories of the Group from third parties	21,043	21,465	—	—	
Unguaranteed and unsecured loans from third parties	6,026	95,607	107,569	73,286	
	<u>27,069</u>	<u>117,072</u>	<u>107,569</u>	<u>73,286</u>	
	<u>87,389</u>	<u>213,211</u>	<u>268,627</u>	<u>245,186</u>	

The Company

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Bank loans:					
Guaranteed by related parties and/or third parties	39,055	41,062	40,069	38,100	
Pledged by bank deposits of a related party	4,505	—	—	—	
Secured by bank deposits of the Group	—	—	4,503	4,508	
	<u>43,560</u>	<u>41,062</u>	<u>44,572</u>	<u>42,608</u>	
Other loans					
Unguaranteed and unsecured loans from third parties	5,477	—	—	—	
	<u>49,037</u>	<u>41,062</u>	<u>44,572</u>	<u>42,608</u>	

(b) The Group's/Company's bank and other borrowings are repayable as follows:

As of the end of the reporting period, bank and other borrowings of the Group were repayable as follows:

The Group

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Within 1 year or on demand					
Within 1 year or on demand	81,485	195,505	207,171	176,167	
After 1 year but within 2 years	5,904	11,804	22,991	18,500	
After 2 years but within 3 years	—	5,902	20,000	20,000	
After 3 years but within 4 years	—	—	18,465	20,000	
After 4 years but within 5 years	—	—	—	10,519	
	<u>5,904</u>	<u>17,706</u>	<u>61,456</u>	<u>69,019</u>	
	<u>87,389</u>	<u>213,211</u>	<u>268,627</u>	<u>245,186</u>	

Bank and other borrowings of the Company were repayable within 1 year at the end of each reporting period.

(c) Certain of the Group's bank and other borrowings are secured by the following assets of the Group:

The Group's asset

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Property, plant and equipment					
Property, plant and equipment	21,116	86,223	190,665	143,018	
Right-of-use assets	4,535	2,588	14,493	14,307	
Time deposits	—	—	5,000	6,050	
Trade receivables at FVTPL	10,110	—	—	—	
Inventories	41,157	50,000	—	—	

(d) Certain of the Group's bank and other borrowings are guaranteed by third parties, where related parties provide counter-guarantee and/or are secured by time deposits to these third parties:

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Counter-guarantee by related parties . . .	16,019	20,022	15,015	19,910	
Guarantee deposits	2,000	—	—	—	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	

(e) All of the Group's banking facilities were utilized as at 31 December 2022, 2023 and 2024. At 30 June 2025, the Group's unutilised banking facilities amounted to RMB190,000,000.

(f) Certain of the Group's bank loans are subject to the fulfilment of covenants commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the loans would become repayable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in Note 31(b). At 31 December 2022, 2023 and 2024 and 30 June 2025, none of the covenants relating to the bank loans had been breached.

All of the Group's bank and other borrowings are interest bearing.

(g) At 31 December 2022, 2023 and 2024 and 30 June 2025, certain bank loans were guaranteed by the subsidiaries within the Group.

25 LEASE LIABILITIES

At the end of each reporting period, the lease liabilities were repayable as follows:

The Group

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Within 1 year	695	250	90	139	
After 1 year but within 2 years	471	78	—	108	
After 2 years but within 5 years	58	—	—	293	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	
	529	78	—	401	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	
	1,224	328	90	540	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	

The Company

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Within 1 year	304	—	—	—	
After 1 year but within 2 years	319	—	—	—	
After 2 years but within 5 years	20	—	—	—	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	
	339	—	—	—	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	
	643	—	—	—	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	

26 FINANCIAL LIABILITIES AT FVTPL

	Years ended 31 December			At 30 June
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Non-ferrous metal futures contracts . . .	246	66	—	107

27 PROVISION FOR RESTORATION, REHABILITATION AND ENVIRONMENTAL COSTS

	Years ended 31 December			At 30 June
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Balance at beginning of year/period . . .	4,184	3,581	9,380	10,746
Provisions for new plant	—	5,023	—	—
Provisions revision	(950)	(204)	191	10,428
Unwinding of discount (<i>Note 7(a)</i>) . . .	335	916	1,025	996
Exchange adjustments	12	64	150	(47)
Balance at end of the year/period . . .	3,581	9,380	10,746	22,123

The Group's provision for restoration, rehabilitation and environmental costs is related to the Group's subsidiaries in Zambia and DRC which are involved in smelting operations. The provision represents the accrued cost required to provide adequate restoration and rehabilitation measured by qualified professionals in Zambia and DRC, as discounted at rates ranging from 10.65%, 10.67% to 11.23%, 9.36% to 12.04% and 10.72% to 12.04% per annum during the Track Record Period, upon the completion of their operations. These amounts will be settled when rehabilitation is undertaken, generally at the end of a project life, which ranges from 10 to 15 years.

The Directors consider that adequate provision has been made at the end of each reporting period.

28 INCOME TAX IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(a) Current taxation in the consolidated statements of financial position represents:

	Years ended 31 December			At 30 June
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
Income tax payable at 1 January	5,101	8,993	8,146	33,125
Provision for the year/period (<i>Note 8(a)</i>)	12,241	8,346	33,951	25,552
Income tax paid	(8,349)	(9,193)	(8,972)	(22,040)
Net balance of income tax payable at end of the year/period	8,993	8,146	33,125	36,637
Represented by:				
Income tax recoverable (included in tax recoverable) (<i>Note 19</i>)	(2,183)	(2,709)	(1,723)	(2,494)
Income tax payable	11,176	10,855	34,848	39,131

(b) Deferred tax assets recognised

Movement of each component of deferred tax assets

The components of deferred tax assets recognised in the consolidated statements of financial position and the movements during the year/period are as follows:

Deferred tax arising from:	Depreciation of property, plant and equipment	Impairment of property, plant and equipment	Credit loss allowance on financial assets	Fair value of financial liabilities	Tax losses	Leases and decommissioning obligations	Unrealised gains and losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2022	(2,717)	—	2,181	57	—	389	1,296	1,206
(Charged)/credited to the consolidated statement of profit or loss (Note 8(a))	(2,037)	—	(80)	4	2,638	172	1,162	1,859
Exchange adjustments	(336)	—	139	—	93	—	2	(102)
Balance at 31 December 2022 and 1 January 2023	(5,090)	—	2,240	61	2,731	561	2,460	2,963
(Charged)/credited to the consolidated statement of profit or loss (Note 8(a))	(2,290)	—	4,342	(45)	(727)	578	9,611	11,469
Exchange adjustments	(146)	—	48	—	40	—	85	27
Balance at 31 December 2023 and 1 January 2024	(7,526)	—	6,630	16	2,044	1,139	12,156	14,459
(Charged)/credited to the consolidated statement of profit or loss (Note 8(a))	(1,578)	1,346	(4,074)	(21)	(1,302)	523	(1,267)	(6,373)
Exchange adjustments	(129)	2	54	—	7	—	77	11
Balance at 31 December 2024 and 1 January 2025	(9,233)	1,348	2,610	(5)	749	1,662	10,966	8,097
(Charged)/credited to the consolidated statement of profit or loss (Note 8(a))	(425)	—	2,613	27	—	643	(3,528)	(670)
Exchange adjustments	40	(6)	(18)	—	—	(9)	7	14
Balance at 30 June 2025	(9,618)	1,342	5,205	22	749	2,296	7,445	7,441

(d) Reconciliation to the consolidated statement of financial position

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Net deferred tax assets	6,405	14,459	11,041	12,199	
Net deferred tax liabilities	(3,442)	—	(2,944)	(4,758)	
	<u>2,963</u>	<u>14,459</u>	<u>8,097</u>	<u>7,441</u>	

(e) Deferred tax assets not recognised

In accordance with the accounting policy set out in Note 2(q), the Group has not recognised deferred tax assets in respect of cumulative unused tax losses and deductible temporary differences arising from certain subsidiaries of the Group of RMB1,718,000, RMB9,665,000, RMB3,645,000 RMB4,831,000 as at 31 December 2022, 2023 and 2024 and 30 June 2025, respectively, as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity.

The year of expiry of unused tax losses not recognised is as follows:

Year of expiry:	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
2027	1,530	1,530	1,438	1,438	
2028	—	1,875	218	218	
2029	—	—	1,325	1,325	
2030	—	—	—	828	
No expiry date	—	4,734	—	—	
	<u>1,530</u>	<u>8,139</u>	<u>2,981</u>	<u>3,809</u>	

(f) Deferred tax liabilities not recognised

Pursuant to the relevant income tax law, a 10% withholding tax is levied on dividends declared from subsidiaries in the PRC and DRC to Jinxun Singapore, and from subsidiaries in Singapore and in Zambia to the Company. In addition, a 5% withholding tax is levied on dividends declared from a subsidiary in Peru to the Company and Jinxun Singapore. As at 31 December 2022, 2023 and 2024 and 30 June 2025, temporary difference unrecognised for deferred tax liabilities relating to undistributed profits of subsidiaries amounted to RMB147,385,000, RMB150,849,000 and RMB255,076,000 and RMB292,411,000, respectively. Deferred tax liabilities of RMB14,739,000, RMB15,085,000 and RMB22,158,000 and RMB25,501,000, have not been recognised in this respect as it is probable that such profits will not be distributed in the foreseeable future.

29 CAPITAL, RESERVES AND DIVIDENDS

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statements of changes in equity. Details of the changes in the Company's individual components of equity during the Track Record Period are set out below:

	Share capital <i>RMB'000 (Note 29(b))</i>	Capital reserve <i>RMB'000 (Note 29(d))</i>	Statutory reserve <i>RMB'000 (Note 29(e))</i>	Retained profits <i>RMB'000</i>	Total equity <i>RMB'000</i>
At 1 January 2022	68,629	460	9,267	44,690	123,046
Changes in equity for 2022:					
Profit and total comprehensive income for the year	—	—	—	44,592	44,592
Appropriation to reserves	—	—	4,459	(4,459)	—
Issue of shares, net of issuance cost (Note 29(b))	7,353	40,995	—	—	48,348
Dividends declared (Note 29(c))	—	—	—	(6,863)	(6,863)
Stock dividends declared (Note 29(b))	34,315	—	—	(34,315)	—
At 31 December 2022 and 1 January 2023	110,297	41,455	13,726	43,645	209,123
Changes in equity for 2023:					
Profit and total comprehensive income for the year	—	—	—	40,433	40,433
Appropriation to reserves	—	—	4,043	(4,043)	—
Employees share-based payments (Note 30)	—	623	—	—	623
Dividends declared (Note 29(c))	—	—	—	(4,412)	(4,412)
At 31 December 2023 and 1 January 2024	110,297	42,078	17,769	75,623	245,767
Changes in equity for 2024:					
Profit and total comprehensive income for the year	—	—	—	66,001	66,001
Appropriation to reserves	—	—	6,600	(6,600)	—
Employees share-based payments (Note 30)	—	470	—	—	470
Dividends declared (Note 29(c))	—	—	—	(60,663)	(60,663)
At 31 December 2024	<u>110,297</u>	<u>42,548</u>	<u>24,369</u>	<u>74,361</u>	<u>251,575</u>
(unaudited)					
At 1 January 2024	110,297	42,078	17,769	75,623	245,767
Changes in equity for six months ended 30 June 2024:					
Profit and total comprehensive income for the period	—	—	—	56,483	56,483
Appropriation to reserves	—	—	5,648	(5,648)	—
Employees share-based payments (Note 30)	—	236	—	—	236
Dividends declared (Note 29(c))	—	—	—	(5,515)	(5,515)
At 30 June 2024	<u>110,297</u>	<u>42,314</u>	<u>23,417</u>	<u>120,943</u>	<u>296,971</u>

	Share capital <i>RMB'000 (Note 29(b))</i>	Capital reserve <i>RMB'000 (Note 29(d))</i>	Statutory reserve <i>RMB'000 (Note 29(e))</i>	Retained profits <i>RMB'000</i>	Total equity <i>RMB'000</i>
At 1 January 2025	110,297	42,548	24,369	74,361	251,575
Changes in equity for six months ended 30 June 2025:					
Profit and total comprehensive income for the period	—	—	—	66,271	66,271
Appropriation to reserves	—	—	6,627	(6,627)	—
Employees share-based payments (Note 30)	—	327	—	—	327
At 30 June 2025	<u>110,297</u>	<u>42,875</u>	<u>30,996</u>	<u>134,005</u>	<u>318,173</u>

(b) Share capital

	Number of shares	Amount
		<i>RMB'000</i>
Ordinary shares, issued and fully paid		
At 1 January 2022	68,629,022	68,629
Stock dividends declared (Note (i))	34,314,511	34,315
Issuance of ordinary shares (Note (ii))	<u>7,353,110</u>	<u>7,353</u>
At 31 December 2022, 31 December 2023 and 31 December 2024 and 30 June 2025	<u>110,296,643</u>	<u>110,297</u>

Notes:

- (i) On 16 May 2022, stock dividends in respect of the year ended 31 December 2021 of 0.5 stock dividend per share, in an aggregate 34,314,511 shares stock dividends was approved by the shareholders of the Company.
- (ii) On 22 December 2022, the Company entered into a capital increase agreement with an independent investor, namely Chuanghe Xincai, pursuant to which the investor made capital injection of RMB50,000,000 in the Company as consideration for subscription of 7,353,110 shares of the Company. The proceeds, net of related fees and expenses of RMB1,651,000, from the subscription amounted to RMB48,349,000, RMB7,353,000 and RMB40,995,000 were credited in the Company's share capital and capital reserve account, respectively.

(c) Dividends

In May 2022, stock dividends and cash dividends in respect of the year ended 31 December 2021 of 0.5 stock dividends per share and RMB0.1 per share, in an aggregate 34,314,511 shares stock dividends and RMB6,863,000 cash dividends were approved by the shareholders of the Company.

In May 2023, cash dividends in respect of the year ended 31 December 2022 of RMB0.04 per share, in an aggregate RMB4,412,000 was approved by the shareholders of the Company.

In May 2024, cash dividends in respect of the year ended 31 December 2023 of RMB0.05 per share, in an aggregate RMB5,515,000 was approved by the shareholders of the Company.

In August 2024, cash dividends in respect of the six-months ended 30 June 2024 of RMB0.5 per share, in an aggregate RMB55,148,000 was approved by the shareholders of the Company.

(d) Capital reserve

The capital reserve comprises: (i) the difference between the carrying value of the net assets acquired and the consideration paid for the acquisition of a business under common control; (ii) the differences between the net proceeds of issuance of ordinary shares and the share capital of the Company; and (iii) share-based payments expenses.

(e) Statutory reserve

In accordance with the relevant PRC laws and regulations, the Company and the Company's subsidiaries incorporated in the PRC are required to transfer 10% of their net profits each year to the statutory reserve until the reserve reaches 50% of the registered capital. The statutory reserve can be utilised in setting off accumulated losses or increase capital and is non-distributable other than in liquidation.

(f) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of the companies comprising the Group into the Group's presentation currency. The reserve is dealt with in accordance with the accounting policies set out in Note 2(t).

(g) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements during the Track Record Period.

30 SHARE-BASED PAYMENTS

Ji'an County Heli Investment Management Center (Limited Partnership) ("吉安縣合劦投資管理中心(有限合夥)") ("Heli Investment") was established as an investment platform with the purpose of implementing employee share-based incentives. The general partner of Heli Investment is Mr. Yuan Rong who held 10% shares of Heli Investment, and the remaining shares of Heli Investment was primarily held by Ms. Yuan Mei.

In January 2023, certain share interests of Heli Investment (equivalent to 1,230,000 shares of the Company) were transferred from Ms. Yuan Mei to certain employees at a price of RMB3.10 per share to encourage and retain eligible persons to make contributions in the long-term growth of the Group, which was accounted for as equity settled share-based payment. The fair value of the shares transferred was RMB6.80 per share which was estimated with reference to the price of the capital increase of an independent investor in December 2022 (see Note 29(b)(ii)). The difference with the transfer price is to be recognized in staff costs over the vesting period from January 2023 to June 2029.

In March 2025, certain share interests of Heli Investment (equivalent to 371,000 shares of the Company) were transferred from Ms. Yuan Mei to certain employees at a price of RMB8.20 per share to encourage and retain eligible persons to make contributions in the long-term growth of the Group, which was accounted for as equity settled share-based payment. The fair value of the shares transferred was RMB12.00 per share which was estimated with reference to the offer price range for the proposed initial public offering of the Company. The difference with the transfer price is to be recognized in staff costs over the vesting period from March 2025 to April 2030.

31 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, commodity and currency risks arises in the normal course of the Group's business. The Group is not exposed to significant interest rate risk.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to trade receivables at amortised cost and trade receivables at FVTPL, other receivables, time deposit and bank balances. In order to minimise the credit risk, the Group's management continuously monitors the level of exposure to ensure that follow up action is taken to recover overdue debts.

Except for trade receivables at FVTPL, the Group performed impairment assessment for financial assets and other items under ECL model individually. Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. After individual credit evaluations, the Directors consider that the rest of the Group's credit risk is insignificant.

(i) *Trade receivables at FVTPL*

As at 31 December 2022, 2023 and 2024 and 30 June 2025, the Group's trade receivables at FVTPL were debtors with an aggregate amount of RMB43,161,000, RMB25,084,000 and RMB36,517,000 and RMB39,743,000.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry in which the customers operate. At 31 December 2022, 2023 and 2024 and 30 June 2025, 59%, 27% and 74% and 65% of the total trade receivables at FVTPL, respectively, was due from the Group's largest debtor from sales of copper products, and 100%, 85% and 98% and 96% of the total trade receivables at FVTPL, respectively, was due from the five largest debtors from sales of copper products. In order to manage the credit risk, the Group continuously monitor the level of exposure by ongoing review of credit records of customers to take follow-up actions on the balances of trade receivables. These customers are large and reputable in the market and they have been trading with the Group with good settlement history.

(ii) *Trade receivables at amortised cost*

As at 31 December 2022, 2023 and 2024 and 30 June 2025, included in the Group's trade receivables at amortised cost balance were debtors with an aggregate amount of RMB1,244,000, RMB517,000 and RMB278,000 and RMB2,316,000 and were assessed for impairment at an amount equal to lifetime ECLs. As at 31 December 2022, 2023 and 2024 and 30 June 2025, impairment allowance of RMB70,000, RMB26,000 and RMB14,000 and RMB112,000 were made on these debtors.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry in which the customers operate. At 31 December 2022, 2023 and 2024 and 30 June 2025, 45%, 62% and 100% and 57% of the total trade receivables at amortised cost, respectively, was due from the Group's largest debtor from sales of goods other than copper products, and 100%, 100% and 100% and 100% of the total trade receivables at amortised cost, respectively, was due from the five largest debtors from sales of goods other than copper products. In order to manage the credit risk, the Group continuously monitor the level of exposure by ongoing review of credit records of customers to take follow-up actions on the balances of trade receivables. These customers are large and reputable in the market and they have been trading with the Group with good settlement history.

For trade receivables at amortised cost, the Group has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime.

(iii) Bank balances and the time deposit

Credit risk on bank balances and the time deposit is limited because the counterparty banks and financial institutions are with good reputation. Thus, the Directors considered that the probability of default is negligible for the bank balances and the time deposit of the Group and no expected credit loss was recognised as at 31 December 2022, 2023 and 2024 and 30 June 2025.

For all other financial assets including other receivables the Group measures the loss allowance equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition where the Group recognises lifetime ECL. The Group has assessed and concluded that the risk of default rate for the aforementioned other financial assets is close to zero based on the Group's assessment of the financial health of the counterparties, except for deposits, input VAT receivables, receivables from third parties and related party amounting to RMB86,075,000, RMB97,539,000 and RMB88,977,000 and RMB136,452,000 as at 31 December 2022, 2023 and 2024 and 30 June 2025 which was credit impaired and assessed individually, and the impairment allowance of RMB10,693,000, RMB30,166,000 and RMB9,394,000 and RMB18,390,000 was recognised in the Historical Financial Information as at 31 December 2022, 2023 and 2024 and 30 June 2025.

(iv) Movements in the loss allowance, all of which are relating to trade receivables at amortised cost is as follows:

	Years ended 31 December			At 30 June
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
1 January	770	70	26	14
Impairment (reversal)/recognised	(734)	(44)	(12)	98
Exchange adjustments	34	—	—	—
At end of the year/period	<u>70</u>	<u>26</u>	<u>14</u>	<u>112</u>

(v) Movements in the loss allowance all of which are relating to other receivables at amortised cost is as follows:

	Years ended 31 December			At 30 June
	2022	2023	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000
1 January	7,443	10,693	30,166	9,394
Impairment recognised/(reversal).	2,808	19,291	(3,082)	9,062
Amount written off as uncollectible	—	—	(17,842)	—
Exchange adjustments	<u>442</u>	<u>182</u>	<u>152</u>	<u>(66)</u>
At end of the year/period	<u>10,693</u>	<u>30,166</u>	<u>9,394</u>	<u>18,390</u>

The tables below detail the credit risk exposures of the Group's financial assets, which are subject to ECL assessment:

	Notes	12-month or lifetime ECL	At 31 December			At 30 June
			2022	2023	2024	
Financial assets at amortised cost						
Trade receivables at amortised cost	18	Lifetime ECL	1,174	491	264	2,204
		Credit impaired	70	26	14	112
Other receivables . . .	19	12-month ECL	1,244	517	278	2,316
		Credit impaired	4,876	7,106	18,591	31,256
Loans granted to an associate . . .	19	12-month ECL	5,035	7,202	1,267	1,494
		Credit impaired	9,423	14,308	19,858	32,750
Input VAT receivables . . .	19	12-month ECL	9,911	11,582	—	—
		Credit impaired	61,083	60,267	60,992	86,806
Bank balances . . .	20	12-month ECL	4,665	11,382	8,127	16,896
Time deposit . . .	20	12-month ECL	65,748	71,649	69,119	103,702
		—	79,062	39,876	123,901	126,510
			79,062	39,876	128,901	132,560
			166,381	137,932	218,156	271,328

(b) Liquidity risk

The treasury function is centrally managed by the Group, which includes the short-term investment of cash surpluses and the raising of loans to cover expected cash demands.

The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of reporting period of the Group's financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

	Weighted average interest rate	On demand or less than 6 months	Over 6 months but not more than 1 year	1 to 2 years	2 to 5 years	Total undiscounted cash flows	Carrying amounts
	%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2022							
Non-derivative financial liabilities							
Trade and other payables	—	101,730	—	—	—	101,730	101,730
Bank and other borrowings	5.78%	30,030	55,755	6,080	—	91,865	87,389
Trade payables designated at FVTPL	—	28,481	—	—	—	28,481	28,481
		<u>160,241</u>	<u>55,755</u>	<u>6,080</u>	—	<u>222,076</u>	<u>217,600</u>
Lease liabilities	4.75%	<u>376</u>	<u>375</u>	<u>500</u>	66	<u>1,317</u>	<u>1,224</u>
Financial liabilities designed at FVTPL — Copper futures contracts		<u>246</u>	—	—	—	<u>246</u>	<u>246</u>
	Weighted average interest rate	On demand or less than 6 months	Over 6 months but not more than 1 year	1 to 2 years	2 to 5 years	Total undiscounted cash flows	Carrying amounts
	%	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
31 December 2023							
Non-derivative financial liabilities							
Trade and other payables	—	140,741	—	—	—	140,741	140,741
Bank and other borrowings	5.87%	155,860	44,891	13,136	6,066	219,953	213,211
Trade payables designated at FVTPL	—	82,036	—	—	—	82,036	82,036
		<u>378,637</u>	<u>44,891</u>	<u>13,136</u>	<u>6,066</u>	<u>442,730</u>	<u>435,988</u>
Lease liabilities	4.75%	<u>130</u>	<u>130</u>	<u>79</u>	—	<u>339</u>	<u>328</u>
Financial liabilities designed at FVTPL — Copper futures contracts		<u>66</u>	—	—	—	<u>66</u>	<u>66</u>

	Weighted average interest rate %	On demand or less than 6 months RMB'000	Over 6 months but not more than 1 year RMB'000	1 to 2 years RMB'000	2 to 5 years RMB'000	Total undiscounted cash flows RMB'000	Carrying amounts RMB'000
31 December 2024							
Non-derivative financial liabilities							
Trade and other payables		171,727	—	—	—	171,727	171,727
Bank and other borrowings	5.85%	162,589	49,912	25,405	40,766	278,672	268,627
Trade payables designated at FVTPL		<u>271,527</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>271,527</u>	<u>271,527</u>
		<u>605,843</u>	<u>49,912</u>	<u>25,405</u>	<u>40,766</u>	<u>721,926</u>	<u>711,881</u>
Lease liabilities	4.75%	<u>46</u>	<u>45</u>	<u>—</u>	<u>—</u>	<u>91</u>	<u>90</u>
30 June 2025							
Non-derivative financial liabilities							
Trade and other payables		191,290	—	—	—	191,290	191,290
Bank and other borrowings	6.65%	121,351	59,752	21,273	53,124	255,500	245,186
Trade payables designated at FVTPL		<u>191,248</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>191,248</u>	<u>191,248</u>
		<u>503,889</u>	<u>59,752</u>	<u>21,273</u>	<u>53,124</u>	<u>638,038</u>	<u>627,724</u>
Lease liabilities	4.75%	<u>99</u>	<u>62</u>	<u>125</u>	<u>311</u>	<u>597</u>	<u>540</u>

(c) Commodity risk

The Group's commodity price risk is mainly the exposure to fluctuations in the prevailing market price of copper which are the major commodities purchased, produced and sold by the Group. To minimise this risk, the Group enters into copper futures contracts and provisional price arrangement to manage the Group's exposure in relation to forecasted sales of copper products, forecasted purchases of copper concentrates, inventories and firm commitments to sell the Group's copper products.

Financial assets and liabilities of the Group whose fair value change in line with the fluctuations in the prevailing market price of copper mainly comprise copper futures contracts and provisional price arrangements. If all prices of copper futures had been increased by 10%, with all other variables held constant, the impact on the Group's total equity apart from retained profits and the potential effect on profit after tax is as would be as follows:

	Years ended 31 December			Six months ended 30 June RMB'000
	2022 RMB'000	2023 RMB'000	2024 RMB'000	
Increase in profit for the year/period	7,178	18,839	10,758	17,862

There would be an equal and opposite impact on the profit after tax for the year/period if there had been 10% decrease in all prices of copper futures.

(d) Currency 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. In addition, the Group has exchange rate exposures arising from foreign currency borrowings. The Group adopts an overall management on its foreign exchange business.

The carrying amounts of the Group's USD, RMB, ZMW, CDF, SGD and SOL denominated monetary assets (including financial assets, intercompany receivables and input VAT receivables) and liabilities (including financial liabilities, intercompany payables and tax payables) which expose the Group to foreign currency risk are as follows:

	Years ended 31 December			Six months ended 30 June
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
USD denominated monetary assets ..	171,541	204,960	239,483	271,481
USD denominated monetary liabilities	(16,036)	(10,835)	(16,520)	(33,946)
RMB denominated monetary assets ..	65	65	1,214	399
RMB denominated monetary liabilities	–	(14)	(57)	(57)
SGD denominated monetary assets ..	136	72	76	373
ZMW denominated monetary assets ..	61,377	64,354	54,514	75,034
ZMW denominated monetary liabilities	(534)	(704)	(10,904)	(5,282)
CDF denominated monetary assets ..	11	392	5,045	72
CDF denominated monetary liabilities	–	(3,833)	(29,347)	(26,769)
SOL denominated monetary assets ..	3,870	2,187	12,415	20,082
SOL denominated monetary liabilities	(378)	(392)	(1,736)	(262)

The Group currently does not have a foreign exchange hedging policy. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arise.

The sensitivity analysis below has been determined based on the exposure to exchange rates of USD, RMB, ZMW, CDF and SOL against functional currency. For a 5%, a 10%, and a 15% weakening of USD, ZMW, CDF and SOL against functional currency and all other variables being held constant, there would have no material impact on the Group's total equity apart from the retained profits and the effect on the Group's profit after tax are as follows:

	Years ended 31 December			Six months ended 30 June
	2022	2023	2024	2025
	RMB '000	RMB '000	RMB '000	RMB '000
(Decrease)/increase in profit for the year/period				
USD				
Weakening				
– 5%	(5,831)	(7,280)	(8,361)	(8,908)
– 10%	(11,663)	(14,559)	(16,722)	(17,815)
– 15%	(17,494)	(21,839)	(25,083)	(26,723)
RMB				
Weakening				
– 5%	(2)	(2)	(43)	(13)
– 10%	(5)	(4)	(87)	(26)
– 15%	(7)	(6)	(130)	(39)
SGD				
Weakening				
– 5%	(5)	(3)	(3)	(14)
– 10%	(10)	(5)	(6)	(28)
– 15%	(15)	(8)	(9)	(42)
ZMW				
Weakening				
– 5%	(2,282)	(2,387)	(1,635)	(2,616)
– 10%	(4,563)	(4,774)	(3,271)	(5,231)
– 15%	(6,845)	(7,161)	(4,906)	(7,847)
CDF				
Weakening				
– 5%	–	129	911	1,001
– 10%	(1)	258	1,823	2,002
– 15%	(1)	387	2,734	3,003
SOL				
Weakening				
– 5%	(131)	(67)	(400)	(743)
– 10%	(262)	(135)	(801)	(1,487)
– 15%	(393)	(202)	(1,201)	(2,230)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' profit after tax and retained profits measured in their respective functional currencies, translated into RMB at the exchange rates ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to remeasure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency.

(e) Fair value measurement

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

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

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

	Level 1 <i>RMB'000</i>	Level 2 <i>RMB'000</i>	Level 3 <i>RMB'000</i>	Total <i>RMB'000</i>
31 December 2022				
Financial liabilities – Copper future contracts <i>(Note (i))</i>	246	–	–	246
Trade receivables at FVTPL <i>(Note (ii))</i>	–	43,161	–	43,161
Trade payables designated at FVTPL <i>(Note (ii))</i>	–	<u>28,481</u>	–	<u>28,481</u>
31 December 2023				
Financial liabilities – Copper future contracts <i>(Note (i))</i>	66	–	–	66
Trade receivables at FVTPL <i>(Note (ii))</i>	–	25,084	–	25,084
Trade payables designated at FVTPL <i>(Note (ii))</i>	–	<u>82,036</u>	–	<u>82,036</u>
31 December 2024				
Trade receivables at FVTPL <i>(Note (ii))</i>	–	36,517	–	36,517
Trade payables designated at FVTPL <i>(Note (ii))</i>	–	<u>271,527</u>	–	<u>271,527</u>
30 June 2025				
Financial liabilities-non-ferrous metal future contracts <i>(Note (i))</i>	107	–	–	107
Trade receivables at FVTPL <i>(Note (ii))</i>	–	39,743	–	39,743
Trade payables designated at FVTPL <i>(Note (ii))</i>	–	<u>191,248</u>	–	<u>191,248</u>

Notes:

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

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

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

32 COMMITMENTS

Capital commitments outstanding at respective reporting period end dates not provided for in the Historical Financial Information were as follows:

	At 31 December			At 30 June	
	2022	2023	2024	2025	
	RMB'000	RMB'000	RMB'000	RMB'000	
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the Historical Financial Information	205,533	123,383	68,914	2,718	

33 MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors and supervisors as disclosed in Note 9 and certain of the highest paid employees as disclosed in Note 10, is as follows:

	Years ended 31 December			Six months ended 30 June	
	2022	2023	2024	2024	2025
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Salaries and other emoluments.	1,469	1,864	2,008	974	1,064
Discretionary bonuses	521	277	302	198	150
Employees share-based compensation scheme:	—	121	121	60	60
Retirement scheme contributions	142	129	128	64	65
	2,132	2,391	2,559	1,296	1,339

Total remuneration is included in "staff costs" (See Note 7(b)).

(b) Names and relationships of the related parties that had material transactions with the Group during the Track Record Period:

Names of related parties	Relationship
Jiangwu Jinxun	An associate of the Group
Mr. Yuan Rong	Ultimate controlling party
Ms. Liu Li	The spouse of Mr. Yuan Rong
Ms. Yuan Mei	Key management personnel of the Group and sister of Mr. Yuan Rong

(c) Transactions with related parties during the Track Record Period

	Years ended 31 December			Six months ended 30 June	
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2024 RMB'000 (Unaudited)	2025 RMB'000
Purchase of property, plant and equipment from Jiangwu Jinxun	—	1,116	—	—	—
Lease charges relating to short-term leases to Jiangwu Jinxun	222	155	—	—	—
Interest income from Jiangwu Jinxun.	941	986	—	—	—
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

(d) Balances with related parties

The Group's balances with related parties as at the end of each reporting period are as follows:

	At 31 December			At 30 June	
	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000	
Trade in nature:					
Trade payables at amortised cost from Jiangwu Jinxun	230	1,277	—	—	—
Non-trade in nature:					
Gross amounts of other receivables from Jiangwu Jinxun (Note 19)	10,416	11,582	—	—	—
Guarantees provided by Mr. Yuan Rong, and/or Ms. Liu Li and/or Ms. Yuan Mei for the Group's bank and other borrowings (Note 24)	48,584	62,527	110,777	47,156	<u> </u>

Subsequent to 30 June 2025, all of guarantees provided by the related parties for the Group's bank loans were released.

34 IMMEDIATE AND ULTIMATE CONTROLLING PARTY

At 30 June 2025, the directors consider the immediate and ultimate controlling party of the Group to be Mr. Yuan Rong.

35 SUBSEQUENT EVENTS

Subsequent to the end of the reporting period, a interim dividend in respect of the six months ended 30 June 2025 of RMB0.28 per share, in an aggregate amount of RMB30,883,000 which was approved by extraordinary general meeting on 12 September 2025.

36 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ACCOUNTING PERIOD BEGINNING ON 1 JANUARY 2025

Up to date of issue of the Historical Financial Information, the IASB has issued a number of new or amended standards which are not yet effective for the accounting period beginning on 1 January 2025 and which have not been adopted in the Historical Financial Information. These include the following:

	Effective for accounting period beginning on or after
Amendments to IFRS 9 and IFRS 7 – <i>Amendments to the classification and measurement of financial instruments</i>	1 January 2026
Amendments to IFRS 9 and IFRS 7, <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Annual improvements to IFRS Accounting Standards-Volume 11	1 January 2026
IFRS 18, <i>Presentation and disclosure in financial statements</i>	1 January 2027
IFRS 19, <i>Subsidiaries without public accountability: disclosures</i>	1 January 2027
Amendments to IFRS 10 and IAS 28, <i>Sale or contribution of assets between an investor and its associate or joint venture</i>	To be determined

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Historical Financial Information.

IFRS 18, *Presentation and disclosure in financial statements*

IFRS 18 will replace IAS 1 *Presentation of financial statements* and aims to improve the transparency and comparability of information about an entity's financial statements.

IFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively. Among other changes, under IFRS 18, entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to provide specific disclosures about management-defined performance measures in a single note in the financial statements.

The Group does not plan to early adopt IFRS 18. IFRS 18 will impact the presentation of financial statements and is not expected to have significant impact on the financial performance and positions of the Group.

SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Company and its subsidiaries in respect of any period subsequent to 30 June 2025.