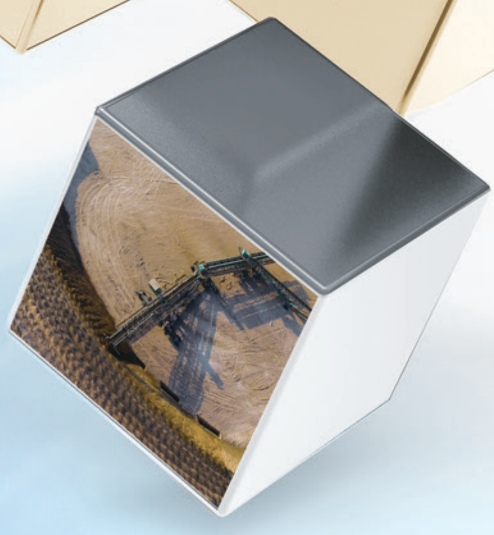
中國有色礦業有限公司

China Nonferrous Mining Corporation Limited

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

Stock Code: 01258



2025

INTERIM REPORT

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CORPORATE INFORMATION

REGISTERED OFFICE

Unit 1303, 13/F, Austin Tower
22–26 Austin Avenue
Tsimshatsui, Hong Kong

PRINCIPAL PLACE OF BUSINESS IN ZAMBIA

32 Enos Chomba Road
Kitwe, Zambia

PRINCIPAL PLACE OF BUSINESS IN THE DRC

Lubumbashi
Katanga Province
Congo (DRC)

COMPANY'S WEBSITE

www.cnmcl.net

STOCK CODE

01258

DIRECTORS

Executive Directors

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

Non-executive Directors

Mr. Yaoyu TAN
Ms. Yani GONG

Independent Non-executive Directors

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

THE COMMITTEES OF THE BOARD

Audit Committee

Mr. Guangfu GAO *(Chairman)*
Mr. Yaoyu TAN
Mr. Huanfei GUAN

Nomination Committee

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

Remuneration Committee

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

Compliance Committee

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

JOINT COMPANY SECRETARIES

Mr. Chaoran ZHU
Ms. Man Yi WONG

LEGAL ADVISER

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

CORPORATE INFORMATION (CONTINUED)

AUDITOR

KPMG
Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance
8th Floor, Prince's Building
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Central
Hong Kong

HONG KONG SHARE REGISTRAR

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

A bird's eye view of the leach plant in Luanshya

CHAIRMAN'S STATEMENT

Chairman of the Board

Bo XIAO

CHAIRMAN'S STATEMENT (CONTINUED)

Dear investors,

The year 2025 marks the conclusion of the "14th Five-Year Plan". Under the leadership of the board of directors of the Company ("Board of Directors" or "Board") and with the support of the shareholders, all employees of China Nonferrous Mining Corporation Limited (hereinafter referred to as the "Group" or the "Company") have focused on high-quality development, emphasized value creation and value realization, promoted technological innovation and the implementation of reforms, seized the opportunity of high copper price, and achieved strong operating results.

In the first half of the year, the Group achieved total profit of US$533 million, representing an increase of 23.1% as compared with the same period last year; and net profit attributable to the parent company of US$263 million, representing an increase of 20.2% as compared with the same period last year. Copper production from self-owned mines reached 85,200 tonnes, representing an increase of approximately 7.2% as compared with the same period last year. Of which, mining companies such as NFCA, Luanshya and Kambove Mining all achieved production growth in the first half of the year. The application of photovoltaic power generation and diesel power generation effectively helped alleviate power shortages in the DRC, ensuring capacity utilization of local enterprises. CCS proactively reduced its purchase and production of copper and increased processing services, effectively controlling capital appropriation and foreign exchange risks caused by the further increase in VAT refunds. In June, the Company announced the acquisition of a partial equity interest in the Benkala copper mine in Kazakhstan, marking a breakthrough in overseas mergers and acquisitions in recent years, which is expected to expand the Company's resource footprint into Central Asia. In the capital market, the Company attached great importance to the maintenance of investor relations, and further strengthened the communication and engagement with investors. The Company continued to maintain a relatively high dividend payout ratio to reward all shareholders, and actively communicated with the regulatory authorities for guidance to strengthen the Company's compliance governance. The Company widely communicated with seller research institutes and social media to convey the Company's investment value to the market. In the first half of the year, the Company's performance in the secondary market was noteworthy. We are pleased to receive the attention and recognition of the investors, which injected strong momentum into the high-quality development of the Company.

In the second half of the year, the Company's production and operations will continue to face a relatively challenging environment. Externally, economic indicators in major Western economies remain far from promising. Expectations of interest rate cuts may exacerbate inflation, and the global economic recovery will take time. The geopolitical situation remains complex and tense, with conflicts in hotspot areas continuing to escalate. The trade protectionism and tariff disputes initiated by the United States have yet to subside and will continue to have a significant impact on the global economy. Internally, the temporary suspension of production at the Chambishi Southeast Mine due to a production safety incident will reduce the full-year production guidance of the Company and may significantly affect its operating performance. Smelting and processing fees may continue to decline, and the profitability outlook for smelters remains bleak. We are acutely aware that, the Company's production and operations will encounter greater difficulties and challenges in the second half of the year and beyond.

In the face of numerous uncertainties, the Company will firmly pursue the path of high-quality development, seek progress while maintaining stability, and overcome difficulties and challenges. The new mine project at Luanshya and the Mensaisa mine project at Kambove Mining will enter the construction phase during the year and will be put into production in the next few years to expand the production capacity of its self-owned mines. The Company aims to acquire a controlling stake in the Benkala project in Kazakhstan within the year, bringing new growth points to the Company. Meanwhile, the Company is actively striving to achieve greater breakthroughs in the M&A market. Some companies are accelerating the construction of self-owned power plants, which will further alleviate the power shortages in South and Central Africa. Under the guidance of new quality productivity, the Company is confident in achieving its annual production and operation targets.

Standing at a new starting point, we will reward all shareholders with excellent performance. We also invite investors to join us in embracing a brighter future for the Company.

Bo XIAO
Chairman of the Board
China Nonferrous Mining Corporation Limited

28 August 2025

RESULTS HIGHLIGHTS

OPERATING RESULTS

- In the first half of 2025, China Nonferrous Mining Corporation Limited (the "Company") and its subsidiaries (collectively the "Group") recorded revenue of US$1,751.5 million, representing a period-over-period decrease of 12.9%.

- In the first half of 2025, the Group recorded profit attributable to owners of the Company of US$263.3 million, representing a period-over-period increase of 20.2%.

CHANGES IN PRODUCT OUTPUT

- In the first half of 2025, the Group produced 111,283 tonnes of blister copper and copper anodes, representing a period-over-period decrease of 30.4%.

- In the first half of 2025, the Group produced 72,192 tonnes of copper cathodes, representing a period-over-period increase of 15.6%.

- In the first half of 2025, the Group produced 481 tonnes of cobalt contained in cobaltous hydroxide, representing a period-over-period increase of 1.7%.

- In the first half of 2025, the Group produced 538,433 tonnes of sulfuric acid, representing a period-over-period decrease of 1.9%.

- In the first half of 2025, the Group produced 1,466 tonnes of liquid sulphur dioxide, representing a period-over-period decrease of 85.5%.

- In the first half of 2025, the Group processed and produced 102,708 tonnes of copper products as entrusted, representing a period-over-period increase of 152.9%.

Part of CCS plant site

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

In the first half of 2025, the Group's operating results increased year on year, which was attributable to the increase in global copper price, the period-over-period increase in the production and sales volumes of blister copper and copper anodes produced by self-owned mines, as well as the period-over-period increase in the sales volumes of copper cathodes.

During the period from 1 January 2025 to 30 June 2025 (the "reporting period"), the revenue of the Group amounted to US$1,751.5 million, representing a decrease of 12.9% as compared with the same period last year. Profit attributable to owners of the Company amounted to US$263.3 million, representing an increase of 20.2% as compared with the same period last year, which was mainly attributable to the increase in global copper price, the period-over-period increase in the production and sales volumes of blister copper and copper anodes produced by self-owned mines, as well as the period-over-period increase in the sales volumes of copper cathodes.

BUSINESS REVIEW

The Group is a leading, fast growing and vertically integrated copper producer, which focuses on operations based in Zambia and the DRC concerning mining, ore processing, leaching, smelting and sales of copper and cobalt. The Group also produces sulfuric acid, a by-product generated during the smelting process.

The businesses of the Group are carried out mainly through the following companies:

NFC Africa Mining PLC ("NFCA"), CNMC Luanshya Copper Mines PLC ("Luanshya"), Chambishi Copper Smelter Limited ("CCS") and Sino-Metals Leach Zambia Limited ("SML") located in Zambia, as well as Huachin Metal Leach SA ("Huachin Leach"), CNMC Huachin Mabende Mining SA ("CNMC Huachin Mabende"), Lualaba Copper Smelter and Kambove Mining SAS ("Kambove Mining") located in the DRC.

From January to June 2025, the Group accumulatively produced 111,283 tonnes of blister copper and copper anodes, representing a decrease of 30.4% from the same period last year; 72,192 tonnes of copper cathodes, representing an increase of 15.6% from the same period last year; 481 tonnes of cobalt contained in cobaltous hydroxide, representing an increase of 1.7% from the same period last year; 538,433 tonnes of sulfuric acid, representing a decrease of 1.9% from the same period last year; and 1,466 tonnes of liquid sulphur dioxide, representing a decrease of 85.5% from the same period last year; and the processed copper products by the Group for enterprises outside of the Group amounted to 102,708 tonnes in total, representing an increase of 152.9% from the same period last year.

BUSINESS REVIEW (CONTINUED)

Production Overview

NFCA

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

In the first half of 2025, Chambishi Main Mine, Chambishi West Mine and Chambishi Southeast Mine produced 38,743 tonnes of copper anodes, representing an increase of 21.0% from the same period last year, of which: Chambishi Main and West Mine produced 13,290 tonnes of copper anodes and Chambishi Southeast Mine produced 25,453 tonnes of copper anodes, primarily due to the continuous production in the first half of 2025, without reduction in production as occurred in the corresponding period in 2024.

Luanshya

Luanshya operates five copper mines, namely Baluba East Mine, Baluba Center Mine, Muliashi North Mine, Roan Ext. Mine (including Roan Ext. East Mine and Roan Ext. West Mine) and Roan Basin Mine, respectively, as well as the Muliashi Leach Plant and processing plant.

The Luanshya produced 23,680 tonnes of copper cathodes in the first half of 2025, representing an increase of 0.9% from the same period last year, and produced 2,062 tonnes of copper anodes, representing an increase of 13.7% from the same period last year.

CCS

CCS mainly operates the Chambishi Smelting Plant.

In the first half of 2025, CCS produced 140,540 tonnes of blister copper and copper anodes, including the processed copper products of 42,345 tonnes for enterprises within the Group and the processed copper products of 50,466 tonnes for enterprises outside of the Group, representing an increase of 4.9% from the same period last year, mainly due to the annual operating time period of the smelting production system of 181 days, representing an increase of 6 days as compared with the first half of 2024. CCS produced 366,013 tonnes of sulfuric acid, representing a decrease of 0.8% from the same period of 2024, mainly due to the period-over-period decrease in sulfur contained in copper concentrate in the first half of 2025.

SML

SML mainly operates the Mwambashi Mine and the Chambishi Leach Plant.

In the first half of 2025, SML produced 755 tonnes of copper cathodes, representing a decrease of 73.3% from the same period last year, and produced 1,540 tonnes of blister copper and copper anodes, representing a decrease of 42.4% from the same period last year. The decrease in output was mainly due to the temporary suspension of production to focus on the appropriate rehabilitation measures.

BUSINESS REVIEW (CONTINUED)

Production Overview (Continued)

CNMC Huachin Mabende and Huachin Leach

Copper cathodes produced by CNMC Huachin Mabende in the first half of 2025 increased by 85.0% to 15,603 tonnes as compared with the same period last year, mainly due to the improvement in power supply as compared with the same period last year as a result of the generators and photovoltaic system being put into use during 2025.

Copper cathodes produced by Huachin Leach in the first half of 2025 increased by 25.8% to 12,973 tonnes, as compared with the same period last year. Cobalt contained in cobaltous hydroxide produced increased by 194.7% to 221 tonnes as compared with the same period last year. The main reason for the increase in the output of copper cathodes and cobalt contained in cobaltous hydroxide was due to the improvement in power supply as compared with the same period last year as a result of the generators being put into use during 2025.

Lualaba Copper Smelter

In the first half of 2025, Lualaba Copper Smelter produced 73,451 tonnes of blister copper, including the processed copper products of 52,242 tonnes for enterprises outside the Group, representing an increase of 12.1% from the same period last year. The main reasons for the increase in the output of blister copper were: (i) Lualaba Copper Smelter maintained normal production in the first half of 2025, without suspension of production for maintenance compared to the same period last year; (ii) raw material supply was sufficient in the first half of 2025, allowing the system to operate at full capacity. Lualaba Copper Smelter produced 172,420 tonnes of sulfuric acid, representing a decrease of 3.2% from the same period last year, mainly due to the period-over-period decrease in sulfur used in the production; and 1,466 tonnes of liquid sulphur dioxide, representing a decrease of 85.5% from the same period last year, mainly due to the decrease in demand for liquid sulfur dioxide from cobalt producers as a result of restrictions on exports of cobalt products imposed by the DRC.

Kambove Mining

In the first half of 2025, Kambove Mining produced 19,181 tonnes of copper cathodes, representing an increase of 3.6% as compared with the same period of 2024, mainly attributable to the period-over-period increase in ore processing volume during the same period this year. The production of cobalt contained in cobaltous hydroxide was 260 tonnes, representing a decrease of 34.7% as compared with the same period last year, mainly attributable to the fact that Kambove Mining adjusted its cobalt production model and reduced cobalt output in response to the restrictions on exports of cobalt products imposed by the DRC.

BUSINESS REVIEW (CONTINUED)

Production Overview (Continued)

The table below sets forth the production volume of the products of the Group and the change for the periods indicated.

	Production volume for the six months ended 30 June 2025[1] *(Tonnes)*	Production volume for the six months ended 30 June 2024[1] *(Tonnes)*	Period-over period increase/ (decrease) *(%)*
Blister copper and copper anodes	**111,283**	159,971	(30.4)
Copper cathodes	**72,192**	62,450	15.6
Cobalt contained in cobaltous hydroxide	**481**	473	1.7
Sulfuric acid	**538,433**	548,699	(1.9)
Liquid sulphur dioxide	**1,466**	10,115	(85.5)
Copper product processing services[2]	**102,708**	40,615	152.9

Notes:

(1) The production volumes of all the products are on a contained-copper basis, except for cobalt contained in cobaltous hydroxide, sulfuric acid and liquid sulphur dioxide.

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

(3) Among the above copper products, production volume of copper by self-owned mines is as follows:

	Production volume for the six months ended 30 June 2025 *(Tonnes)*	Production volume for the six months ended 30 June 2024 *(Tonnes)*
Blister copper and copper anodes produced by self-owned mines	**42,053**	35,977
Copper cathodes produced by self-owned mines	**43,153**	43,518
Total	**85,206**	79,495

BUSINESS REVIEW (CONTINUED)

Exploration, Development and Mining Cost of the Group

Cost of exploration, development and mining activities of the Group for the six months ended 30 June 2025 is set out below:

Unit: Million US dollars

	NFCA		Luanshya			SML		Kambove Mining			
Exploration activities	Chambishi Main and West Mine	Chambishi Southeast Mine	Southern Superficial Part of Muliashi Sulphide Mine	Roan Extended to the Southern Deep Part of Muliashi Sulphide Mine	Muliashi Strip Mine Oxidised Mine	Mwambashi Mine	Samba Mine	Main Mine	West Mine	MSESA Mine	Total
Drilling	0.58	0.46	0.10	0.63	0.05	–	0.36	0.31	–	–	2.49
Analysis	0.01	0.09	–	0.08	–	–	–	0.03	–	–	0.21
Others	–	–	–	0.33	–	3.32	–	–	–	–	3.65
Sub-total	**0.59**	**0.55**	**0.10**	**1.04**	**0.05**	**3.32**	**0.36**	**0.34**	**-**	**-**	**6.35**

	NFCA		Luanshya			SML		Kambove Mining			
Development activities (including mine construction)	Chambishi Main and West Mine	Chambishi Southeast Mine	Southern Superficial Part of Muliashi Sulphide Mine	Roan Extended to the Southern Deep Part of Muliashi Sulphide Mine	Muliashi Strip Mine Oxidised Mine	Mwambashi Mine	Samba Mine	Main Mine	West Mine	MSESA Mine	Total
Purchases of assets and equipment	0.68	2.45	–	24.43	–	–	–	–	–	–	27.56
Civil work for construction of tunnels and roads	3.75	12.94	1.44	–	–	–	–	–	–	–	18.13
Others	3.01	6.76	–	1.41	15.36	–	–	–	–	–	26.54
Sub-total	**7.44**	**22.15**	**1.44**	**25.84**	**15.36**	**-**	**-**	**-**	**-**	**-**	**72.23**

BUSINESS REVIEW (CONTINUED)

Exploration, Development and Mining Cost of the Group (Continued)

	NFCA		Luanshya			SML		Kambove Mining			
Mining activities (excluding ore processing)	Chambishi Main and West Mine	Chambishi Southeast Mine	Southern Superficial Part of Muliashi Sulphide Mine	Roan Extended to the Southern Deep Part of Muliashi Sulphide Mine	Muliashi Strip Mine Oxidised Mine	Mwambashi Mine	Samba Mine	Main Mine	West Mine	MSESA Mine	Total
Staff cost	2.11	7.41	–	–	–	–	–	–	–	–	9.52
Consumables	4.08	18.51	–	–	–	–	–	–	–	–	22.59
Fuel, electricity, water and other services	9.43	7.39	–	–	–	–	–	0.16	–	–	16.98
Depreciation	4.49	23.69	–	–	8.98	0.06	–	–	–	–	37.22
Sub-contracting charges	25.48	33.12	–	–	33.29	0.21	–	23.42	–	–	115.52
Transportation charges	–	–	–	–	–	–	–	–	–	–	–
Others	0.60	1.31	–	–	–	0.06	–	–	–	–	1.97
Sub-total	**46.19**	**91.43**	**-**	**-**	**42.27**	**0.33**	**-**	**23.58**	**-**	**-**	**203.80**

BUSINESS REVIEW (CONTINUED)

Mining Exploration, Mining Development and Ore Mining Activities

Mining Exploration

During the reporting period, NFCA, Luanshya and Kambove Mining, subsidiaries of the Company, conducted mining exploration for production and exploration purposes, respectively. In particular:

At NFCA, the completed drilling volume for exploration in the pit was 13,676.8 m, and the completed drilling volume for exploration in the pit at Chambishi Southeast Mine was 43.4 m, with a surface exploration drilling footage of 3,974.2 m.

At Luanshya, the drilling of 7 production exploration drilling holes with footage of 589.30 m was completed in the Extended Section of Roan; the drilling of 70 drilling holes for resource exploration with footage of 1,120.10 m was completed in the old tailings ponds.

Kambove Mining completed 1,914.6 m of supplemental exploration drilling at the main mine, while MSESA completed 741.3 m of drilling for hydro-geological holes, drill hole cataloguing, and overwater sampling of colluvial deposits.

Mining Development

Luanshya

The new mine in Luanshya (formerly known as 28# Well Project) is expected to have a total project investment of approximately US$513.0 million, including investment in pumping and drainage of approximately US$100.0 million and restoration construction of approximately US$413 million. Its product is copper concentrate, with an estimated designed mining and processing production scale of 2.2 million tonnes/year, which contains 43,500 tonnes of copper per year. It has an infrastructure construction period of 4 years and a production period of 18 years.

The budgeted amount of the project for the whole year of 2025 is approximately US$80.7 million, with investment amounting to US$23.6 million. As of 30 June 2025, the cumulative drainage volume was 68.09 million m^3, completing 74% of the total drainage volume, and the water level had dropped by a cumulative total of 594 m. The water level currently stands at an elevation of 603 m. Pumping and drainage are progressing according to schedule and meeting the timeline.

Kambove Mining

The total planned investment of Phase I of the MSESA Ore Body Development Project is US$22.0 million. In 2025, it invested US$2.1 million in metallurgical testwork research of the MSESA Mine and for the preparation of feasibility study reports.

The total planned investment of Phase I of Kambove West Mine Development Project is US$85.8 million. In 2025, it invested US$0.1 million in the update and review of the pre-feasibility study for Kambove West Mine.

BUSINESS REVIEW (CONTINUED)

Mining Exploration, Mining Development and Ore Mining Activities (Continued)

Ore Mining

For details of ore mining activities, please refer to "Production Overview" on pages 10 to 12.

Infrastructure Projects, Subcontracting Arrangements and Procurement of Equipment

The major contracts entered into during the reporting period are as follows:

1. Off-track Equipment Purchasing Contract of NFCA;

2. Diesel Generator Sets Purchasing Contract of CNMC Huachin Mabende;

3. New Mine Discharge Borehole and Backfill drilling Construction Contract of Luanshya;

4. Southeast Mine TBM Horizontal Tunnel Project General Framework Contract of NFCA.

For the six months ended 30 June 2025, the aggregate value of contracts newly entered into by the Group amounted to US$106.5 million, of which the capital commitment was US$71.7 million. There was no subcontracting arrangement* during the six months ended 30 June 2025.

* Subcontracting arrangement refers to an arrangement made between one party to a contract and a third party, pursuant to which the third party shall fulfill all or part of the obligation of that party under the said contract. For example, it refers to the circumstance where the Group wins a project as a contractor and then transfers the entire project or subcontracts part of the project to a third party.

Projects in Progress

NFCA

The full-section hard rock tunnel boring machine (TBM) project of the L-slope of the Southeast Mine from the surface to the middle section at depths up to 680 mL – Firstly, the hydrogeological and engineering geological surveys along the L-slope from the surface to the middle section at depths up to 680 mL was completed, which successfully identified a section of about 250 meters along the slope with adverse geology that mainly consists of clay-rich minerals and sandy fillings and is prone to softening and disintegration after dewatering, with poor overall stability. Secondly, the groutability test of the adverse geological formations and the drilling inspection were completed. No obvious cement or cement bonding samples were seen within the grouting section of the adverse geological bodies, and there was no evidence of cement bonding at the upper and lower layers of the main control section. On the whole, the stratum possess certain groutability under the action of grouting pressure, but the grouting process shows obvious signs of uneven spreading, which makes it difficult to modify the homogeneity of the adverse geology and reinforce the whole body effectively. Thirdly, the passability verification of the adverse geology on the established route was completed by the end of July 2025. If the established route is adopted, after completion of the preparatory work such as surface curtain grouting water control (about 8 months), TBM equipment manufacturing (about 7 months) and transportation (about 4 months), the construction conditions will be ready by the end of February 2027. The construction will take about 17 months and complete by the third quarter of 2028. In case of route adjustments, additional surveys will take about 8 months. Construction will commence by the end of October 2027, with completion postponed to the second quarter of 2029.

BUSINESS REVIEW (CONTINUED)

Projects in Progress (Continued)

NFCA (Continued)

The curtain grouting water control project for the main and auxiliary shafts of the Southeast Mine – Firstly, the curtain wall of the auxiliary shaft from the surface to 450mL section was basically formed. Treatment work was carried out to the third deep aquifer between 450mL-505mL, the locations of the remaining main water outlets are concentrated between 450mL-480mL. The water influx of the auxiliary shaft has been reduced to approximately 29m^3/h, and currently, the remaining task for the auxiliary shaft is to manage the residual water influx from the drill holes for the construction. Secondly, the curtain wall of the main shaft from the surface to the 50mL section was also basically formed, which has proceeded to the drilling and grouting process of the second aquifer between 130 meters-170 meters and the current water influx is 42.56m^3/h. Thirdly, the construction work on the main and auxiliary shafts was suspended due to damages to the walls.

Main west separation plant renovation project – Firstly, the geotechnical survey of the project was completed and the report was submitted by early July 2025. Secondly, the project feasibility study and relevant investment decision procedures of the Company were completed, and the investment application to the Group was reviewed by various departments, the expert committee, the investment committee and the general manager's office of the Group. Thirdly, the environmental impact assessment, bidding and preliminary design of the project are progressing simultaneously. Fourthly, it is planned that the bidding for the project will be launched in early August 2025, and the contract negotiation and signing, preliminary design review and environmental impact assessment report review will be completed by mid-September 2025, with a view of commencing civil construction by the end of September 2025.

CCS

Firstly, the expansion and renovation project of the slag separation plant. As of the first half of 2025, the preliminary design (in lieu of a feasibility study), the procurement for semi-autogenous grinding equipment and the settlement of the progress payment for construction and installation engineering were completed, amounting to US$3.2 million. Secondly, the new 10,000 Nm^3/h (90% purity) Vacuum Pressure Swing Adsorption (VPSA) oxygen generation system project was approved by the Group on 8 April 2025. As of the first half of 2025, the feasibility study, environmental impact assessment, design and expert review, and the bidding and procurement of oxygen generation system equipment were completed, amounting to US$4.5 million. Thirdly, the environmental protection treatment project of smelting flue gas (new dust collection system) was approved by the Group on 6 May 2025. As of the first half of the year, the design and expert review and the bidding and procurement of environmentally friendly high pressure flue gas fan and low pressure bag filter were completed, amounting to US$1.5 million. Fourthly, the smelted concentrate warehouse area C expansion project. As of the first half of 2025, the dismantling of the equipment at the original site and the bidding and procurement of car wash equipment were completed, amounting to US$0.2 million. Fifthly, the new photovoltaic storage power station project in the living area is currently in the process of price quotation and comparison.

BUSINESS REVIEW (CONTINUED)

Projects in Progress (Continued)

Luanshya

A new mine project – The project is a key project for Luanshya to achieve sustainable and high-quality development in the future, with a total investment of approximately US$513.0 million (including approximately US$100.0 million for pumping and drainage and approximately US$413.0 million for restoration construction). The product is copper concentrate, with a designed mining and beneficiation capacity of 2.2 million tonnes/year and contained copper in copper concentrate of 43,500 tonnes/year. The infrastructure construction period is 4 years and the production period is 18 years. Pumping and drainage test went smoothly, and comprehensive pumping and drainage work was initiated. By the end of June 2025, the cumulative drainage volume was 68.09 million m^3, accounting for 74% of the total water volume, and the water level had dropped by a cumulative total of 594 meters. For the shallow section of the project, the feasibility study has been completed and the restoration and infrastructure work is progressing steadily.

Lualaba Copper Smelter

Firstly, the slag flotation project: the construction of the 2024 slag flotation project officially commenced on 7 April 2024. System standalone equipment and zero-load test runs were completed on 30 December 2024. The project was completed and put into operation on 20 January 2025, though final project settlement has not yet been completed. The entire system is currently operating under normal production conditions.

Secondly, the expansion of the slag slow cooling plants and supporting plant project: 2 high-speed diesel generators in the supporting plant have been completed and put into operation, and delivered for production; the construction of independent foundations of 6 medium-speed diesel generators and ground beams of the power distribution room, as well as foundations for 8 diesel generators have all been completed. Currently, drainage ditches and cable trenches for the power distribution room are under construction. For the slag slow cooling plants expansion project, 8 concrete pourings (for drainage outlets) have been done, and concrete pouring of bedding layers for both the north and south sites have been completed. This project is scheduled to be delivered for production use on 30 November 2025.

Thirdly, the slag flotation tailings pond construction project: all geological exploration work for the project was completed, and construction design is currently underway.

BUSINESS REVIEW (CONTINUED)

Projects in Progress (Continued)

Kambove Mining

The preliminary work for the resource development projects of Kambove West Mine and the MSESA Mine – This project is to promote the works prior to the preparation of the feasibility studies on the pumping and drainage of Kambove West Mine, the supplemental exploration of the MSESA Mine, the drainage and dredging of the MSESA Mine, the necessary technical conditions for mining, and the metallurgical study of the ore, etc.

The feasibility study report on the overall optimization of the leach plant and the renovation and expansion project of the tailings system have been prepared and submitted to the Group for approval. The construction of the project commenced in December 2024. As of 30 June 2025, all construction designs have been completed, while the procurement of the main process equipment has been completed and all equipment is expected to arrive on-site by 30 September 2025. The project is scheduled for completion by 30 December 2025.

For Phase I of the development project of Kambove West Mine with a total planned investment of US$85.8 million, it includes updating of the pre-feasibility study of the Kambove West Mine and supplementary exploration in the northern part of the Kambove West Mine, which aims to explore the extension of the upper mine in the northern part of the Kambove West Mine. Phase I of the development project of MSESA Mine has a total planned investment of US$22.0 million. The planned investment of US$1.8 million in 2025 will be used for metallurgical testwork and mining technical conditions research of the MSESA Mine, based on which the feasibility study for the development of the MSESA Mine will be completed. The system renovation project for the use of sulfur dioxide instead of sodium metabisulfite with a planned total investment of US$2.3 million, which is scheduled to be completed in September 2025. The overall optimization of the leach plant and the renovation and expansion project of the tailings system with a total planned investment of US$42.1 million is scheduled to be completed in December 2025.

FINANCIAL REVIEW

Results of Operations

The following table sets forth sales volume, average selling price, revenue and percentage contribution to total revenue of the Group's products and service for the periods indicated.

	Six months ended 30 June							
	2025				2024			
	Sales Volume[(1)] *(Tonnes)*	**Average Selling Price *(US$ per tonne)***	**Revenue *(US$'000)***	**% of Total Revenue *(%)***	Sales Volume[(1)] *(Tonnes)*	Average Selling Price *(US$ per tonne)*	Revenue *(US$'000)*	% of Total Revenue *(%)*
Blister copper and copper anodes	**109,308**	**8,776**	**959,277**	**54.8**	159,611	8,530	1,361,485	67.7
Copper cathodes	**70,525**	**8,673**	**611,635**	**34.9**	63,324	8,168	517,213	25.7
Sulfuric acid	**387,982**	**225**	**87,259**	**5.0**	404,786	206	83,354	4.2
Liquid sulphur dioxide	**990**	**686**	**680**	**0.1**	10,144	793	8,046	0.4
Cobalt contained in cobaltous hydroxide	**–**	**–**	**–**	**–**	526	8,391	4,414	0.2
Copper product processing services[(2)]	**102,479**	**904**	**92,682**	**5.2**	39,992	882	35,256	1.8
Total	**671,284**		**1,751,533**	**100.0**	678,383		2,009,768	100.0

Notes :

(1) The sales volumes of the products of blister copper and copper anodes and copper cathodes are on a contained-copper basis.

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

FINANCIAL REVIEW (CONTINUED)

Revenue

The revenue of the Group decreased by 12.9% from US$2,009.8 million in the first half of 2024 to US$1,751.5 million in the first half of 2025, primarily attributable to period-over-period increase in the production of blister copper and copper anodes processed for enterprises outside of the Group and the period-over-period decrease in the sales volume of self-produced and sold copper products, resulting in a period-over-period decrease in revenue.

The revenue from sales of blister copper and copper anodes decreased by 29.5% from US$1,361.5 million in the first half of 2024 to US$959.3 million in the first half of 2025, primarily attributable to period-over-period increase in the production of blister copper and copper anodes processed for enterprises outside of the Group and the period-over-period decrease in the sales volume of self-produced and sold copper products during the reporting period in order to avoid capital appropriation and exchange risks caused by the further increase in the balance of input VAT receivables, resulting in a period-over-period decrease in revenue.

The revenue from sales of copper cathodes increased by 18.3% from US$517.2 million in the first half of 2024 to US$611.6 million in the first half of 2025, primarily attributable to the period-over-period increase in the production and sales volume of copper cathodes and the increase in global copper price.

The revenue from sales of sulfuric acid increased by 4.7% from US$83.4 million in the first half of 2024 to US$87.3 million in first half of 2025, primarily attributable to the increase in average selling price of sulfuric acid.

The following table sets forth the cost of sales, unit cost of sales, gross profit and gross profit margin of the products and service of the Group for the periods indicated.

	Six months ended 30 June							
	2025				2024			
	Cost of Sales	**Unit Cost of Sales**	**Gross Profit**	**Gross Profit Margin**	Cost of Sales	Unit Cost of Sales	Gross Profit	Gross Profit Margin
	(US$'000)	***(US$ per tonne)***	***(US$'000)***	***(%)***	*(US$'000)*	*(US$ per tonne)*	*(US$'000)*	*(%)*
Blister copper and copper anodes	**778,475**	**7,122**	**180,802**	**18.9**	1,147,639	7,190	213,846	15.7
Copper cathodes	**331,375**	**4,699**	**280,260**	**45.8**	282,704	4,464	234,509	45.3
Sulfuric acid	**32,461**	**84**	**54,798**	**62.8**	34,431	85	48,923	58.7
Liquid sulphur dioxide	**792**	**800**	**(112)**	**(16.6)**	3,598	355	4,448	55.3
Cobalt contained in cobaltous hydroxide[2]	**1,968**	**–**	**(1,968)**	**–**	8,185	15,561	(3,771)	(85.5)
Copper product processing services[1]	**36,195**	**353**	**56,487**	**61.0**	21,251	531	14,005	39.7
Total	**1,181,266**		**570,267**	**32.6**	1,497,808		511,960	25.5

FINANCIAL REVIEW (CONTINUED)

Revenue (Continued)

Notes:

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

(2) The cost of sales of cobalt contained in cobaltous hydroxide represents impairment provision of inventories in the first half of 2025.

Cost of sales

The cost of sales of the Group decreased by 21.1% to US$1,181.3 million in the first half of 2025 from US$1,497.8 million in the first half of 2024, primarily due to the period-over-period increase in the production of blister copper and copper anodes processed for enterprises outside of the Group and the period-over-period decrease in the sales volume of self-produced and sold copper products, resulting in a period-over-period decrease in the cost of sales.

The cost of sales of blister copper and copper anodes decreased by 32.2% from US$1,147.6 million in the first half of 2024 to US$778.5 million in the first half of 2025, primarily due to the period-over-period increase in the production of blister copper and copper anodes processed for enterprises outside of the Group and the period-over-period decrease in the sales volume of self-produced and sold copper products, resulting in a period-over-period decrease in the cost of sales.

The cost of sales of copper cathodes increased by 17.2% from US$282.7 million in the first half of 2024 to US$331.4 million in the first half of 2025, primarily due to the period-over-period increase in the sales volume of copper cathodes.

The cost of sales of sulfuric acid decreased by 5.5% from US$34.4 million in the first half of 2024 to US$32.5 million in the first half of 2025, primarily due to the period-over-period decrease in sales volume of sulfuric acid.

Gross profit and gross profit margin

Due to the above factors, the Group recorded a gross profit of US$570.3 million in the first half of 2025, representing an increase of 11.4% from US$512.0 million in the same period of 2024. The gross profit margin increased from 25.5% in the first half of 2024 to 32.6% in the first half of 2025, which was mainly attributable to the decrease in the proportion of low-margin blister copper and copper anode production and the increase in the proportion of high-margin contract manufacturing during 2025.

Distribution and selling expenses

The distribution and selling expenses of the Group increased by US$1.0 million from US$3.5 million in the first half of 2024 to US$4.5 million in the first half of 2025.

Administrative expenses

The administrative expenses of the Group increased by US$12.5 million from US$83.6 million in the first half of 2024 to US$96.1 million in the first half of 2025, primarily due to the temporary suspension of production at SML to focus on the appropriate rehabilitation measures.

FINANCIAL REVIEW (CONTINUED)

Finance costs

The finance costs of the Group decreased by US$5.1 million from US$6.3 million in the first half of 2024 to US$1.2 million in the first half of 2025, primarily due to a significant decrease in external borrowings compared with the same period last year.

Other gains and losses

In terms of other gains and losses, the Group recorded a net gain of US$48.7 million in the first half of 2025, increased by US$45.3 million from the gain of US$3.4 million in the first half of 2024, which was primarily due to the appreciation of Zambian Kwacha, the currency of Zambia ("ZMK") against US$, resulting in a period-over-period increase in foreign exchange gain.

Income tax expense

The income tax expense of the Group increased by US$32.0 million from US$129.2 million in the first half of 2024 to US$161.2 million in the first half of 2025, primarily due to the increase in profit before tax.

Profit attributable to owners of the Company

Due to the aforementioned factors, profit attributable to owners of the Company increased by US$44.2 million from US$219.1 million in the first half of 2024 to US$263.3 million in the first half of 2025.

Liquidity and capital resources

Cash Flows

Net cash generated from operating activities

Net cash flow generated from the operating activities of the Group was a net inflow of US$525.9 million in the first half of 2025, which increased by US$112.8 million from the net inflow of US$413.1 million in the first half of 2024, mainly attributable to the period-over-period increase in net profit.

Net cash (used in)/generated from investing activities

The net cash flow used in investing activities of the Group was a net outflow of US$151.2 million in the first half of 2025, which increased in outflow by US$178.0 million from the net inflow of US$26.8 million used in investing activities in the first half of 2024, mainly attributable to the period-over-period decrease in the amount of time deposits converted into demand deposits, and deposit of funds with CNMC Treasury Management (Hong Kong) Company Limited during the reporting period.

Net cash (used in)/generated from financing activities

The net cash flow used in financing activities of the Group was a net outflow of US$42.1 million in the first half of 2025, which increased in outflow by US$137.0 million from the net inflow of US$94.9 million used in financing activities in the first half of 2024, mainly attributable to the proceeds from the issue of new shares during the same period last year and the fact that there were no new external borrowings for the same period this year.

FINANCIAL REVIEW (CONTINUED)

Liquidity and capital resources (Continued)

Cash Flows (Continued)

Bank balances and cash

The Group's bank balances and cash (including cash, time deposits and demand deposits) increased by US$334.7 million from US$1,018.7 million as at 31 December 2024 to US$1,353.4 million as at 30 June 2025.

Trade receivables at amortised cost/trade receivables at FVTPL

As at 30 June 2025, the Group recorded trade receivables at amortised cost of US$86.8 million and trade receivables at FVTPL of US$258.1 million. The trade receivables at FVTPL were the trade receivables arising from the sale of copper products under provisional pricing arrangements. The aggregate trade receivables amounted to US$344.9 million, which increased by US$88.3 million from US$256.6 million as at 31 December 2024, mainly attributable to the increase in the receivables in relation to sales of copper products.

Inventories

Inventories held by the Group decreased by US$0.9 million from US$848.2 million as at 31 December 2024 to US$847.3 million as at 30 June 2025, basically maintaining at the same level as the same period last year.

Trade payables at amortised cost/trade payables designated at FVTPL

As at 30 June 2025, the Group recorded trade payables at amortised cost of US$266.7 million and trade payables designated at FVTPL of US$222.6 million. The trade payables designated at FVTPL were the trade payables arising from the purchase of copper concentrates under provisional pricing arrangements. The aggregate trade payables amounted to US$489.3 million, which increased by US$48.8 million from US$440.5 million as at 31 December 2024, primarily due to the period-over-period increase in the amounts payable for ancillary materials and spare parts.

Bank and other borrowings

As of 30 June 2025, the Group's balance of bank and other borrowings amounted to US$9.8 million which was due more than one year but not exceeding two years.

As of 30 June 2025, the Group's bank and other borrowings were denominated in US dollar and had no seasonal features, which carry a fixed interest rate of 1.75% per annum.

FINANCIAL REVIEW (CONTINUED)

Capital expenditure

	Six months ended 30 June	
	2025	2024
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Mining and ore processing facilities at Chambishi Southeast Mine of NFCA	**23,687**	6,264
Other mining and ore processing facilities at NFCA	**11,183**	5,976
A new mine project at Luanshya	**24,426**	8,036
Mining and leaching facilities at Luanshya (Muliashi Project)	**2,744**	3,896
Baluba Mine Open Pit Mine at Luanshya	**13,042**	–
Other facilities at Luanshya	**6,035**	5,606
Smelting facilities at CCS	**2,946**	3,065
Leaching facilities at Chambishi Leach Plant	**5,127**	3,104
Leaching facilities at CNMC Huachin Leach Project	**352**	1,628
Leaching facilities at Mabende Project	**788**	3,253
Smelting facilities at Lualaba Copper Smelter	**6,793**	1,342
Mining and ore processing facilities at Kambove Mining	**11,229**	3,839
Total	**108,352**	46,009

The total capital expenditure of the Group was US$108.4 million in the first half of 2025, increased by US$62.4 million as compared with the first half of 2024, primarily due to the period-over-period increase in the capital expenditure on the Chambishi Southeast Mine, the new mine project and Baluba Mine Open Pit Mine at Luanshya, as well as Kambove Mining.

Treasury Policies

As of 30 June 2025, the Group formulated the Financial Budget Management System, the Funds Management System, the Inventories Management System, the Fixed Assets Management System, the Financial Information Disclosure Management System, Management Measures on Approval Procedures and Permissions of Financial Income and Expenses of the Central Office and other financial policies, which aim to regulate and enhance internal control of relevant activities of the Group to ensure the safety of the Group's assets, protect investors' interests and improve operation and management level for compliance with relevant laws and regulations of Hong Kong as well as the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

FINANCIAL REVIEW (CONTINUED)

Market Risk Disclosure

In the ordinary course of business, the Group's market risks mainly comprise commodity price risk, foreign exchange risk and interest rate risk.

Commodity price risk

The Group's commodity price risk mainly represents the exposure to fluctuations in the market price of copper which affect the prices of the major commodities purchased, produced and sold by the Group. To mitigate this risk, the Group has entered into copper futures contracts and provisional price arrangement to manage and forecast its sales of copper products, and to forecast purchase of copper concentrates, inventories and the risk relating to the Group's commitment to sell its copper products.

Foreign exchange risk

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

Interest rate risk

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

EMPLOYEE AND REMUNERATION POLICIES

Remuneration of employees (including the Directors) was determined based on their work nature, experience and contributions to the Group. Employees were also entitled to bonus as an incentive subject to their performance. Other employee benefits include insurance, medical cover and subsidised educational and training programmes. The Company does not operate any share scheme.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR ACQUISITION OF CAPITAL ASSETS

There were no significant investments held, material acquisitions or disposals of subsidiaries, associates or joint ventures during the six months ended 30 June 2025. As at 30 June 2025, the Group had no future plans to make significant investments or to acquire capital assets, and did not anticipate to make any arrangement to finance such plans in the coming year.

CHARGES ON ASSETS

As at 30 June 2025, the net carrying amount of the Group's property, plant and equipment secured for the self-guaranteed environmental protection funds amounted to US$8,932,000 (as at 31 December 2024: US$9,161,000). As at 30 June 2025, the restricted bank balances of the Group amounted to US$6,354,000 (as at 31 December 2024: US$4,336,000) mainly applied to the guarantee of environmental protection funds and the issuance of letters of credit.

GEARING RATIO

As at 30 June 2025, the Group had a net cash position* of approximately US$1,349.9 million (as at 31 December 2024: US$997.0 million). Therefore the Group was not considered to have any net gearing as at 30 June 2025 and 31 December 2024.

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

\# Net gearing ratio is defined as bank and other borrowings minus bank balances and cash, time deposits, and short-term restricted bank balances, divided by the total equity attribute to owners of the Company.

CONTINGENT LIABILITIES

As at 30 June 2025, details of material contingent liabilities are set out in note 21 to the interim financial report (as at 31 December 2024: Nil).

NO MATERIAL CHANGES

Saved as disclosed in this interim report, for the period from 1 January 2025 to 30 June 2025, there were no material changes affecting the Company's performance that need to be disclosed under paragraphs 32 and 40(2) of Appendix D2 to the Listing Rules.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

As at the date of this interim report, save as the temporary suspension of production of Southeast Mine of NFCA, there were no important events affecting the Group which have occurred after the reporting period.

USE OF PROCEEDS FROM THE PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 9 April 2024, the Company, China Nonferrous Mining Development Limited (the “Placing Shareholder”) and China International Capital Corporation Hong Kong Securities Limited (the “Placing Agent”) entered into a placing and subscription agreement (the “Placing and Subscription Agreement”), pursuant to which: (a) the Seller has agreed to appoint the Placing Agent, and the Placing Agent has agreed to act as agent of the Seller and to procure purchasers to purchase on a best effort basis, an aggregate of up to 163,000,000 existing Shares at the price of HK$6.0 per Sale Share (the “Placing Price”) (representing a discount of approximately 13.54% to the closing price of HK$6.94 per Share as quoted on the Hong Kong Stock Exchange on 8 April 2024, being the trading day immediately prior to the date of the Placing and Subscription Agreement); and (b) the Seller has agreed to subscribe for, and the Company has agreed to issue to the Seller, an aggregate of up to 163,000,000 new Shares at the subscription price (being the same as the Placing Price), in each case upon the terms and subject to the conditions set out in the Placing and Subscription Agreement. Completion of the Placing and the Subscription took place on 10 April 2024 and 15 April 2024, respectively. A total of 163,000,000 Sale Shares have been successfully placed at the Placing Price to not less than six Placees, all of whom/which are professional, institutional and/or individual investors. The net price for each Subscription Share is US$0.76. Details of the Placing and the Subscription were set out in the announcements of the Company dated 9 April 2024 and 15 April 2024 (the “Announcements”).

The Directors are of the view that the Placing and the Subscription will benefit the Group’s long-term development and broaden the shareholder base and capital base of the Group to facilitate future growth and development of its business, as well as to increase the liquidity of the Shares. The Directors (including the independent non-executive Directors) are also of the view that the Placing and the Subscription is in the interests of the Company and the Shareholders as a whole and the terms of the Placing and Subscription Agreement, which were arrived at after arm’s length negotiations between the Company, the Seller and the Placing Agent, are fair and reasonable so far as the Shareholders are concerned.

As disclosed in the Announcements, the Company received total net proceeds (the “Proceeds”) from the Subscription and intends to use the same for (i) project construction works to increase the production capacity of copper concentrate of mines which is located in Luanshya, Kambove and Chambishi, etc; (ii) acquisition of potential mineral resources; and (iii) replenish and supplement the general working capital of the Group. As at 30 June 2025, details of the use of the Proceeds are as follows:

Unit: US$’000

Net proceeds from the Placing	Planned usage	Amount utilized	Actual usage	Unutilized amount	Timeline for the planned use
124,080	Project construction works to increase the production capacity of copper concentrate of mines which is located in Luanshya, Kambove and Chambishi, etc	6,759	Used for the Kambove project construction works	112,321	Before 31 December 2027
	Acquisition of potential mineral resources[2]	5,000	Used for the acquisition of shares of SM Minerals		
	Replenish and supplement the general working capital of the Group	–	–		

Notes:

(1) The net proceeds have been applied in the manner consistent with the use of proceeds as disclosed in the announcement of the Company dated 9 April 2024. The expected timeline for utilising all unutilised net proceeds is subject to change based on the current and future development of market conditions and market opportunities made available to the Group.

(2) Details are set out in the announcement of the Company dated 16 June 2025.

NUMBER OF SHARES AND PARTICULARS OF SHAREHOLDERS

NUMBER OF SHARES

As at 30 June 2025, the Company had issued 3,902,036,000 ordinary shares (the "Shares").

PARTICULARS OF SHAREHOLDERS

Substantial shareholders' and other persons' interests and short positions in shares and underlying shares

As at 30 June 2025, so far as it is known to the Directors and the chief executive of the Company, interests or short positions which shall be disclosed to the Company and the Stock Exchange pursuant to the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "SFO")) are as follows:

Long positions in Shares:

Substantial Shareholder	Capacity/Nature of interest	Number of shares	Approximate percentage of shareholdings
CNMD	Registered owner	2,600,000,000	66.63%
CNMC	Interest in a controlled corporation	2,600,000,000	66.63%

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

Save as disclosed above, as at 30 June 2025, no other person had any interests or short positions in the Shares or underlying Shares of the Company which was required to be recorded in the register pursuant to section 336 of the SFO.

PARTICULARS OF SHAREHOLDERS (CONTINUED)

Substantial shareholders' and other persons' interests and short positions in shares and underlying shares (Continued)

As at 30 June 2025, each of the following entities was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group:

Member of the Group	Entity with 10% or more interest (other than member of the Group)	Percentage of that entity's interest
NFCA	Zambia Consolidated Copper Mines Investments Holdings Plc ("ZCCM-IH")	15%
Luanshya	ZCCM-IH	20%
CCS	Yunnan Copper Industry (Group) Co., Ltd* (雲南銅業集團有限公司)	40%
SML	Hong Kong Zhongfei Mining Investment Limited ("Hong Kong Zhongfei")	30%
Huachin Leach	Huachin SARL	32.5%
CNMC Huachin Mabende	Huachin SARL	33.25%
China Nonferrous Mining Hong Kong Holdings Limited	Hong Kong Zhongfei	30%
Kambove Mining	La Generale des Carrieres et des Mines SA	40%
Lualaba Copper Smelter	Yunnan & Hongkong Metal Company Limited ("YH Metal")	38%
Kingsail Limited	YH Metal	40%

Save as disclosed above, as at 30 June 2025, no other persons were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote under all circumstances at general meetings of any other member of the Group.

* *Translation of English name for reference purpose only*

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Group are committed to achieving and maintaining high standards of corporate governance, which they consider to be critical in safeguarding the integrity of the Company's operations and maintaining investors' trust in the Company.

During the reporting period, in order to further optimise and strengthen better corporate governance practices and procedures, the Group further optimised the internal control system and made full use of monthly compliance report to effectively monitor on significant issues including legal cases, connected transactions, internal control risk and inside information, etc.

During the reporting period, the Board and the committees of the Board of the Company complied with laws in performing their duties and operated in accordance with standards. The Group fulfilled relevant procedures and made disclosure in respect of the use of raised proceeds, material investment and connected transactions and so forth.

To provide further understanding of operation mode, business activities and development conditions for independent Directors, the management provided the Directors with a monthly summary of the major information about the operational development and compliance of the Company.

For the six months ended 30 June 2025, the Company had complied with the code provisions as set out in Appendix C1 to the Listing Rules (the "CG Code").

HUMAN RESOURCES

EMPLOYEE INFORMATION

As at 30 June 2025, the Group had 8,492 employees, which comprised 908 Chinese employees and 7,584 local employees in Zambia and the DRC. The total cost of employees incurred by the Group for the six months ended 30 June 2025 was approximately US$57.6 million (for the six months ended 30 June 2024: US$52.3 million).

CORPORATE SOCIAL RESPONSIBILITY

The Group always adheres to its operating mission of "delivering returns to Shareholders, employees and the society through corporate development", and seriously performs environmental and social responsibility in accordance with the industry that the enterprise belongs to as well as operational features.

WORKING ENVIRONMENT

The Group highly embraces the corporate governance concept of being "people oriented", upholds a fair and normative labour policy, pays great respect to the cultural background of employees, protects employees' interests and strictly implements labour policies in relation to social security, working hours and holidays where the enterprises are located. By regularly organizing collective negotiations to determine welfare including remuneration, transportation, housing and medical allowance, and striving to offer a market-competitive remuneration system, the Group provides employees with a healthy and harmonious working and living environment; for the employment and promotion of employees, the Group handles the business in strict compliance with employment management system. Discriminations based on race, religion, skin colour and gender are prohibited; and procedures for complaints are set up. The Group attaches great importance to enhancing quality and ability of staff. Every subsidiary has its special training institution and staff, which carries out comprehensive and multi-level subject trainings for our employees such as vocational skills training and health and safety training, and provides quality environment for their growth, thus achieving common growth of employees and enterprise.

HEALTH AND SAFETY

The Group strictly complies with relevant laws and regulations concerning safety production and labour protection where the enterprises are located, and always adheres to the safety production principle of "safety first, prevention foremost". The safety production concept of "respect for life, prevention first" was upheld from the Group to all the subsidiaries. The standards for safety production management have been effectively improved through the implementation of an accountability mechanism of the entities responsible for safety production, specification of the scope of safety production responsibility, enhancement of safe production education and risk prevention and control, development of overall safety inspection and latent defect investigation and governance, constant improvement and optimisation of the contingency plan and reinforcement of emergency rescue team building. The Group has attached great importance to the investment and construction of safety environmental facilities as well as the equipment and the management regarding the use of labour protection equipment for staff. In every mine and factory, fully-equipped first aid team was developed, and first aid stations were also established. In June 2025, an object-related incident occurred in the Southeast Mine of NFC Africa Mining PLC, resulting in a fatality involving a subcontractor's employee. The shaft was temporarily suspended for a comprehensive investigation by external experts. NFCA will implement corresponding corrective measures in accordance with local safety requirements. As of the date of this interim report, the investigation is still underway. The Group will continue to strengthen its safety management system and be dedicated to preventing risks so as to ensure stable operations and employee safety.

ENVIRONMENTAL PROTECTION

The Group aims at establishing an environmentally friendly enterprise, actively carries out energy conservation and emission reduction and strengthens the testing and monitoring of pollutants emission to ensure clean production. The Group attaches great importance to the recycling and sustainable use of resources. The Group pays attention to using environmental-friendly equipment and advanced technology for production, endeavors to promote the establishment of an environmental management system, so as to improve the resources recycling and reuse as well as environmental protection level.

In February 2025, Sino-Metals Leach Zambia Limited experienced a tailings dam issue that led to a temporary suspension of operations. The Company promptly initiated emergency and containment measures and commenced environmental rehabilitation in line with Zambia's environmental and safety regulations. The Zambia Environmental Management Agency has requested an independent cost assessment. As of the date of this interim report, this assessment remains ongoing.

COMMUNITY PARTICIPATION AND OPERATING PRACTICE

Based on copper and cobalt resources development, with the self-development and growth of the Group, the Group follows the "mutual benefit and win-win" cooperation concept, attaches great importance to the concern of the Company's shareholders ("Shareholders"), employees, suppliers and communities, actively cultivates the local market, supports local enterprises, shares benefits with suppliers, contributes to the local economy and social development and progress where the enterprises are located through the creation of taxation income, provision of jobs and development of related industries, and provides employees with vocational development and protection to create value for Shareholders.

In the first half of 2025, the Group continued to actively participate in local social welfare undertakings where the enterprises were located in cash and in kind. It supported social welfare undertakings including urban construction, active development of vocational education, the community environment improvement, servicing the local residents, which were highly appreciated by the local government and local residents and further established a good corporate-citizenship image as a listed company.

FUTURE PROSPECTS

In the first half of 2025, external uncertainties increased, with tariff policies in the United States causing significant fluctuations in international copper prices. Unstable domestic situation and severe power shortages in the DRC increased country risk. Smelting and processing fees fell to historic lows, resulting in significant profit declines for smelters. These unfavourable factors caused disruptions to the Company's production and operation, yet production companies in Africa actively responded and overcame difficulties and basically completed the production tasks, with key economic indicators reaching historical best levels. In the capital market, the Company further strengthened the maintenance of investor relations; maintained positive interactions with domestic and overseas investors; and actively gave back to shareholders by maintaining a high dividend payout ratio. The Company's performance in the secondary market was also widely recognized by investors. In June, the Company announced the subscription of certain equity interests in the Benkala copper mine in Kazakhstan, with plans to further acquire shares to establish a controlling position in the future, which marked a breakthrough in the Company's extensive mergers and acquisitions and opened a new chapter in its development.

Looking ahead, a full recovery of the global economy will take time, and trade frictions and geopolitical conflicts may exacerbate volatility in commodity prices. Country risks in South and Central Africa might intensify and smelting and processing fees are unlikely to increase in the short term. The temporary suspension of production at the Chambishi Southeast Mine will affect the Company's annual output of self-produced copper. These unfavourable factors will have a negative impact on the Company's production and operations in the second half of the year.

In terms of product prices, copper ore supply remains tight. Smelters may reduce production capacity due to low processing fees. Growth in demand for copper ore from power grid, new energy and other sectors is expected to maintain resilient demand. International copper prices are expected to remain high based on supply and demand fundamentals.

In the second half of the year, under the leadership of the Board, the management will continue to stabilise production and maintain profit, attach great importance to safety and environmental protection, compliance operation and sustainable development, accelerate the implementation of various reforms, ensure the completion of annual production and operation targets, and achieve the overall goal of stable growth in 2025.

Pumping and drainage of new mine project at Luanshya commenced,
flowing through surrounding communities

OTHER INFORMATION

GENERAL INFORMATION

The Company was incorporated in Hong Kong on 18 July 2011 and its shares are listed on the Stock Exchange. The Company's parent and ultimate holding company are China Nonferrous Mining Development Limited ("CNMD"), incorporated in the British Virgin Islands, and China Nonferrous Metal Mining (Group) Co., Ltd.* ("CNMC"), which is wholly owned by State-owned Assets Supervision and Administration Commission of the State Council and is incorporated in the People's Republic of China, respectively.

The registered office of the Company is located at Unit 1303, 13/F., Austin Tower, 22–26 Austin Avenue, Tsimshatsui, Hong Kong, and its principal places of business are located at 32 Enos Chomba Road, Kitwe, Zambia and Lubumbashi, Katanga Province, Congo (DRC), respectively.

The principal activity of the Company is investment holding. The Company's subsidiaries are principally engaged in exploration of copper and cobalt metal, mining, ore processing, leaching, smelting, sale of copper cathodes, blister copper and copper anodes, cobaltous hydroxide, sulfuric acid and liquid sulphur dioxide, and rendering copper product processing services. The consolidated financial statements are presented in United States dollars, which is also the functional currency of the Company and the Group.

INTERIM DIVIDEND

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

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

As at 30 June 2025, none of the Directors or chief executives had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or interests and short positions required to be recorded in the register kept by the Company pursuant to Section 352 of the SFO; or interests and short positions which fall to be disclosed to the Company and the Stock Exchange pursuant to the "Model Code for Securities Transactions by Directors of Listed Issuers" as stipulated in The Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

DIRECTORS' RIGHTS TO ACQUIRE SHARES

During the reporting period, the Company or any of its subsidiaries did not make any arrangements to enable any Directors or their respective spouse or minor children to obtain benefits by means of the acquisition of shares of the Company or other body corporates.

* *Translation of English name for reference purpose only*

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors had engaged in any business which competes or may compete directly or indirectly with the business of the Group for the six months ended 30 June 2025.

CHANGES IN THE INFORMATION OF THE DIRECTORS

Since 25 April 2025 (the date of publication of the 2024 Annual Report), there is no update on the information of the Directors as required to be disclosed pursuant to Rule 13.51B of the Listing Rules.

AUDIT COMMITTEE

The Company has an audit committee (the "Audit Committee") which was established with written terms of reference in compliance with the Rule 3.22 of the Listing Rules and paragraph D.3 of Part 2 of the CG Code. The primary duties of the Audit Committee are to supervise the financial reporting process and internal control and risk management systems of the Group. Members of the Audit Committee are Mr. Yaoyu TAN, a non-executive Director, and Mr. Guangfu GAO and Mr. Huanfei GUAN, independent non-executive Directors. The Audit Committee has reviewed the Group's interim financial results for the six months ended 30 June 2025 and was of the opinion that such interim financial results complied with the applicable accounting standards, the Listing Rules and legal requirements, and that disclosures had been made.

The interim financial report for the six months ended 30 June 2025 have been reviewed by the Group's auditor, KPMG, 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 Hong Kong Institute of Certified Public Accountants.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company had adopted a code of conduct on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 of the Listing Rules (the "Model Code"). The Company had also made specific enquiries to all Directors and confirmed that all of them complied with the Model Code throughout the six months ended 30 June 2025.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities throughout the six months ended 30 June 2025.

INDEPENDENT REVIEW REPORT

TO THE BOARD OF DIRECTORS OF
CHINA NONFERROUS MINING CORPORATION LIMITED
(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 39 to 68 which comprises the consolidated statement of financial position of China Nonferrous Mining Corporation Limited (the "Company") as of 30 June 2025 and the related consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the condensed consolidated cash flow statement for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF 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 Hong Kong Institute of Certified Public Accountants. A review of the interim financial report 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.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, Interim financial reporting.

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

28 August 2025

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2025 – unaudited
(Expressed in US dollars ("US$"))

		Six months ended 30 June	
	Notes	**2025** **US$'000** **(Unaudited)**	2024 *US$'000* (Unaudited)
Revenue	3	**1,751,533**	2,009,768
Cost of sales		**(1,181,266)**	(1,497,808)
Gross profit		**570,267**	511,960
Other income		**21,427**	16,102
Other gains and losses	4	**48,687**	3,430
Distribution and selling expenses		**(4,512)**	(3,519)
Administrative expenses		**(96,064)**	(83,615)
Other expenses		**(6,075)**	(5,697)
Profit from operations		**533,730**	438,661
Finance costs	5	**(1,225)**	(6,253)
Profit before taxation	6	**532,505**	432,408
Income tax	7	**(161,179)**	(129,180)
Profit and total comprehensive income for the period		**371,326**	303,228
Profit and total comprehensive income attributable to:			
Owners of the Company		**263,328**	219,109
Non-controlling interests		**107,998**	84,119
		371,326	303,228
Earnings per share	8		
– Basic and diluted *(US cents per share)*		**6.75**	5.75
– Basic and diluted *(equivalent to approximately HK$ per share)*		**0.53**	0.45

The notes on pages 44 to 68 form part of this interim financial report. Details of dividends payable to owners of the Company are set out in Note 17(a).

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2025 – unaudited
(Expressed in US$)

	Notes	**At 30 June 2025** ***US$'000*** **(Unaudited)**	At 31 December 2024 *US$'000* (Audited)
Non-current assets			
Property, plant and equipment	9	**1,480,751**	1,469,127
Right-of-use assets		**16,408**	17,320
Mining rights		**87,767**	90,937
Other equity investments	10	**5,000**	–
Restricted bank balances	13	**1,505**	1,505
Deferred tax assets		**16,727**	24,603
Prepayments and other receivables	12	**222,188**	178,227
		1,830,346	1,781,719
Current assets			
Inventories		**847,328**	848,154
Trade receivables at amortised cost	11	**86,824**	70,913
Trade receivables at fair value through profit or loss ("FVTPL")	11	**258,074**	185,742
Prepayments and other receivables	12	**300,256**	236,378
Financial assets		**–**	5,835
Restricted bank balances	13	**4,849**	2,831
Time deposits	13	**–**	4,173
Cash and cash equivalents	13	**1,353,433**	1,018,662
		2,850,764	2,372,688
Total assets		**4,681,110**	4,154,407
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	17(b)	**864,199**	864,199
Reserves		**1,480,827**	1,384,869
Total equity attributable to owners of the Company		**2,345,026**	2,249,068
Non-controlling interests		**888,022**	780,024
Total equity		**3,233,048**	3,029,092

The notes on pages 44 to 68 form part of these financial statements.

	Notes	At 30 June 2025 US$'000 (Unaudited)	At 31 December 2024 US$'000 (Audited)
Non-current liabilities			
Deferred tax liabilities		**184,713**	176,602
Bank and other borrowings – due after one year		**9,838**	9,752
Lease liabilities		**14,312**	15,328
Deferred income		**10,841**	11,170
Provision for restoration, rehabilitation and environmental costs		**52,725**	51,594
		272,429	264,446
Current liabilities			
Trade and bills payables	14	**266,682**	216,259
Trade payables designated at FVTPL	14	**222,558**	224,207
Other payables and accrued expenses	15	**408,574**	217,221
Income tax payable		**220,517**	173,130
Bank and other borrowings	16	**–**	20,424
Lease liabilities		**2,336**	2,269
Contract liabilities		**46,386**	6,727
Financial liabilities		**8,580**	632
		1,175,633	860,869
Total liabilities		**1,448,062**	1,125,315
Total equity and liabilities		**4,681,110**	4,154,407

The notes on pages 44 to 68 form part of these financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2025 – unaudited
(Expressed in US$)

	Attributable to owners of the Company					
	Share capital *US$'000* (Note 17(b))	**other reserve** *US$'000* (Note 17(c))	**Retained profits** *US$'000*	**Total** *US$'000*	**Non-controlling interests** *US$'000*	**Total equity** *US$'000*
Six months ended 30 June 2025						
Balance at 1 January 2025	**864,199**	**(1,118)**	**1,385,987**	**2,249,068**	**780,024**	**3,029,092**
Changes in equity for the six months ended 30 June 2025:						
Profit and total comprehensive income for the period	**–**	**–**	**263,328**	**263,328**	**107,998**	**371,326**
Dividends declared by the Company *(Note 17(a))*	**–**	**–**	**(167,370)**	**(167,370)**	**–**	**(167,370)**
Balance at 30 June 2025 (unaudited)	**864,199**	**(1,118)**	**1,481,945**	**2,345,026**	**888,022**	**3,233,048**

	Attributable to owners of the Company					
	Share capital *US$'000* *(Note 17(b))*	other reserve *US$'000* *(Note 17(c))*	Retained profits *US$'000*	Total *US$'000*	Non-controlling interests *US$'000*	Total equity *US$'000*
Six months ended 30 June 2024						
Balance at 1 January 2024	740,119	(1,118)	1,103,385	1,842,386	644,217	2,486,603
Changes in equity for the six months ended 30 June 2024:						
Profit and total comprehensive income for the period	–	–	219,109	219,109	84,119	303,228
Issue of shares, net of issuance cost *(Note 17(b))*	124,080	–	–	124,080	–	124,080
Dividends declared by subsidiaries	–	–	–	–	(7,500)	(7,500)
Dividends declared by the Company *(Note 17(a))*	–	–	(115,898)	(115,898)	–	(115,898)
Balance at 30 June 2024 (unaudited)	864,199	(1,118)	1,206,596	2,069,677	720,836	2,790,513

The notes on pages 44 to 68 form part of this interim financial report.

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

for the six months ended 30 June 2025 – unaudited
(Expressed in US$)

		Six months ended 30 June	
		2025	2024
		US$'000	*US$'000*
	Note	**(Unaudited)**	(Unaudited)
Net cash generated from operating activities		**525,901**	413,118
Investing activities			
Interest received		**15,847**	8,741
Proceeds from disposal of property, plant and equipment		**1,038**	1,072
Purchases of property, plant and equipment		**(105,749)**	(83,619)
Purchase of other equity instrument		**(5,000)**	–
Placement of deposits in a fellow subsidiary		**(62,700)**	–
Proceeds from repayment of long-term receivables		**606**	–
Net placement of restricted bank balances		**590**	571
Decrease in time deposits		**4,173**	100,000
Net cash (used in)/generated from investing activities		**(151,195)**	26,765
Financing activities			
Proceeds from issuance of new shares, net of transaction costs		**–**	124,080
Dividends paid to non-controlling shareholders		**(20,000)**	(6,654)
Interest paid		**(363)**	(5,400)
Repayments of bank and other borrowings		**(20,000)**	(67,000)
Repayments of lease liabilities		**(1,736)**	(168)
New bank and other borrowings		**–**	50,000
Net cash (used in)/generated from financing activities		**(42,099)**	94,858
Net increase in cash and cash equivalents		**332,607**	534,741
Cash and cash equivalents at 1 January		**1,018,662**	492,364
Effect of foreign exchange rate changes		**2,164**	682
Cash and cash equivalents at 30 June	13	**1,353,433**	1,027,787

The notes on pages 44 to 68 form part of this interim financial report.

NOTES TO INTERIM FINANCIAL REPORT

30 June 2025

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 28 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in Note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements of China Nonferrous Mining Corporation Limited (the "Company") and its subsidiaries (the "Group") and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG 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. KPMG's independent review report to the Board of Directors is included in this interim financial report.

The financial information relating to the financial year ended 31 December 2024 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

2 CHANGES IN ACCOUNTING POLICIES

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

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

3 REVENUE AND SEGMENT REPORTING

The Group's operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the board of directors (the "Board"), being the chief operating decision maker (the "CODM"), in order to allocate resources to the segments and to assess their performance.

Information reported to the CODM for the purposes of resource allocation and assessment of segment performance focuses on the types of goods produced. The Group's operating and reportable segments in current year under HKFRS 8 *Operating Segments* are as follows:

- Leaching – Production and sale of copper cathodes and cobalt hydroxide (including exploration and mining of oxide copper mines) which are produced using the solvent extraction electrowinning technology; and production and sale of sulphur-burning sulphuric acid.

- Smelting – Production and sale of blister copper and copper anodes (including exploration and mining of sulphuric copper mines), sulphuric acid and liquid sulphur dioxide which are produced using ISA smelting technology. Sulphuric acid and liquid sulphur dioxide are by-products in the production of blister copper and copper anodes. Copper products processing services are also rendered using ISA smelting technology.

No operating segments have been aggregated to form the following reportable segments.

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(a) 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:

	Six months ended 30 June 2025	
	Leaching *US$'000* (Unaudited)	**Smelting** *US$'000* (Unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or service lines		
Sales of goods to external customers		
– Copper cathodes	**611,635**	**–**
– Blister copper and copper anodes	**–**	**959,277**
– Sulphuric acid	**–**	**87,259**
– Liquid sulphur dioxide	**–**	**680**
Copper products processing services	**–**	**92,682**
Total	**611,635**	**1,139,898**
Disaggregated by timing of revenue recognition		
Point in time	**611,635**	**1,139,898**

	Six months ended 30 June 2024	
	Leaching *US$'000* (Unaudited)	Smelting *US$'000* (Unaudited)
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or service lines		
Sales of goods to external customers		
– Copper cathodes	517,213	–
– Blister copper and copper anodes	–	1,361,485
– Sulphuric acid	529	82,825
– Liquid sulphur dioxide	–	8,046
– Cobalt contained in cobalt hydroxide	4,414	–
Copper products processing services	2,160	33,096
Total	524,316	1,485,452
Disaggregated by timing of revenue recognition		
Point in time	524,316	1,485,452

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

(a) Disaggregation of revenue (continued)

Disaggregation of revenue from contracts with customers by geographic markets is as follows:

	Six months ended 30 June	
	2025	2024
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Disaggregated by geographical location of customers		
Singapore	**1,156,495**	362,333
Hong Kong	**186,318**	383,198
Africa	**183,963**	126,103
Switzerland	**157,593**	349,331
Belgium	**61,431**	26,940
Mainland China	**5,733**	761,863
	1,751,533	2,009,768

(b) Segment results, assets and liabilities

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

	Six months ended 30 June 2025		
	Leaching	**Smelting**	**Total**
	US$'000	***US$'000***	***US$'000***
	(Unaudited)	**(Unaudited)**	**(Unaudited)**
Revenue from external sales	**611,635**	**1,139,898**	**1,751,533**
Inter-segment sales	**–**	**26,442**	**26,442**
	611,635	**1,166,340**	**1,777,975**
Elimination			**(26,442)**
Revenue from external customers			**1,751,533**
Reportable segment profit	**180,374**	**193,031**	**373,405**
Unallocated income *(Note (i))*			**9,066**
Unallocated expenses *(Note (ii))*			**(11,145)**
Profit for the period			**371,326**

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

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

	Six months ended 30 June 2024		
	Leaching *US$'000* (Unaudited)	Smelting *US$'000* (Unaudited)	Total *US$'000* (Unaudited)
Revenue from external sales	524,316	1,485,452	2,009,768
Inter-segment sales	–	20,457	20,457
	524,316	1,505,909	2,030,225
Elimination			(20,457)
Revenue from external customers			2,009,768
Reportable segment profit	127,959	182,133	310,092
Unallocated income *(Note (i))*			3,653
Unallocated expenses *(Note (ii))*			(10,517)
Profit for the period			303,228

Notes:

(i) The unallocated income mainly represents the interest income arising from the bank deposits and bank balances of (1) the Company, (2) China Nonferrous Mining Holdings Limited ("CNMH"), a directly wholly-owned subsidiary of the Company which directly holds the Group's shareholdings in the subsidiaries in Zambia, (3) China Nonferrous Mining Hong Kong Holdings Limited ("CNMHK"), a directly non-wholly-owned subsidiary of the Company which directly holds the Group's shareholdings in three subsidiaries in the Democratic Republic of Congo ("DRC"), and (iv) China Nonferrous Mining Hong Kong Investment Limited ("CNMHKI"), a directly wholly-owned subsidiary of the Company which directly holds the Group's shareholdings in the other three subsidiaries in DRC (collectively referred to as the "Holding Companies").

(ii) The unallocated expenses mainly represent the administrative expenses, interest expenses and income tax expenses of the Holding Companies

Inter-segment sales are charged at prevailing market rates.

3 REVENUE AND SEGMENT REPORTING (CONTINUED)

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

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

	At 30 June 2025 *US$'000* (Unaudited)	At 31 December 2024 *US$'000* (Audited)
Segment assets		
Leaching	**1,474,245**	1,374,835
Smelting	**2,581,995**	2,386,067
Total segment assets	**4,056,240**	3,760,902
Unallocated assets *(Note (i))*	**634,724**	399,771
Elimination	**(9,854)**	(6,266)
Consolidated total assets	**4,681,110**	4,154,407

	At 30 June 2025 *US$'000* (Unaudited)	At 31 December 2024 *US$'000* (Audited)
Segment liabilities		
Leaching	**622,225**	486,658
Smelting	**595,561**	579,454
Total segment liabilities	**1,217,786**	1,066,112
Unallocated liabilities *(Note (i))*	**240,130**	65,469
Elimination	**(9,854)**	(6,266)
Consolidated total liabilities	**1,448,062**	1,125,315

Note:

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

4 OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2025	2024
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
(Losses)/gains on disposal of property, plant and equipment, net *(Note 9)*	**(35)**	179
Impairment losses (recognised)/reversed in respect of		
– input VAT receivables	**(7,668)**	(11,493)
– financial assets under ECL	**(4,056)**	600
Foreign exchange gains, net	**41,991**	5,251
(Losses)/gains from changes in fair value of financial liabilities/ assets at FVTPL		
– financial liabilities at FVTPL	**(8,230)**	(10,536)
– trade receivables at FVTPL	**54,156**	109,844
– trade payables at FVTPL	**(27,471)**	(90,415)
	48,687	3,430

5 FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Interest on bank and other borrowings	**111**	5,583
Interest on lease liabilities	**654**	6
Unwinding of the discount	**546**	664
Less: interest expense capitalised into property, plant and equipment *(Note)*	**(86)**	–
	1,225	6,253

Note:

Interest on bank and other borrowings have been capitalised at a rate of 1.75% per annum during the six months ended 30 June 2025.

6 PROFIT BEFORE TAXATION

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

	Six months ended 30 June	
	2025	2024
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	**91,163**	96,492
Depreciation of right-of-use assets	**1,045**	141
Amortisation of mining rights	**3,170**	6,315
Total amortisation and depreciation	**95,378**	102,948
Less: capitalised in inventories	**(84,177)**	(90,990)
Less: capitalised in property, plant and equipment	**(3,398)**	–
	7,803	11,958
Cost of inventories at carrying amount recognised as an expense	**1,144,457**	1,478,557
Write-down/(reversal of write-down of) of inventories to net realisable value	**615**	(2,000)
Cost of service recognised as an expense	**36,194**	21,251
	1,181,266	1,497,808

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Six months ended 30 June	
	2025	2024
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Current tax:		
– Income tax in Hong Kong	**263**	200
– Income tax in The Republic of Ireland ("Ireland")	**48**	1,379
– Income tax in DRC	**34,730**	24,261
– Income tax in Zambia	**110,151**	72,078
	145,192	97,918
Deferred tax:		
– Current period	**15,987**	31,262
Total income tax expense	**161,179**	129,180
Effective tax rate – current period	**30.3%**	29.9%

7 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)

The Group enjoyed the following income tax incentives:

- Certain phase of production facilities of CCS (the "Phase") is eligible for the tax exemption for the first five profitable years; 50% income tax relief for the next three years thereafter; and 25% of income tax relief for the next two years thereafter. Period of validity for this income tax relief was expired on 31 December 2024 (six months ended 30 June 2024: 25% income tax relief).
- Lualaba Copper Smelter SAS ("Lualaba Copper Smelter"), a non-wholly-owned subsidiary of the Company located in DRC, is eligible for a 68.29% income tax relief for the five years starting from July 2021. The calculation of income tax relief rate is based on the current production volume proportion of sulphuric acid, which also depends on the remaining investments in blister copper and sulphuric acid.

Pillar Two income tax

The Company is part of a multinational enterprise group which is subject to the Global Anti-Base Erosion Model Rules ("Pillar Two model rules") published by the Organisation for Economic Co-operation and Development.

The Pillar Two income taxes are levied on subsidiaries operated in Zambia under the new tax laws in Ireland which introduced a domestic minimum top-up tax effective from 1 January 2024.

From 1 January 2025, the Group is also liable to Pillar Two income taxes under the Hong Kong Inland Revenue (Amendment) (Minimum Tax for Multinational Enterprise Groups) Ordinance 2025 for its earnings in the Hong Kong SAR and certain other jurisdictions where a domestic minimum top-up tax has not been implemented, including the Chinese Mainland.

The Group has applied the temporary mandatory exception from deferred tax accounting for the top-up tax and accounted for the tax as current tax when incurred.

8 EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per share for the six months ended 30 June 2025 is calculated based on the profit attributable to equity shareholders of the Company of US$263,328,000 (six months ended 30 June 2024: US$219,109,000) and the weighted average of 3,902,036,000 ordinary shares in issue during the period (six months ended 30 June 2024: 3,807,998,000 ordinary shares, the weighted average number of ordinary shares for the purpose of basic earnings per share has been adjusted for the placing and subscription of new ordinary shares of 163,000,000 which took place on 15 April 2024).

(b) Diluted earnings per share

There were no dilutive potential shares outstanding six months ended 30 June 2025 and 2024. Hence, the diluted earnings per share is the same as basic earnings per share.

9 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment and incurred construction costs in an aggregate amount of US$103,275,000 (six months ended 30 June 2024: US$46,204,000). Items of property, plant and equipment with a net book value of US$1,073,000 were disposed of during the six months ended 30 June 2025 (six months ended 30 June 2024: US$893,000), resulting in losses on disposal of US$35,000 (six months ended 30 June 2024: US$179,000 gains).

10 OTHER EQUITY INVESTMENTS

	At 30 June 2025 *US$'000* **(Unaudited)**	At 31 December 2024 *US$'000* (Audited)
Unlisted equity investments, at Fair Value through Other Comprehensive Income ("FVOCI") (non-recycling)		
SM Minerals *(Note)*	**5,000**	–

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

Note:

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

11 TRADE RECEIVABLES AT AMORTISED COST/TRADE RECEIVABLES AT FVTPL

	At 30 June 2025 *US$'000* **(Unaudited)**	At 31 December 2024 *US$'000* (Audited)
Trade receivables at amortised cost	**88,154**	72,342
Less: allowance for credit losses	**(1,330)**	(1,429)
	86,824	70,913
Trade receivables at FVTPL	**258,074**	185,742

11 TRADE RECEIVABLES AT AMORTISED COST/TRADE RECEIVABLES AT FVTPL (CONTINUED)

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 30 June 2025 US$'000 (Unaudited)	At 31 December 2024 US$'000 (Audited)
0 to 30 days	**60,238**	36,836
31 to 90 days	**8,725**	28,351
91 to 180 days	**17,861**	3,119
181 to 365 days	**–**	2,607
	86,824	70,913

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

	At 30 June 2025 US$'000 (Unaudited)	At 31 December 2024 US$'000 (Audited)
0 to 30 days	**240,062**	182,443
31 to 90 days	**18,012**	3,299
	258,074	185,742

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

	At 30 June 2025 US$'000 (Unaudited)	At 31 December 2024 US$'000 (Audited)
Trade receivables at amortised cost:		
Fellow subsidiaries	**974**	1,584
A non-controlling shareholder of a subsidiary	**14,490**	3,347
	15,464	4,931

11 TRADE RECEIVABLES AT AMORTISED COST/TRADE RECEIVABLES AT FVTPL (CONTINUED)

	At 30 June 2025 *US$'000* (Unaudited)	At 31 December 2024 *US$'000* (Audited)
Trade receivables at FVTPL:		
Fellow subsidiaries	**198,560**	101,330
A non-controlling shareholder of subsidiaries	**19,380**	61,328
A subsidiary of a non-controlling shareholder of subsidiaries	**17,976**	–
	235,916	162,658

The above balances with related parties are unsecured, interest-free and are receivable according to the relevant sales contracts.

12 PREPAYMENTS AND OTHER RECEIVABLES

	At 30 June 2025 *US$'000* (Unaudited)	At 31 December 2024 *US$'000* (Audited)
Non-current:		
Prepayments for property, plant and equipment	**11,607**	4,273
Deposits in connection with the restoration and rehabilitation obligations	**6,481**	6,089
Long-term receivables *(Note (i))*	**28,233**	28,839
Input VAT receivables, net *(Note (ii))*	**169,212**	131,039
Others *(Note (iii))*	**6,655**	7,987
	222,188	178,227
Current:		
Prepayments for inventories and others	**12,172**	26,693
Input VAT receivables, net *(Note (ii))*	**134,741**	114,989
Deposits in futures margin accounts	**69,352**	71,466
Other receivables	**41,412**	43,351
Deposits in a fellow subsidiary *(Note (iv))*	**62,700**	–
Less: allowance for credit losses	**(20,121)**	(20,121)
	300,256	236,378
	522,444	414,605

12 PREPAYMENTS AND OTHER RECEIVABLES (CONTINUED)

Notes:

(i) Pursuant to a financing agreement (the "LCS Project Agreement") entered into between LCS and Societe Nationale D'electricite ("SND"), a state-owned power supplier in DRC, in July 2018, LCS should provide finance to construct certain power supply network assets (the "LCS Network Assets"). SND should repay the amount of financing agreed to construction cost by instalments at an interest rate of 6% per annum.

The construction of LCS Network Assets was completed on 2 February 2021. The amount of financing agreed to construction cost was US$29,300,000. The finance amount together with the interest will be receivable from SND.

(ii) The gross carrying amount of input VAT receivables is US$437,780,000 (31 December 2024: US$372,187,000). Impairment provision is estimated based on the present value of the estimated future cash flows, discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the input VAT receivables for which the estimates of future cash flows have not been adjusted. As at 30 June 2025, an impairment provision amounting to US$133,827,000 (31 December 2024: US$126,159,000) in aggregate has been made on input VAT receivables.

(iii) Pursuant to a connection agreement entered into between NFCA and Copperbelt Energy (the "NFCA Connection Agreement"), NFCA constructs certain power supply network assets (the "NFCA Network Assets") to enable Copperbelt Energy to supply electricity to the Chambishi Southeast Mine Project of NFCA at Chambishi, Copperbelt Province of Zambia. According to the NFCA Connection Agreement, NFCA shall transfer the NFCA Network Assets to Copperbelt Energy on the date which Copperbelt Energy issues a Taking-Over Certificate.

(iv) On 2 November 2023, the Company entered into the provision of treasury management services agreement with CNMC Treasury Management (Hong Kong) Company Limited("CNMC Treasury"), pursuant to which CNMC Treasury provides collective fund management services and miscellaneous financial services to the Group for a term from 1 January 2024 to 31 December 2026.

The movements in the allowance for input VAT receivables during the period are as follows:

	Six months ended 30 June	
	2025	2024
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
1 January	**126,159**	89,306
Impairment losses recognised	**7,668**	11,493
	133,827	100,799

Included in the Group's prepayments and other receivables are balances with the following related parties:

	At 30 June 2025	At 31 December 2024
	US$'000	*US$'000*
	(Unaudited)	(Audited)
A non-controlling shareholder of a subsidiary	**3,200**	4,708
Fellow subsidiaries	**63,065**	1,069
Non-controlling shareholders of subsidiaries	**255**	1,199
	66,520	6,976

12 PREPAYMENTS AND OTHER RECEIVABLES (CONTINUED)

The above balances with related parties are unsecured, interest-free and are repayable on demand.

As at 30 June 2025, the Group performed an impairment assessment on input VAT receivables, the carrying amount of which, after deducting the provision of US$133,827,000 (31 December 2024: US$126,159,000), was US$303,953,000 (31 December 2024: US$246,028,000). For the six months ended 30 June 2025, an impairment loss of US$7,668,000 was recognised (six months ended 30 June 2024: US$11,493,000) in respect of input VAT receivables.

13 RESTRICTED DEPOSITS, CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

	At 30 June 2025 ***US$'000*** **(Unaudited)**	At 31 December 2024 *US$'000* (Audited)
Cash at bank, other financial institutions and on hand	**1,359,787**	1,027,171
Less: non-current restricted bank balances for the banks' letters of guarantee to secure future restoration costs as required by the government of Zambia	**(1,505)**	(1,505)
Less: current restricted bank balances for:		
Issuing letters of credit	**(4,849)**	(2,831)
Less: time deposits	**–**	(4,173)
Cash and cash equivalents in the consolidated statement of financial position and consolidated cash flow statement	**1,353,433**	1,018,662

For the six months ended 30 June 2025, bank balances, including time deposits with short maturity, carry interest at market rates ranging from 0% to 4.51% (2024: 0% to 4.51%) per annum.

14 TRADE PAYABLES AT AMORTISED COST/TRADE PAYABLES AT FVTPL

	At 30 June 2025 ***US$'000*** **(Unaudited)**	At 31 December 2024 *US$'000* (Audited)
Trade payables at amortised cost	**266,682**	216,259
Trade payables at FVTPL	**222,558**	224,207

14 TRADE PAYABLES AT AMORTISED COST/TRADE PAYABLES AT FVTPL (CONTINUED)

Ageing analysis

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

	At 30 June 2025 ***US$'000*** **(Unaudited)**	At 31 December 2024 *US$'000* (Audited)
0 to 30 days	**81,714**	88,077
31 to 90 days	**67,315**	60,581
91 to 180 days	**80,208**	38,421
181 to 365 days	**19,575**	13,982
1 to 2 years	**17,870**	15,198
	266,682	216,259

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

	At 30 June 2025 ***US$'000*** **(Unaudited)**	At 31 December 2024 *US$'000* (Audited)
0 to 30 days	**107,372**	135,806
31 to 90 days	**59,790**	44,385
91 to 180 days	**10,112**	35,052
181 to 365 days	**45,284**	539
1 to 2 years	**–**	8,425
	222,558	224,207

The average credit period on purchases of certain goods is within three months.

14 TRADE PAYABLES AT AMORTISED COST/TRADE PAYABLES AT FVTPL (CONTINUED)

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

	At 30 June 2025 *US$'000* (Unaudited)	At 31 December 2024 *US$'000* (Audited)
Trade payables at amortised cost:		
Fellow subsidiaries	**106,943**	93,775
A non-controlling shareholder of a subsidiary	**1,038**	1,038
	107,981	94,813
Trade payables at FVTPL:		
Fellow subsidiaries	**15,304**	5,997
Subsidiaries of a non-controlling shareholder of subsidiaries	**78,660**	90,882
A non-controlling shareholder of a subsidiary	**11,772**	–
	105,736	96,879

The above balances with related parties are unsecured, interest-free and are repayable within three months.

15 OTHER PAYABLES AND ACCRUED EXPENSES

	At 30 June 2025 *US$'000* (Unaudited)	At 31 December 2024 *US$'000* (Audited)
Payables for property, plant and equipment	**27,640**	26,264
Dividend payable to non-controlling shareholders of subsidiaries	**53,489**	73,489
Dividend payable to owners of the Company	**167,370**	41
Other tax payables	**66,828**	41,271
Payroll payables	**27,635**	31,781
Accrued expenses	**65,612**	44,375
	408,574	217,221

15 OTHER PAYABLES AND ACCRUED EXPENSES (CONTINUED)

Included in the Group's other payables and accrued expenses are balances with the following related parties:

	At 30 June 2025 *US$'000* (Unaudited)	At 31 December 2024 *US$'000* (Audited)
China Nonferrous Metal Mining (Group) Co., Ltd. ("CNMC")	**7,824**	7,444
Fellow subsidiaries	**2,895**	5,301
Owners of the Company	**167,370**	41
Non-controlling shareholders of subsidiaries	**53,489**	73,489
	231,578	86,275

The above balances with related parties are unsecured, interest-free and are repayable on demand.

16 BANK AND OTHER BORROWINGS

	At 30 June 2025 *US$'000* (Unaudited)	At 31 December 2024 *US$'000* (Audited)
Bank loans, unsecured	**–**	20,000
Loan from a fellow subsidiary, unsecured	**9,738**	9,738
Interest payable	**100**	438
	9,838	30,176

During the six months ended 30 June 2025, the Group did not obtain any new bank or other borrowings. It repaid bank and other borrowings amounting to US$20,000,000.

17 CAPITAL, RESERVES AND DIVIDENDS

(a) Dividends

Dividends payable to owners of the Company attributable to the previous financial year, approved during the interim period:

	Six months ended 30 June	
	2025	2024
	$'000	*$'000*
	(Unaudited)	(Unaudited)
Final dividend in respect of the previous financial year, declared during the following interim period, of US¢4.2893 per share (six months ended 30 June 2024: US¢2.9702 per share)	**167,370**	115,898

During the six months ended 30 June 2025, a final dividend of US¢4.2893 per share in respect of the year ended 31 December 2024 (six months ended 30 June 2024: US¢2.9702 per share in respect of the year ended 31 December 2023) was declared to the owners of the Company. The aggregate amount of the final dividend declared in the six months ended 30 June 2025 amounted to US$167,370,000 (six months ended 30 June 2024: US$115,898,000).

The directors of the Company ("Directors") do not recommend interim dividend for the current period (six months ended 30 June 2024: nil).

(b) Share capital

Authorised and issued share capital:

	Number of shares		
	'000	*HK$'000*	*US$'000*
	(Unaudited)	(Unaudited)	(Unaudited)
Issued and fully paid:			
At 1 January 2024	3,739,036	5,760,689	740,119
Issuance of new shares by the way of placing *(note (i))*	163,000	978,000	124,891
Transaction costs attributable to issue of shares	–	(6,400)	(811)
At 31 December 2024 and 30 June 2025	3,902,036	6,732,289	864,199

17 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(b) Share capital (continued)

Note:

(i) Upon the completion of all conditions as stated in a placing and subscription agreement dated at 9 April 2024 entered into by the Company, China Nonferrous Mining Development Limited ("CNMD"), the Company's immediate holding company, and a placing agent, (1) a total of 163,000,000 shares of the Company held by CNMD were placed at HK$6.00 per share to third parties on 10 April 2024; and (2) a total of 163,000,000 new shares of the Company were subscribed by CNMD at HK$6.00 per share on 15 April 2024. The proceeds, net of related fees and expenses (equivalent to US$811,000), from the Subscription amounted to HK$971,600,000 (equivalent to US$124,080,000). The new shares rank pari passu with the existing shares in all respects.

(c) Other reserve

Other reserve comprises the difference between the carrying value of non-controlling interests and the consideration received from a non-controlling shareholder of a subsidiary.

18 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

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

– Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date

– Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available

– Level 3 valuations: Fair value measured using significant unobservable inputs

18 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

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

	Level 1 *US$'000* (Unaudited)	Level 2 *US$'000* (Unaudited)	Level 3 *US$'000* (Unaudited)	Total *US$'000* (Unaudited)
30 June 2025				
Financial assets at FVTPL – Copper future contracts *(Note (i))*	**–**	**–**	**–**	**–**
Financial liabilities – Copper future contracts *(Note (i))*	**(8,580)**	**–**	**–**	**(8,580)**
Trade receivables at FVTPL *(Note (ii))*	**–**	**258,074**	**–**	**258,074**
Trade payables designated at FVTPL *(Note (ii))*	**–**	**(222,558)**	**–**	**(222,558)**
Other equity investments *(Note (iii))*	**–**	**–**	**5,000**	**5,000**
31 December 2024				
Financial assets – Copper future contracts *(Note (i))*	5,835	–	–	5,835
Financial liabilities – Copper future contracts *(Note (i))*	(632)	–	–	(632)
Trade receivables at FVTPL *(Note (ii))*	–	185,742	–	185,742
Trade payables designated at FVTPL *(Note (ii))*	–	(224,207)	–	(224,207)

Notes:

(i) Calculated based on the initial transaction prices and quoted prices in an active market.

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

(iii) Calculated referred to acquisition prices, nil of changes in OCI was recognised for the six months ended 30 June 2025.

There were no transfers between Level 1, 2 and 3 in the 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 consolidated financial statements approximate their fair values.

19 COMMITMENTS

Commitments outstanding at 30 June 2025 not provided for in the financial statements were as follows:

	At 30 June 2025 US$'000 (Unaudited)	At 31 December 2024 US$'000 (Audited)
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	**154,375**	57,671
Capital expenditure in respect of the acquisition of shares of SM Minerals	**11,764**	–
Capital expenditure in respect of the acquisition of property, plant and equipment authorised but not contracted for	**673,950**	45,994
	840,089	103,665

20 MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Directors and certain of the highest paid employees, is as follows:

	Six months ended 30 June	
	2025 US$'000 (Unaudited)	2024 US$'000 (Unaudited)
Short-term benefits	**1,207**	853
Post-employment benefits	**116**	111
	1,323	964

The remuneration of Directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

20 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties:

(i) Transactions with CNMC and its subsidiaries

The Company is controlled by CNMC through China Nonferrous Mining Development Limited, which is a subsidiary of CNMC. The Directors consider the ultimate holding company is CNMC, a stated-owned company established in the PRC.

Other than as disclosed elsewhere in these consolidated financial statements, the Group has following transactions with related parties:

Relationships	*Notes*	Nature of transactions	**Six months ended 30 June**	
			2025	2024
			US$'000	*US$'000*
			(Unaudited)	(Unaudited)
Fellow subsidiaries	(i)(ii)	Sales of blister copper and copper anodes	**722,399**	719,864
	(i) (ii)	Sales of copper cathodes	**439,706**	381,008
	(i)	Sales of sulphuric acid	**6,155**	6,464
	(i)	Sales of other materials	**–**	5,189
	(i)	Services income	**83**	68
	(i)	Purchases of plant and equipment	**(1,558)**	(888)
	(i) (iii)	Purchases of copper concentrate	**(24,674)**	(23,332)
	(i)	Purchases of materials	**(41,144)**	(36,698)
	(i)	Purchases of electricity	**(21,933)**	(18,577)
	(i)	Purchases of services	**(109,091)**	(102,417)
	(i)	Interest expenses on borrowings	**(86)**	(3,793)
	(i)	Interest income from deposit	**6,277**	–
	(i)	Interest expenses on lease liabilities	**–**	(1)
	(i)	Purchase of freight and transportation	**(12,119)**	(9,277)
	(i)	Expense relating to leases	**(143)**	(411)
	(i)	Average daily deposit balance	**275,541**	11,619

20 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties: (Continued)

(i) Transactions with CNMC and its subsidiaries (Continued)

Notes:

(i) These transactions were conducted in accordance with terms of the relevant agreements.

(ii) Included in the sales amount of blister copper and copper anodes are gains of US$29,032,000 (six months ended 30 June 2024: gains of US$58,587,000) arising from a provisional pricing arrangement.

(iii) Included in the sales amount of copper cathodes are gains of US$10,007,000 (six months ended 30 June 2024: gains of US$26,094,000) arising from a provisional pricing arrangement.

(iv) Included in the purchase amount of copper concentrate are losses of US$1,203,000 (six months ended 30 June 2024: losses of US$730,000) arising from a provisional pricing arrangement.

In addition to the above, the Group also had the following transactions with CNMC and its subsidiaries:

On 1 July 2009, a subsidiary of the Company, CCS entered into an agreement with Fifteen MCC Africa Construction & Trade Ltd. ("Fifteen MCC Africa"), a fellow subsidiary, (the "Fifteen MCC Africa Agreement"). According to Fifteen MCC Africa Agreement, Fifteen MCC Africa provides construction as well as equipment repairs and maintenance services to CCS on an ongoing basis which are included in the purchase of services as stated in Note (i). In addition, pursuant to Fifteen MCC Africa Agreement, it requires accommodation for staff of Fifteen MCC Africa based in Zambia, and that subsidiary agreed to provide certain living quarters to Fifteen MCC Africa on a free-of-charge basis. Fifteen MCC Africa shall pay for the use of water and electricity and other expenses such as repair expense and any applicable tax in Zambia.

On 22 December 2023, the Company entered into the Financial Services Agreement with Nonferrous Metal Mining Group Finance Co., Ltd. ("CNMC Finance"), pursuant to which CNMC Finance provides Deposit Services and Miscellaneous Financial Services to the Group's representative entities in mainland China for a term from 25 December 2023 to 24 December 2026.

On 27 May 2024, the agreement of CNMC Finance was terminated, and the Company entered into the new Financial Services Agreement with CNMC Finance, pursuant to which CNMC Finance provides Deposit Services and Miscellaneous Financial Services to the Group's representative entities in mainland China for a term from 27 May 2024 to 31 December 2026.

20 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties: (Continued)

(ii) Transactions with subsidiaries of non-controlling shareholders of subsidiaries

Notes	Nature of transactions	**Six months ended 30 June**	
		2025	2024
		US$'000	*US$'000*
		(Unaudited)	(Unaudited)
(i) (ii)	Sales of blister copper and copper anodes	**145,770**	493,127
(i) (ii)	Sales of copper cathodes	**62,403**	30,353
(i)	Purchases of materials	**(37,031)**	(515)

Notes:

(i) These transactions were conducted in accordance with terms of the relevant agreements.

(ii) Included in the sales amount of blister copper and copper anodes are gains of US$4,027,000 (six months ended 30 June 2024: gains of US$14,912,000) arising from a provisional pricing arrangement.

Included in the sales amount of copper cathodes are gains of 1,013,000 (six months ended 30 June 2024: gains of US$1,732,000) arising from a provisional pricing arrangement.

(iii) Transactions with non-controlling shareholders of subsidiaries

Notes	Nature of transactions	**Six months ended 30 June**	
		2025	2024
		US$'000	*US$'000*
		(Unaudited)	(Unaudited)
(i) (ii)	Purchase of copper cathodes	**(40,153)**	–
(i)	Services income	**13,576**	2,160
(i)	Purchases of services	**(1,500)**	(1,500)
(i)	Royalty fee	**(4,227)**	(4,732)

Notes:

(i) These transactions were conducted in accordance with terms of the relevant agreements.

(ii) Included in the purchase amount of copper cathodes are losses of US$772,000 (six months ended 30 June 2024: nil) arising from a provisional pricing arrangement.

21 CONTINGENT LIABILITIES

In February 2025, SML experienced a tailings dam incident that led to a temporary suspension of operations. The Company promptly initiated rescue and containment efforts to manage the situation. In line with Zambia's safety regulations, SML is required to carry out environmental rehabilitation, and the Zambia Environmental Management Agency has requested an independent cost assessment. As of the interim reporting date, this process remains ongoing. The Directors believe that this incident has been adequately provided for the six months ended 30 June 2025 and further provision is not made as an amount cannot be reliably estimated at this stage.

In June 2025, an object-related incident occurred in the Southeast Mine shaft of NFCA, resulting in a fatality involving a subcontractor's employee. The shaft was temporarily suspended for inspection by external experts. NFCA is expected to implement remedial measures in accordance with local safety requirements. As of the interim reporting date, the inspection is still underway, and the Directors have assessed that no significant provision is necessary for this event.

22 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

Until the approval date of this interim financial report, there is no significant event after the reporting period that needs to be disclosed.

中國有色礦業有限公司
China Nonferrous Mining Corporation Limited