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Chifeng Jilong Gold Mining Co., Ltd.

赤峰吉隆黄金矿业股份有限公司

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

(H Shares Stock Code: 6693)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS OF THE GROUP

Revenue of the Group for the year ended 31 December 2024 amounted to approximately RMB9,026 million, representing a year-on-year increase of 24.99% (last year: RMB7,221 million).

The Group's net profit attributable to Shareholders of the parent company for the year ended 31 December 2024 amounted to approximately RMB1,764 million, representing a year-on-year increase of 119.46% (last year: RMB804 million).

As at 31 December 2024, the Group's total assets were RMB20,329 million, representing an increase of 8.61% from the beginning of the year (at the beginning of the year: RMB18,718 million).

As at 31 December 2024, the Group's net assets attributable to Shareholders of the parent company were RMB7,917 million, representing an increase of 28.69% from the beginning of the year (at the beginning of the year: RMB6,152 million).

The Board proposed the 2024 Profit Distribution Plan as follows: a cash dividend of RMB1.60 (tax inclusive) per 10 Shares. The 2024 Profit Distribution Plan shall be subject to consideration and approval at the 2024 AGM.

The Board is pleased to announce the audited consolidated annual results of the Group for the year ended 31 December 2024 (the following financial statements have been prepared in accordance with CASBE and relevant regulations).

FINANCIAL INFORMATION

The financial information set out below in this announcement has been reviewed by the Audit Committee and approved by the Board and agreed by the Company's external auditor, Ernst & Young Hua Ming LLP, and the figures set out in this announcement in respect of the Group's consolidated balance sheet and consolidated income statement for the year ended 31 December 2024 and the related notes thereto are equivalent to those set out in the Group's audited consolidated financial statements for the year ended 31 December 2024. The 2024 consolidated financial statements of the Company prepared in accordance with CASBE have also been audited by the external auditor of the Group who has issued a standard unqualified audit opinion.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

RMB

	Note	31 December 2024	31 December 2023
Current assets:			
Cash and bank balances		2,747,442,442.93	1,662,283,423.20
Financial assets held for trading		9,998,984.68	16,909,469.31
Derivatives financial assets		5,251,800.00	13,470,040.00
Trade receivables	10	587,165,738.54	513,213,184.61
Prepayments		276,484,571.30	83,944,159.32
Other receivables		96,187,623.04	95,539,876.98
Inventories		2,540,318,023.51	2,406,909,238.08
Other current assets		141,333,280.01	103,110,739.87
Total current assets		<u>6,404,182,464.01</u>	<u>4,895,380,131.37</u>
Non-current assets:			
Long-term receivables		1,190,808.13	2,865,414.93
Long-term equity investments		3,955,645.67	373,480,577.43
Fixed assets		6,399,516,327.75	5,821,912,823.93
Construction in progress		677,866,937.65	592,313,143.29
Right-of-use assets		206,797,707.37	237,829,450.52
Intangible assets		6,318,994,537.74	6,525,356,749.55
Goodwill		41,968,889.08	41,968,889.08
Long-term deferred expenses		350,312.50	399,062.50
Deferred tax assets		67,228,646.44	17,482,453.95
Other non-current assets		206,516,336.78	208,804,052.90
Total non-current assets		<u>13,924,386,149.11</u>	<u>13,822,412,618.08</u>
Total assets		<u><u>20,328,568,613.12</u></u>	<u><u>18,717,792,749.45</u></u>

	<i>Note</i>	31 December 2024	31 December 2023
Current liabilities:			
Short-term borrowings		1,108,199,165.67	850,009,317.45
Financial liabilities held for trading		707,020,000.00	939,996,400.00
Trade payables	<i>11</i>	684,571,183.74	552,457,258.75
Contract liabilities		56,598,949.03	73,177,273.05
Employee benefits payable		171,273,575.15	174,858,614.95
Taxes payable		698,951,345.10	472,985,750.24
Other payables		225,263,620.79	316,105,510.91
Non-current liabilities due within one year		398,463,926.07	341,631,615.55
Other current liabilities		672,771.76	1,187,306.36
Total current liabilities		<u>4,051,014,537.31</u>	<u>3,722,409,047.26</u>
Non-current liabilities:			
Long-term borrowings		599,502,985.86	1,421,974,104.54
Lease liabilities		179,596,024.47	207,219,488.59
Long-term payables		59,167,832.67	62,474,516.56
Provisions		1,783,633,263.08	1,868,099,285.60
Deferred income		6,838,500.83	1,755,500.75
Deferred tax liabilities		2,329,605,255.27	2,314,654,102.90
Other non-current liabilities		596,094,797.55	576,998,558.54
Total non-current liabilities		<u>5,554,438,659.73</u>	<u>6,453,175,557.48</u>
Total liabilities		<u><u>9,605,453,197.04</u></u>	<u><u>10,175,584,604.74</u></u>
Shareholders' equity:			
Share capital		1,663,911,378.00	1,663,911,378.00
Capital reserve		626,736,519.64	927,523,563.85
Less: Treasury shares		220,015,940.99	520,802,985.20
Other comprehensive income	<i>8</i>	145,710,300.63	64,708,488.77
Special reserve		3,347,876.91	1,431,986.36
Surplus reserve		269,782,850.97	203,724,471.82
Retained earnings	<i>12</i>	5,427,338,050.01	3,811,493,217.07
Equity attributable to owners of the parent		<u>7,916,811,035.17</u>	<u>6,151,990,120.67</u>
Non-controlling interests		<u>2,806,304,380.91</u>	<u>2,390,218,024.04</u>
Total shareholders' equity		<u>10,723,115,416.08</u>	<u>8,542,208,144.71</u>
Total liabilities and shareholders' equity		<u><u>20,328,568,613.12</u></u>	<u><u>18,717,792,749.45</u></u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

RMB

	Note	2024	2023
Revenue	2	9,025,821,822.22	7,220,951,536.26
Less: Cost of sales	2	5,068,770,478.41	4,868,615,073.33
Taxes and surcharges	3	473,039,848.61	389,017,743.62
Selling expenses		348,745.14	689,058.34
Administrative expenses		492,286,721.36	461,372,054.59
Research and development expenses		63,615,898.70	51,752,511.95
Financial expenses	4	155,363,874.45	193,139,295.18
Including: Interest expenses		208,992,302.95	215,026,005.65
Interest income		38,389,697.15	26,322,305.17
Add: Other income		2,649,096.76	17,259,581.15
Investment income	5	78,893,850.40	13,500,965.81
Including: Share of profits of associates and joint ventures		7,194,112.43	9,949,884.57
Losses on changes in fair value	6	(26,345,013.94)	(71,343,155.46)
Credit impairment gains/(losses)		1,666,368.75	(2,440,041.07)
Impairment losses on assets		(4,897,057.61)	(3,515,914.93)
Losses on disposal of non-current assets		(51,568.59)	(1,752,179.77)
Operating profit		2,824,311,931.32	1,208,075,054.98
Add: Non-operating income		1,035,053.08	1,148,042.18
Less: Non-operating expenses		5,944,891.02	2,966,125.01
Profit before tax		2,819,402,093.38	1,206,256,972.15
Less: Income tax expenses	1	833,437,504.30	335,209,980.20
Net profit		<u>1,985,964,589.08</u>	<u>871,046,991.95</u>
Classification according to the continuity of operations			
Net profit from continuing operations		1,985,964,589.08	871,046,991.95
Attributable to			
Owners of the parent		1,764,339,650.99	803,933,636.60
Non-controlling interests		221,624,938.09	67,113,355.35

	<i>Note</i>	2024	2023
Other comprehensive income, net of tax		108,863,230.64	109,453,224.65
Other comprehensive income attributable to owners of the parent, net of tax		81,001,811.86	79,054,729.02
Other comprehensive income that may be reclassified to profit or loss in subsequent periods		81,001,811.86	79,054,729.02
Exchange differences arising from translation of financial statements denominated in foreign currencies		81,001,811.86	79,054,729.02
Other comprehensive income attributable to non-controlling interests, net of tax		27,861,418.78	30,398,495.63
Total comprehensive income		<u>2,094,827,819.72</u>	<u>980,500,216.60</u>
Attributable to			
Owners of the parent		1,845,341,462.85	882,988,365.62
Non-controlling interests		249,486,356.87	97,511,850.98
Earnings per share	7		
Basic earnings per share		<u>1.07</u>	<u>0.49</u>
Diluted earnings per share		<u>1.07</u>	<u>0.49</u>

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 December 2024

RMB

Basic Information of the Company

The Company was established in the PRC on 22 June 1998 under the PRC Company Law as a joint stock limited company with its H Shares and A Shares listed on the Main Board of the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively.

The consolidated financial statements are presented in Renminbi, which is also the functional currency of the Company and its domestic subsidiaries. The Group is principally engaged in gold mining, processing and sales.

Basis of preparation

The Group adopts the China Accounting Standards for Business Enterprises and relevant requirements promulgated by the Ministry of Finance and discloses relevant financial information in accordance with the Rules on the Preparation and Report of Information Disclosure for Companies Publicly Issuing Securities No. 15 – General Requirements for Financial Reports (Revised in 2023) (公開發行證券的公司信息披露編報規則第15號 – 財務報告的一般規定(2023年修訂)). In addition, the financial statements also disclose information according to the relevant disclosure requirements under the Hong Kong Companies Ordinance and the Listing Rules.

1. TAXES

(a) Major categories of taxes and tax rates

Categories of taxes	Tax calculation bases	Tax rate
Value added tax (“VAT”)	Difference between output VAT amount calculated based on sales amount and applicable tax rates and the deductible input VAT amount	China: 0%-13% Laos: 10% Ghana: 15%
City construction and maintenance tax	Actual payment of VAT	1%-7%
Corporate income tax (“CIT”)	Assessable profits	0-35%
Resources tax	Sales amount of primary products	China gold products: 4%, 4.5% Laos gold mine and copper cathodes: 5% Ghana gold mines: 5% Hanfeng Mining major mine zinc: 5% China molybdenum: 8%
Urban and township land use tax	Levied at the annual tax rate per square meter of the actual occupied land area.	Based on tax law
Growth and sustainability levy	Total revenue	Ghana: 1%

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

Name of taxable entity	2024 Corporate income tax rate
GSR	26.5%
GSWL	35%
LXML	33.33%
Chijin HK	16.5%
Hanfeng Mining	15%
Wulong Mining	15%
Jilong Mining	15%
Jintai Mining	15%
Guangyuan Environmental Protection	0%

(b) Tax incentives

- (1) According to the “Notice on Gold Tax Policies” (Caishui [2002] No. 142) issued by the Ministry of Finance and the State Administration of Taxation, “Value-added tax (“VAT”) is exempted for gold production and operation entities selling gold (excluding gold with fineness of AU9999, AU9995, AU999, AU995 and specifications of 50g, 100g, 1kg, 3kg, 12.5kg) and gold ore sand (including associated gold).” Subsidiaries Jilong Mining, Huatai Mining, Wulong Mining, and Jintai Mining are eligible for this policy.
- (2) Under Article 27 of the Enterprise Income Tax Law, Article 88 of the Implementing Rules of the Enterprise Income Tax Law, and Caishui (2009) No. 166, qualified environmental protection, energy conservation, water-saving, and household waste treatment service projects enjoy a “three-year tax exemption followed by a three-year 50% tax reduction” preferential policy. Guangyuan Environmental Protection, a subsidiary of the Company, has been eligible for this policy since 2023, specifically: “Tax exemption in 2023, 2024, and 2025; 50% tax reduction in 2026, 2027, and 2028.”
- (3) Pursuant to the “Notice of Hefei Municipal People’s Government Office on Adjusting the Urban Land Use Tax Grading Tax Rate Standards in Urban Areas” (He Zhengban [2023] No. 21), effective 1 July 2023, the annual urban land use tax grade tax rate standards in Anhui urban areas were adjusted. Guangyuan Technology, a subsidiary of the Company, has adjusted the annual tax rate for its land in the Economic Development Zone from RMB10 per square meter to RMB5 per square meter accordingly.
- (4) In addition to VAT exemption for export business, LXML, a subsidiary of the Company incorporated in Laos, is subject to “Notification No. 2001” issued by the Laos Ministry of Finance to LXML’s suppliers in June 2017, which specifies types of VAT-exempt transactions. Since 15 May 2017, suppliers listed in the notice no longer collect VAT from LXML, and the preferential policy allowing VAT carry-over to offset enterprise income tax for LXML is no longer applicable.
- (5) According to the “Announcement on Continuing the Enterprise Income Tax Policy for Western Development” (Ministry of Finance, State Administration of Taxation, and National Development and Reform Commission Announcement 2020 No. 23), enterprises in encouraged industries located in western China are subject to a reduced enterprise income tax rate of 15% from 1 January 2021 to 31 December 2030. Hanfeng Mining and Jintai Mining are eligible for this policy.
- (6) Wulong Mining, a subsidiary of the Company, successfully renewed its high-tech enterprise certification on 20 December 2023, obtaining the certificate (number GR202321002655) with a validity period of three years. Its enterprise income tax will be levied at a reduced rate of 15% from 2023 to 2025.
- (7) Jilong Mining, a subsidiary of the Company, successfully renewed its high-tech enterprise certification on 9 November 2023, obtaining the certificate (number GR202315000502) with a validity period of three years. Its enterprise income tax will be levied at a reduced rate of 15% from 2023 to 2025.

	2024	2023
Current income tax expenses	902,726,163.23	480,868,532.92
Deferred income tax expenses	(69,288,658.93)	(145,658,552.72)
Total	<u>833,437,504.30</u>	<u>335,209,980.20</u>

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

	2024	2023
Profit before tax	2,819,402,093.38	1,206,256,972.15
Income tax expenses calculated at statutory tax rate (25%)	704,850,523.35	301,564,243.04
Effect of applying different tax rates by certain subsidiaries	98,798,240.96	25,076,774.70
Adjustments in respect of current tax of previous periods	23,656,770.91	–
Profits and losses attributable to associates	(1,176,260.28)	(1,565,804.85)
Non-taxable income	(13,123,401.63)	–
Non-deductible expense	17,690,705.50	10,143,777.30
Tax losses utilised from previous periods	(5,040,478.34)	(6,591,206.40)
Unrecognised deductible temporary differences and tax losses	16,856,247.24	14,160,387.47
Additional deduction for R&D expenses and wages for disabled employees	(9,074,843.41)	(7,578,191.06)
	833,437,504.30	335,209,980.20
Income tax expense at the effective tax rate of the Group	833,437,504.30	335,209,980.20

2. REVENUE AND COST OF SALES

	2024		2023	
	Revenue	Cost of sales	Revenue	Cost of sales
Principal operations	8,975,777,607.84	5,027,961,649.88	7,216,352,442.02	4,867,662,960.26
Other operations	50,044,214.38	40,808,828.53	4,599,094.24	952,113.07
Total	9,025,821,822.22	5,068,770,478.41	7,220,951,536.26	4,868,615,073.33

3. TAXES AND SURCHARGES

	2024	2023
Resources tax	426,929,862.15	361,713,926.97
Growth and sustainability levy	32,013,806.61	15,627,875.70
Land use tax	6,199,997.82	5,128,188.57
Education surcharges	2,023,304.18	1,501,793.97
Real estate tax	1,977,562.37	1,865,082.90
Stamp duty	1,555,538.29	968,199.42
City construction and maintenance tax	1,215,772.93	1,270,265.76
Water resources tax	524,012.30	490,360.00
Water conservancy funds	373,823.24	231,646.16
Others	226,168.72	220,404.17
Total	473,039,848.61	389,017,743.62

4. FINANCIAL EXPENSES

	2024	2023
Interest expenses	208,992,302.95	215,026,005.65
Less: Interest income	(38,389,697.15)	(26,322,305.17)
Financial institution commissions	23,686,982.94	24,593,492.92
Foreign exchange gains/losses	(38,925,714.29)	(20,157,898.22)
Total	<u>155,363,874.45</u>	<u>193,139,295.18</u>

5. INVESTMENT INCOME

	2024	2023
Gain from long-term equity investments under equity method	7,194,112.43	9,949,884.57
Investment income received from disposal of financial assets and liabilities held for trading	581,209.17	3,551,081.24
Investment income from disposal of long-term equity investments	71,118,528.80	—
Total	<u>78,893,850.40</u>	<u>13,500,965.81</u>

6. LOSSES ON THE CHANGES IN FAIR VALUE

Source of the changes in fair value	2024	2023
Financial assets held for trading	(6,758,713.94)	(21,385,165.46)
Derivative financial instruments	(8,802,440.00)	13,470,040.00
Financial liabilities held for trading	(10,783,860.00)	(63,428,030.00)
Total	<u>(26,345,013.94)</u>	<u>(71,343,155.46)</u>

7. EARNINGS PER SHARE

	2024 <i>RMB/share</i>	2023 <i>RMB/share</i>
Basic earnings per share		
Continuing operations	<u>1.07</u>	<u>0.49</u>
Diluted earnings per share		
Continuing operations	<u>1.07</u>	<u>0.49</u>

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

The numerator of diluted earnings per share is determined by using the net profit attributable to the Company's ordinary shareholders during the period, after adjusting (1) interest on dilutive potential ordinary shares recognized as an expense for the period, (2) the gains or expenses to be incurred upon conversion of dilutive potential ordinary shares, and (3) the income tax effect related to the above adjustments.

The denominator of diluted earnings per share is equal to the sum of the following items: (1) the weighted average number of ordinary shares issued by the parent company in the basic earnings per share; and (2) the weighted average number of ordinary shares increased by assuming the conversion of dilutive potential ordinary shares into ordinary shares.

In calculating the weighted average number of ordinary shares increased by assuming the conversion of dilutive potential ordinary shares into ordinary shares, dilutive potential ordinary shares issued in prior periods are assumed to be converted at the beginning of the current period, and dilutive potential ordinary shares issued in the current period are assumed to be converted on the date of issuance.

The detailed calculation of basic earnings per Share and diluted earnings per Share is listed as below:

	2024	2023
Earnings		
Net profit attributable to the ordinary shareholders of the Company for the period		
Continuing operations	<u><u>1,764,339,650.99</u></u>	<u><u>803,933,636.60</u></u>
Net profit attributable to ordinary shareholders of the Company for the period after adjustment	<u><u>1,764,339,650.99</u></u>	<u><u>803,933,636.60</u></u>
Shares attributable to:		
Continuing operations	<u><u>1,764,339,650.99</u></u>	<u><u>803,933,636.60</u></u>
Shares		
The weighted average number of ordinary shares issued by the Company	<u><u>1,648,728,778.00</u></u>	<u><u>1,641,398,872.00</u></u>

The Group does not have any dilutive potential ordinary shares.

8. OTHER COMPREHENSIVE INCOME

The accumulated balance of other comprehensive income attributable to Shareholders of the parent company in the consolidated statement of financial position is as follows:

2024

	Amount for the current year					Balance at the end of the year
	Balance at the beginning of the year	Amount before income tax for the current year	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to non-controlling shareholders after tax	
Other comprehensive income that may be reclassified to profit or loss in subsequent periods	64,708,488.77	108,863,230.64	-	81,001,811.86	27,861,418.78	145,710,300.63
Exchange differences arising from translation of financial statements denominated in foreign currencies	<u>64,708,488.77</u>	<u>108,863,230.64</u>	<u>-</u>	<u>81,001,811.86</u>	<u>27,861,418.78</u>	<u>145,710,300.63</u>
Total other comprehensive income	<u><u>64,708,488.77</u></u>	<u><u>108,863,230.64</u></u>	<u><u>-</u></u>	<u><u>81,001,811.86</u></u>	<u><u>27,861,418.78</u></u>	<u><u>145,710,300.63</u></u>

9. SEGMENT INFORMATION

(1) Determination basis and accounting policies of reporting segments

The directors and certain senior managers of the Company (hereinafter referred to as “**senior management**”) perform the functions of principal operating decision makers. Senior management reviews the internal reports of the Group to evaluate the performance of operating segments and allocate resources. The Company determines its operating segments based on such internal reporting.

The Company’s operating segments include domestic mining segment, overseas mining segment and other segments. The domestic mining segment conducts mining and processing of gold and nonferrous metals in China. The overseas mining segment conducts mining and processing of gold and nonferrous metals in Laos, Ghana and other countries/regions. Other segments are mainly engaged in comprehensive resource recycling in China.

The senior management monitors the results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted operating profit before tax. The adjusted operating profit before tax is measured consistently with the Group’s operating profit before tax except that interest income, interest expenses, dividend income, gains or losses from changes in fair value of the Group’s financial instruments as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude cash and bank balances, deferred tax assets, equity investments at fair value through profit or loss, derivative financial instruments and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude financial liabilities at fair value through profit or loss, derivative financial instruments, borrowings, deferred tax liabilities, taxes payable and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

(2) Financial information of each reporting segment

2024

	Domestic mining	Overseas mining	Others	Total
Revenue	2,481,141,778.08	6,241,158,714.81	437,442,682.81	9,159,743,175.70
Revenue between segments	-	-	(133,921,353.48)	(133,921,353.48)
Revenue from external transactions	2,481,141,778.08	6,241,158,714.81	303,521,329.33	9,025,821,822.22
Investment income from investments in associates	-	7,320,797.94	-	7,320,797.94
Impairment losses on assets	9,554,409.03	(15,181,470.10)	730,003.46	(4,897,057.61)
Depreciation and amortization	160,210,214.20	1,105,217,020.17	6,309,797.41	1,271,737,031.78
Segment results	1,341,840,802.47	1,616,725,323.11	34,269,778.18	2,992,835,903.76
Income tax expenses	194,103,867.01	633,667,840.29	5,665,797.00	833,437,504.30
Segment assets	3,417,917,967.68	13,351,290,376.88	658,206,389.12	17,427,414,733.68
Segment liabilities	617,984,933.73	3,202,469,500.61	18,321,009.48	3,838,775,443.82
Investments in associates	2,537,474.35	-	-	2,537,474.35

2023

	Domestic mining	Overseas mining	Others	Total
Revenue	1,627,691,523.26	5,194,118,959.67	455,845,219.05	7,277,655,701.98
Revenue between segments	–	–	(56,704,165.72)	(56,704,165.72)
Revenue from external transactions	1,627,691,523.26	5,194,118,959.67	399,141,053.33	7,220,951,536.26
Investment income from investments in associates	–	10,133,561.61	–	10,133,561.61
Impairment losses on assets	(10,185,032.21)	7,592,862.47	(923,745.19)	(3,515,914.93)
Depreciation and amortization	174,239,373.40	1,312,591,144.40	7,191,050.72	1,494,021,568.52
Segment results	748,662,290.22	612,492,544.55	23,610,822.03	1,384,765,656.80
Income tax expenses	96,637,527.22	238,212,130.93	360,322.05	335,209,980.20
Segment assets	3,117,123,037.63	13,330,740,121.63	509,403,145.49	16,957,266,304.75
Segment liabilities	533,169,111.22	3,204,621,144.09	11,805,055.47	3,749,595,310.78
Investments in associates	628,574.35	371,307,147.25	–	371,935,721.60

Reconciliation of segment results to profit before tax:

	2024	2023
Segment results	2,992,835,903.76	1,384,765,656.80
Reconciliation item:		
Head office and corporate expenses	(2,831,204.58)	10,195,015.83
Interest income	38,389,697.15	26,322,305.17
Interest expenses	(208,992,302.95)	(215,026,005.65)
Profit before tax	2,819,402,093.38	1,206,256,972.15

Reconciliation of segment assets to total assets:

	31 December 2024	31 December 2023
Segment assets	17,427,414,733.68	16,957,266,304.75
Reconciliation item:		
Cash and bank balances	2,747,442,442.93	1,662,283,423.20
Financial assets held for trading	9,998,984.68	16,909,469.31
Derivatives financial assets	5,251,800.00	13,470,040.00
Deferred tax assets	67,228,646.44	17,482,453.95
Head office and corporate assets	71,232,005.39	50,381,058.24
Total assets	20,328,568,613.12	18,717,792,749.45

Reconciliation of segment liabilities to total liabilities:

	31 December 2024	31 December 2023
Segment liabilities	3,838,775,443.82	3,749,595,310.78
Reconciliation item:		
Short-term borrowings	1,108,199,165.67	850,009,317.45
Financial liabilities held for trading	707,020,000.00	939,996,400.00
Taxes payable	698,951,345.10	472,985,750.24
Long-term borrowings	881,835,377.44	1,640,289,598.85
Deferred tax liabilities	2,329,605,255.27	2,314,654,102.90
Head office and corporate liabilities	41,066,609.74	208,054,124.52
	<hr/> 9,605,453,197.04 <hr/>	<hr/> 10,175,584,604.74 <hr/>

2024

	Reportable segment total	Headquarters	Total
Revenue from external transactions	9,025,821,822.22	–	9,025,821,822.22
Investment income from investments in associates	7,320,797.94	(126,685.51)	7,194,112.43
Impairment losses on assets	(4,897,057.61)	–	(4,897,057.61)
Depreciation and amortization	1,271,737,031.78	5,359,520.65	1,277,096,552.43
Income tax expenses	833,437,504.30	–	833,437,504.30
Investments in associates	2,537,474.35	1,418,171.32	3,955,645.67
	<hr/> 9,605,453,197.04 <hr/>	<hr/> 10,175,584,604.74 <hr/>	<hr/> 10,175,584,604.74 <hr/>

2023

	Reportable segment total	Headquarters	Total
Revenue from external transactions	7,220,951,536.26	–	7,220,951,536.26
Investment income from investments in associates	10,133,561.61	(183,677.04)	9,949,884.57
Impairment losses on assets	(3,515,914.93)	–	(3,515,914.93)
Depreciation and amortization	1,494,021,568.52	6,191,899.02	1,500,213,467.54
Income tax expenses	335,209,980.20	–	335,209,980.20
Investments in associates	371,935,721.60	1,544,855.83	373,480,577.43
	<hr/> 9,605,453,197.04 <hr/>	<hr/> 10,175,584,604.74 <hr/>	<hr/> 10,175,584,604.74 <hr/>

Types of goods or services

Revenue from external customers

	2024	2023
Gold	7,978,456,843.25	6,322,262,973.99
Silver	8,424,961.47	3,106,710.59
Copper cathodes	407,334,926.11	381,568,778.04
Copper concentrate powder	20,359,687.51	15,962,359.32
Lead concentrate powder	57,419,874.96	29,743,717.30
Zinc concentrate powder	122,193,933.00	65,369,920.33
Molybdenum concentrate powder	123,285,540.04	–
Comprehensive resource recycling and utilization	258,301,841.50	398,337,982.45
Other	50,044,214.38	4,599,094.24
Total	<u>9,025,821,822.22</u>	<u>7,220,951,536.26</u>

Geographical information

Revenue from external customers

	2024	2023
China	2,784,663,107.41	2,026,832,576.59
Overseas	6,241,158,714.81	5,194,118,959.67
Total	<u>9,025,821,822.22</u>	<u>7,220,951,536.26</u>

The revenue information above is based on the locations of the subsidiaries.

Non-current assets

	2024	2023
China	3,239,747,490.51	2,978,065,006.28
Overseas	10,502,370,783.13	10,721,025,458.89
Total	<u>13,742,118,273.64</u>	<u>13,699,090,465.17</u>

The non-current asset information above is based on the locations of the assets and excludes financial assets and deferred tax assets.

Information about major customers

Revenue of RMB2,997,139,762.60 was derived from sales by the overseas mining segment to a single customer ABC Refinery (Australia) Pty Limited (2023: RMB2,672,102,082.69), and revenue of RMB2,477,037,153.74 was derived from sales by the overseas mining segment to a single customer Rand Refinery (Pty) Limited (2023: RMB1,841,610,011.09).

10. TRADE RECEIVABLES

The trade receivables from Guangyuan Technology, which renders comprehensive resource recycling and utilization services have no fixed credit periods. The credit period for receivables of other companies selling major metals such as gold, copper, zinc and copper cathode is generally within 60 days. Trade receivables are non-interest-bearing.

(1) An ageing analysis of the trade receivables

	31 December 2024	31 December 2023
Within 1 year	302,904,390.54	208,392,384.83
Over 1 year but within 2 years	92,642,615.00	74,703,595.00
Over 2 years but within 3 years	74,703,595.00	69,680,465.00
Over 3 years	116,915,138.00	160,454,673.00
Subtotal	587,165,738.54	513,231,117.83
Less: Bad debt provision for trade receivables	–	(17,933.22)
Total	<u>587,165,738.54</u>	<u>513,213,184.61</u>

(2) Disclosure by classification of bad debt provisions

2024

	Carrying amount		Bad debt provision		Net book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision made individually	347,205,358.00	59.13	–	–	347,205,358.00
Bad debt provision based on credit risk characteristics	<u>239,960,380.54</u>	<u>40.87</u>	<u>–</u>	<u>–</u>	<u>239,960,380.54</u>
Total	<u>587,165,738.54</u>	<u>100.00</u>	<u>–</u>	<u>/</u>	<u>587,165,738.54</u>

2023

	Carrying amount		Bad debt provision		Net book value
	Amount	Proportion (%)	Amount	Proportion (%)	
Bad debt provision made individually	397,481,348.00	77.45	–	–	397,481,348.00
Bad debt provision based on credit risk characteristics	<u>115,749,769.83</u>	<u>22.55</u>	<u>17,933.22</u>	0.02	<u>115,731,836.61</u>
Total	<u>513,231,117.83</u>	<u>100.00</u>	<u>17,933.22</u>	<u>/</u>	<u>513,213,184.61</u>

Bad debt provision made individually, is as follows.

	2024			Reason	2023		
	Carrying amount	Bad debt provision	Proportion (%)		Carrying amount	Bad debt provision	Proportion (%)
Trade receivables of government subsidies	<u>347,205,358.00</u>	<u>-</u>	<u>-</u>	Government subsidies receivable, high government credit rating, low default risk, no provision for bad debts	<u>397,481,348.00</u>	<u>-</u>	<u>-</u>

As at 31 December 2024, bad debt provision based on credit risk characteristics, is as follows.

	Carrying amount	Bad debt provision	Proportion (%)
Domestic customer portfolio	83,981,631.06	-	-
Overseas customer portfolio	<u>155,978,749.48</u>	<u>-</u>	<u>-</u>
Total	<u>239,960,380.54</u>	<u>-</u>	<u>-</u>

11. TRADE PAYABLES

Trade payables do not bear interest and are usually settled within 2 months.

	31 December 2024	31 December 2023
Payables for procurement of materials	283,881,250.13	294,715,959.39
Payables for services	210,723,785.00	81,857,326.06
Payables for constructions	118,326,565.73	124,569,952.16
Payables for equipment	44,902,109.55	32,579,066.13
Payables for transportation	22,798,835.44	14,700,883.26
Payables for mining rights and exploration right	-	334,607.36
Others	3,938,637.89	3,699,464.39
Total	<u>684,571,183.74</u>	<u>552,457,258.75</u>

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

Ageing analysis	31 December 2024	31 December 2023
Within 1 year	664,369,929.71	537,605,966.55
Over 1 year but within 2 years	17,022,892.99	12,469,027.39
Over 2 years but within 3 years	2,548,603.73	1,913,734.84
Over 3 years	629,757.31	468,529.97
Total	<u>684,571,183.74</u>	<u>552,457,258.75</u>

As at 31 December 2024, there is no significant trade payables over 1 year (as at 31 December 2023: none).

12. RETAINED EARNINGS

	2024	2023
At the beginning of the year	3,811,493,217.07	3,079,159,820.20
Add: Net profit attributable to owners of the parent	1,764,339,650.99	803,933,636.60
Less: Appropriation to statutory surplus reserve	(66,058,379.15)	(71,600,239.73)
Less: Cash dividends payable for ordinary shareholders	(82,436,438.90)	–
As at the end of the year	<u>5,427,338,050.01</u>	<u>3,811,493,217.07</u>

Pursuant to the resolution of the Board of Directors on 29 March 2024, the proposed 2023 profit distribution was based on the total Share of 1,663,911,378 Shares as at the end of 2023, net of 15,182,600 Shares held in the Company's repurchase securities account, totaling 1,648,728,778 Shares. A cash dividend of RMB0.50 per 10 Shares (before tax deduction) would be distributed to all Shareholders, totaling RMB82,436,438.90. This proposal was approved by the Shareholders at the Shareholders' meeting on 19 April 2024, and all dividends were fully paid by 31 December 2024.

Pursuant to the resolution of the Board of Directors on 28 March 2025, the proposed 2024 profit distribution will be based on the number of Shares eligible for distribution as determined on the record date specified in the implementation announcement of the 2024 profit distribution. A cash dividend of RMB1.60 per 10 Shares (before tax deduction) will be distributed to all Shareholders. As at 28 March 2025, the Company has 1,869,563,378 Shares issued, resulting in a total proposed cash dividend of RMB299,130,140.48. This proposal shall be subject to the consideration and approval at the 2024 AGM.

13. NET CURRENT ASSETS

	2024	2023
Current assets	6,404,182,464.01	4,895,380,131.37
Less: Current liabilities	(4,051,014,537.31)	(3,722,409,047.26)
Net current assets	<u>2,353,167,926.70</u>	<u>1,172,971,084.11</u>

14. TOTAL ASSETS LESS CURRENT LIABILITIES

	2024	2023
Total assets	20,328,568,613.12	18,717,792,749.45
Less: Current liabilities	(4,051,014,537.31)	(3,722,409,047.26)
Total assets less current liabilities	<u>16,277,554,075.81</u>	<u>14,995,383,702.19</u>

15. DEPRECIATION AND AMORTIZATION

	2024	2023
Depreciation of fixed assets	955,563,883.81	879,426,975.75
Depreciation of right-of-use assets	38,391,798.23	35,520,830.21
Amortisation of intangible assets	283,092,120.39	585,180,911.58
Amortisation of long-term deferred expenses	48,750.00	84,750.00

16. CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

Changes in accounting policies

Guidance for Changes in accounting policies	Accounts affected	Amounts affected
<i>Compilation of Application Guidance for Accounting Standards for Business Enterprises</i> published in 2024	Financial assets held for trading derivatives financial assets	Note 1
<i>Provisional Regulations on the Accounting Treatment for Enterprise Data Resources (Cai Kuai [2023] No.11)</i>	Not applicable	Note 2
<i>Accounting Standards for Business Enterprises Interpretation No.17 (“Interpretation No. 17”)</i>	Not applicable	Note 3
<i>Accounting Standards for Business Enterprises Interpretation No.18 (“Interpretation No. 18”)</i>	Not applicable	Note 4

Note 1

In accordance with the *Compilation of Application Guidance for Accounting Standards for Business Enterprises* published in 2024, the Group has changed the presentation of the derivative financial instruments, which were previously presented in “Financial assets held for trading” or “Financial liabilities held for trading”, by presenting them separately, and has adjusted the comparative figures in the financial statements retrospectively accordingly. The main impact of the retrospective adjustments caused by the above accounting policy changes on the financial statements is as follows:

The Group

2024

	Before changes in accounting policies Ending balance of last year	Effect on changes in accounting policies	After changes in accounting policies Ending balance of last year
Financial assets held for trading	30,379,509.31	(13,470,040.00)	16,909,469.31
Derivatives financial assets	–	13,470,040.00	13,470,040.00

Note 2

The *Provisional Regulations on the Accounting Treatment for Enterprise Data Resources (Cai Kuai [2023] No.11)* issued in 2023 clarifies that data resources which meet the definition and recognition criteria of intangible assets or inventories are recognised as intangible assets, development expenditures or inventories, and are separately presented and disclosed. Since 1 January 2024, the Group has adopted the above requirements with prospective application. No data resources assets were recognised by the Group in 2024.

Note 3

On 25 October 2023, *Accounting Standards for Business Enterprises Interpretation No.17* was issued by the Ministry of Finance of the People’s Republic of China. The policies related to *Classification of Current Liabilities and Non-current Liabilities, Disclosure of Supplier Financing Arrangements* and *Accounting Treatment of Sale and Leaseback Transactions* came into effect on 1 January 2024. The Group implemented the relevant provisions of Interpretation No. 17 on 1 January 2024. The application of Interpretation No. 17 has no impact on the financial statements of the Group and the Company.

Note 4:

On 6 December 2024, *Accounting Standards for Business Enterprises Interpretation No.18* was issued by the Ministry of Finance of the People’s Republic of China. When accounting for provisions arising from warranty-type quality guarantees that do not belong to a single performance obligation, in accordance with the relevant policies of *Accounting Standards for Business Enterprises No. 13 – Contingencies*, debit accounts such as “Cost of Sales” and “Cost of Other Operations” and credit the “Provisions” account based on the determined amount of estimated liabilities. The amounts shall be presented in the items such as “Cost of Sales” in the statement of profit or loss and Other Current Liabilities, Non-current Liabilities Due within One Year, Provision in the statement of financial position accordingly. When first adopted Interpretation No. 18, if the original provision for warranty-type quality guarantees was included in accounts such as “Selling Expenses”, a retrospective adjustment in accordance with the change in accounting policies is required. The Group implemented Interpretation No. 18 on 1 January 2024, and it has no impact on the financial statements of the Group and the Company.

Reconciliation of the Group's Financial Statements for the Year Ended 31 December 2024 prepared in accordance with CASBE and with IFRSs

Reference is made to the announcement of the Company dated 20 March 2025 in relation to, among other things, the unified adoption and disclosure of financial statements for the year ended 31 December 2024 prepared in accordance with CASBE by the Company pursuant to Rule 4.11(c) and Rule 19A.31(4) of the Hong Kong Listing Rules.

As stated in the above announcement, in order to satisfy the possible demand for the Company's financial information prepared under the IFRS from certain Shareholders and public investors, the Company has prepared the following reconciliation table to illustrate the differences in the Company's financial statements for the year ended 31 December 2024, when prepared in accordance with the CASBE and the IFRS.

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

	Net profit attributable to Shareholders of the parent company		Net assets attributable to equity shareholders of the parent company	
	Amount incurred during the year ended 31 December 2024	Amount incurred during the year ended 31 December 2023	Balance as at 31 December 2024	Balance as at 31 December 2023
According to CASBE	1,764,339,650.99	803,933,636.60	7,916,811,035.17	6,151,990,120.67
Items and amounts adjusted according to the accounting standards of IFRS				
Difference on special reserves (<i>note</i>)	1,915,890.55	538,137.41	-	-
According to IFRSs (unaudited)	1,766,255,541.54	804,471,774.01	7,916,811,035.17	6,151,990,120.67

Note:

Special reserves include safety funds. In accordance with CASBE, the Group should make provisions for the special reserves, which will be accounted as the production cost and contributions made to the special reserves of equity attributable to Shareholders. Non-capital expenditure incurred should be directly offset against special reserves upon occurrence, while capital expenditure incurred should be recorded as fixed assets upon completion, and offset against special reserves based on the cost of the fixed assets with accumulated depreciation fully recognised. After that, no subsequent provisions for depreciation would be made to the relevant fixed assets. According to IFRS accounting standards, expenses are recognized only when they are incurred, and any unutilised special reserves are considered a provision for distributed profits.

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

CHAIRMAN’S STATEMENT

Dear Shareholders, investors and friends,

I would like to take this opportunity to express my sincere gratitude to you on behalf of the Board of Directors of Chifeng Gold for your long-term trust and support!

The operational state of Chifeng Gold over the past year is detailed in the result announcement. Here I would like to brief you about our backbone team that helped drive the Company’s outstanding achievements in 2024, share with you the vision and philosophy upheld by the team, and the incentive measures we have adopted to deliver our vision and goals. I look forward to receiving your continued guidance and support in our future developments.

I. Creating an Efficient and Stable Backbone Team

Our backbone team flexibly adjusts its internal structure to adapt to external changes amidst the uncertainty of the external environment.

- The team adopts a “V formation” organizational approach, constantly adjusting and optimizing the organizational structure in the course of development to ensure a stable and balanced development in different circumstances.
- Despite external challenges, we have maintained steady growth in uncertain market conditions through internal efficiency improvements.
- We promote the concept of “Thriving Under Pressure”, encouraging our team to maintain a higher level of insightfulness and a faster pace of growth in an open and changing environment.
- Beyond the pursuit for excellence, perfection, and success, our team is encouraged to seek breakthroughs through continuous growth and adaptation.

II. Upholding the Corporate Philosophy of “To Benefit More People Through the Development of Chifeng Gold”

Chifeng Gold has always been committed to ensuring that Shareholders, management, and employees work together and share achievements, fostering a strong driving synergy for the Company’s sustainable and organic growth.

- We believe that the growth of an enterprise is not only the creation of material wealth but also to give life and meaning to business.
- We consistently promote our employee shareholding ownership program, enabling value-creating workers to truly participate in allocation and redistribution of capital gains, thereby stimulating the enterprise’s internal growth drivers.

- Our management team is committed to the value of “No Privilege, No Power-derived Gain”, truly achieving a boundaryless and indiscriminate relationship between management and employees, initiating a corporate culture of fair competition.
- Our vision and philosophy are not only the strategic guidance for enterprise development but also the code of conduct jointly practiced by all employees.

III. Enhancing the Incentive Mechanism Based on a “Striver-oriented” Management System

Mining is a challenging industry, and we are committed to ensuring that those who strive to create value receive greater respect and rewards.

- We continue to expand the employee shareholding ownership program to the frontline workers, allowing those who work hard to truly become beneficiaries of our development.
- The Company prioritizes offering the highest recognition and reward to frontline strivers, demonstrating our respect for and recognition of the value of our employees.
- By focusing on outputs, we strengthen the responsibility and incentives for management to stimulate the initiative and creativity of frontline strivers.
- Through effective incentive mechanisms, we urge our business leadership to become true entrepreneurs, making Chifeng Gold a cradle for nurturing entrepreneurs.

IV. Staying Committed to Our Vision and Continuous Striving

Our team does not settle for a mediocre career but pursues an ordinary yet beautiful life.

- Our unwavering belief in the corporate vision allows the team to continuously experience growth and progress in our endeavors.
- We firmly believe that Chifeng Gold will grow into an enterprise better recognized around the world by practising our strong belief that our sustained efforts will make the world a more prosperous and better place.

Thank you for joining Chifeng Gold and never giving up on the pursuit of a better future!

Chifeng Jilong Gold Mining Co., Ltd.
Wang Jianhua
Chairman

Resources and Reserves of the Group

Name of mine	Main type of mineral	Resources			Reserves			Annual mining capacity (designed) (10 thousand tonnes)	Remaining exploitable years of resources	Duration of the license/ mining right
		Ore Quantity (million tonnes)	Grade (g/t, %) (Note 2)	Metal volume (tonnes, thousand tons) (Note 1)	Ore Quantity (million tonnes)	Grade (g/t, %) (Note 2)	Metal volume (tons, thousand tons) (Note 1)			
Wulong Mining's Wulong Gold Mine	Gold	3.61	7.81	28.21	1.19	7.83	9.29	10	30	4 August 2035
Jilong Mining's Zhuanshanzi Gold Mine	Gold	1.46	12.07	17.63	0.76	7.68	5.84	24	6 ^(Note 3)	26 September 2026 27 March 2032
Huatai Mining's Honghuagou Gold Mine	Gold	3.81	7.01	26.71	1.69	6.2	10.5	27	N/A ^(Note 4)	5 September 2025 17 November 2025 17 November 2025 17 November 2025 14 September 2027 5 June 2044
Jintai Mining's Xidengping Gold Mine	Gold	10.57	1.30	13.75	7.35	1.27	9.36	74 ^(Note 5)	14	6 June 2032
LXML's Sepon Gold and Copper Mine	Gold	11.66	4.16	48.49	7.38	3.08	22.76	300	6	29 September 2033
	Copper	5.51	1.59	87.44	1.07	0.96	10.34	150	3	
LXML's Sepon Rare Earth Element	Rare earth	90.57	352.43	31.92	–	–	–	N/A	N/A	N/A
CIRE Mining's Mengkham Rare Earth Element Project	Rare earth	133.79	241.44	32.30	–	–	–	N/A	8	27 December 2025
GSWL's Wassa Gold Mine	Gold Mine	76.93	3.32	255.31	8.03	2.13	17.08	270	25	25 January 2047
Hanfeng Mining's Lishan Mine	Zinc	19.95	2.77	553.97	3.31	2.45	81	60	33	27 August 2050
	Copper		0.08	16.00	–	–	–			
	Lead		0.13	25.00	–	–	–			
Hanfeng Mining's Dongfeng Mine	Molybdenum	65.37	0.12	79.25	–	–	–	174.9 ^(Note 6)	33	24 February 2030

- Note:*
1. Gold metal quantity unit: tonnes; zinc, copper, lead, molybdenum metal quantity unit: thousand tonnes; rare earth oxides unit: thousand tonnes.
 2. Gold grade unit: g/t; Zinc, copper, lead, molybdenum grade unit: %; LXML's Sepon Rare Earth Element's grade unit: g/t TREO; Mengkham Rare Earth Element's grade unit: g/t SREO.
 3. Jilong Mining holds two valid mining rights, involving the fourth, fifth, sixth, and seventh mining areas, which are currently in the infrastructure stage and have not yet commenced production. The resource quantity in this area has not been included in the calculation of the remaining exploitable years.
 4. Huatai Mining holds six valid mining rights. The current mine is in the stage of technical renovation projects, and the resource quantity of its mining area has not been included in the calculation of the remaining exploitable years this time.
 5. The current operational production scale of Phase I mining and processing project of Jintai Mining is 140,000 tonnes per annum, while the design mining capacity for Phase II development and utilization plan is 600,000 tonnes per annum. Upon completion and commissioning, the production scale can reach an aggregate of 740,000 tonnes per annum.
 6. The production scale of Hanfeng Mining's Dongfeng mining area (above 250m elevation) is 99,000 tonnes per annum, while its deeper molybdenum mining area (below 250m elevation) has not yet been constructed and commissioned, with a designed mining capacity of 1.65 million tonnes per annum according to the feasibility report.
 7. Resources mean solid mineral resources identified by mineral resource exploration, generally reviewed, and expected to be economically minable, which quantity, grade or quality is estimated with reference to geological information, geological understanding and relevant technical requirements including inferred resources, indicated resources and measured mineral resources.
 8. Reserves mean portion of the measured and/or indicated resources that can be economically mined, which is an estimate after a pre-feasibility study, feasibility study or equivalent technical and economic evaluation, with possible ore losses and depletion, and the reasonable use of conversion factors fully taken into account to make mining technically feasible and economically viable. This contains both probable and proved reserves.

DISCUSSION AND ANALYSIS OF OPERATIONS

Adhere to strategic determination to achieve new breakthroughs in operational indicators

In the face of external uncertainties, the Company has consistently adhered to its development strategy of “Focusing on Gold”, maintaining a strategic determination to continuously introspect, explore externally, scale new heights, and keep innovating. The Company actively seeks new growth opportunities and has achieved stable operational results. In 2024, the Company achieved steady growth in production, continuous optimization of costs, and significant improvement in profits. Key operational indicators, namely production, net profit, and operating cash flow, have reached historic highs. The gearing ratio continued to improve, demonstrating strong profitability, resilience, and sustainable development potential.

In 2024, the Company achieved a gold production of 15.16 tonnes, representing a year-on-year increase of 5.60%, of which domestic mines contributed 3.91 tonnes, representing a year-on-year increase of 14.6%, showing outstanding growth; and overseas mines contributed 11.25 tonnes, continuing to play a core role. The Company achieved net profit attributable to the parent company of RMB1,764 million, representing a year-on-year increase of 119.46%; net cash flow from operating activities amounted to RMB3,268 million, representing a year-on-year increase of 48.36%; and free cash flow was approximately RMB1,749 million, up by 279.22% year-on-year. The robust growth of operating cash flow and free cash flow indicated the Company’s ability to maintain good capital expenditure management and working capital efficiency while expanding production capacity, further enhancing the Company’s profit quality and financial stability, thereby laying a more solid foundation for future sustainable development.

To further advance its internationalization strategy and enhance core competitiveness, the Company initiated the issuance of overseas listed Shares (H Shares) in the second quarter of the year and successfully listed on the Main Board of the Hong Kong Stock Exchange on 10 March 2025. The international placement of H-Shares accounted for approximately 90% of the total issuance of Shares, attracting participation from renowned institutional investors in the world, including Asia, Europe, and Australia, with net proceeds from the Global Offering of approximately HK\$2,676 million. The listing in Hong Kong marked an important step for the Company in the international capital market, providing new opportunities and momentum for the Company to further promote its international development and global resource allocation.

Focus on key projects to tackle challenges and explore to increase reserves, laying the foundation for production growth.

Key projects are being accelerated to drive capacity enhancement. The Company has made significant progress in key project construction and capacity expansion. The blind shaft deepening project of the auxiliary shaft of Wulong Mining, the ventilation shaft project, the installation project of the auxiliary shaft hoist, and the shaft connection tunnel project have all been smoothly advanced, further enhancing mining and transportation capacity. The project achieved a daily processing capacity of over 2,000 tonnes at the end of 2024, with plans to achieve a production capacity of 3,000 tonnes per day in 2025. The expansion project of Jilong Mining for 180,000 tonnes of gold ore was scheduled for trial production in June 2024, and the acceptance check was passed at the end of the year; the newly added underground mining project of 60,000 tonnes has completed approval, and the target production capacity of 1,000 tonnes per day is progressing; and the technical renovation project of the No. 3 mining area has passed acceptance, further enhancing mining capacity. The new underground mining expansion project of 30,000 tonnes per annum in the No. 5 mining area of Huatai Mining commenced construction in November and is expected to gradually contribute incremental capacity starting from 2025. The review of the development and utilization plan for the Phase II exploration and conversion of Jintai Mining has been approved, and the preliminary procedures are progressing steadily. The lower mining zone of the Lishan Mining Area of Hanfeng Mining has completed construction and commenced mining outsourcing, further enhancing overall mining efficiency. LXML's Far West Open Pit Gold Mine commenced production in September 2024, contributing a gold output of 1.2 tonnes in its first year of operation. The extension and expansion of the Western Tailings Storage Facilities ("WTSF"), underground pumping stations, underground capacity expansion, and the stubborn rock crushing line are all progressing as planned. GSWL is enhancing ore supply and further solidifying production capacity by restarting and optimizing open-pit mining at Dead Man's Hill ("DMH") and improving ore blending.

The Company has significantly strengthened its exploration efforts and successfully boosted both the quantity of resources and reserves. In 2024, domestic subsidiaries continued to adhere to the philosophy of "constructing and mining", intensifying geological prospecting efforts, and achieving significant results in exploration work both underground and in the periphery of mining areas. A total of 44,000 metres of trenching was completed throughout the year; the construction drilling amounted to 91,000 metres.

LXML implemented an integrated strategy of "exploration-development" and actively promoted multiple resource growth projects, including Far West Open-Pit Gold Mine, Khanong Primary Copper Mine, Thenkham, PVN Open-Pit and Underground Mine, as well as the Discovery West Underground Mine. LXML completed exploration work of 72,000 metres for the year, exceeding the schedule by 22,000 metres, with resource extension drilling of 43,129 metres. In the Sepon mining area, the Company has made a new exploration discovery in the southern region, initially assessed to be a large porphyry-type ore body. The Company plans to accelerate drilling, striving to complete the initial resource assessment by 2025.

In 2024, GSWL completed a total of 20,949 metres of capital drilling, of which 16,533 metres was in the B-Shoot South Area and 4,417 metres was in the B-Shoot South Deep Area. In 2024, three new drilling contractors were introduced, totaling four drilling contractors, which simultaneously conducted exploration in multiple areas both underground and in open-pit. In the second half of 2024, GSWL has initiated the deep expansion project of the B-Shoot South area with intensified drilling, and it is expected to further accelerate and increase overall drilling efforts in 2025 to enhance resource levels and increase gold reserves, thereby strengthening future capacity

assurance. In addition, due to the rise in gold prices, the Company has conducted a new economic assessment of historically dormant mines within the mining areas held by the Wassa Gold Mine, some of which are expected to commence production in 2025 and form part of the source of production growth for that year. Meanwhile, exploration work in the South Wassa mining area will continue to progress in 2025.

Since the fourth quarter of 2024, the Group has intensified exploration efforts at all mines and initiated the preparation of a three-year plan for the Group's exploration and resource expansion, which was prioritized as a key focus for the Group. Aiming to accelerate the enhancement of resource quantity levels and reserve levels, this initiative also increased investment in risk exploration to fully tap into the potential resources of the Group's mining areas.

Enhance technological innovation and streamline processes to improve production efficiency

Our domestic mines have been making significant progress in the digital and intelligent transformation of their mining processes. This included implementing intelligent optimization scheduling for production processes and facilitating the efficient allocation of mining resources. Jilong Mining has established an AI-based video analysis platform, enabling real-time monitoring and intelligent early warning for 23 key production scenarios. Wulong Mining has completed the intelligent upgrade of the underground "six major systems", enabling real-time data transmission and automated safety monitoring analysis, resulting in a 60% faster response rate. Hanfeng Mining has applied three-dimensional geological modeling technology, leading to a 35% enhancement in resource exploration efficiency.

LXML continued to promote multiple technological transformation projects, resulting in lower processing costs and higher processing recovery rates. The active promotion of the research projects, such as flotation and regrinding, flotation tailings resin leaching, and the processing of Khanong Primary Copper Mine, has laid a solid foundation for further enhancement of the Sepon Gold and Copper Mine's resource and processing recovery rate. By upgrading the rock crushing line, LXML improved equipment operational efficiency by 15%, and the annual processing capacity increased by 120,000 tonnes. The maintenance team has reduced equipment downtime and improved the single operating time of the main equipment in the designated factory through modifications and continuous monitoring optimization, with an expected additional benefit of US\$525,000.

GSWL adopted multi-dimensional measures to enhance mining volume and operational efficiency. We supported contractors in the mining areas of 242 and B-shoot South to continuously improve efficiency and value, optimize the maintenance support system, and enhance the availability rate of mining and selection equipment through a preventive maintenance plan. We streamlined production organization and ventilation, while shortening the turnaround time for the working face after blasting and increasing effective working hours per shift. We continuously optimized systems such as crushing, grinding, gravity separation, and carbon-in-leach ("CIL") process, to continuously improve processing volume, recovery rate, and metal output. By benchmarking against externally introduced underground mining operation teams, GSWL has improved the overall excavation efficiency of the mine by 40%, with underground ore output capacity jumping from 5,000 tonnes per day to 7,000 tonnes per day. The processing capacity and recovery rate of the designated factory have been enhanced and optimized, with the processing capacity increasing from 8,000 tonnes per day at the end of last year to over 10,000 tonnes per day. By optimizing the CIL system parameters, the recovery rate in the mineral processing stage has stabilized at approximately 95.5%.

Intensify supply chain management and strengthen cost control in the procurement process

Centralized procurement stood as an important cost reduction measure within the Company. To enhance supply chain efficiency, optimize resource allocation, reduce procurement costs, and ensure consistency and sustainability in global operations, the Company has established a global supply chain center to fully drive forward its centralized procurement strategy.

In 2024, GSWL raised the proportion of centralised procurement items with the Global Supply Chain Centre of the Company targeting selection of more cost-efficient materials and alternative suppliers. Multiple drilling companies were introduced to create competition, together with efficiency improvement and costs of exploration and production diminution. GSWL realised economies of scale in bulk material centralised procurement including initiating explosive devices and steel through the Global Supply Chain Centre. The completion of bidding for certain substantial procurement and service contracts in 2024, relating to drilling contractors, explosives, and cement, led to cost reductions ranging from 20% to 30%.

LXML has achieved significant cost reductions in various service and material procurement projects. The total savings amounted to over US\$12 million from the WTSF Earthworks Project, Lime Procurement Project, and Diesel Procurement Project. The drop of 10.6% in drilling costs resulted from introducing diverse PRC and overseas drilling contractors which improves bargaining power resulting in lower cost drilling contracts entered into with contractors through bidding. The unit prices in the Far West region showed a considerable fall in its mining services bid, saving approximately US\$1.24 million in 2024, with an estimated total saving of US\$8.3 million for the Far West Project (including mining and ore transportation). In 2025, LXML intends to continue implementation of construction and mining outsourcing in areas including Khanong and Thenkham, further lessening costs.

In 2024, there will be 58 procurement projects conducted through bidding, consultation, or negotiation in the PRC mines, covering equipment, bulk materials, shaft construction, specialised technical service contracting, drilling engineering, six major systems, water treatment, and surface infrastructure constructions. The procurement costs have sharply decreased for explosive products, timber, steel balls, and certain equipment, with expected savings of approximately RMB11.19 million.

Practicing the ESG concept and reinforcing the foundation for sustainable development

In the context of global sustainable development, Chifeng Gold profoundly acknowledges the key importance of ESG for enterprises to achieve long-term value creation and sustainable development.

The Company has strictly implemented risk management standards and related control measures in contribution to improve the safety, environmental protection, occupational health management system, and efforts in performance assessment and evaluation. Lost Time Injury Frequency Rate (LTIFR) and Total Recordable Injury Frequency Rate (TRIFR) of the Company both equal to 1.4/ million hours, representing a decline as compared to the previous year. In 2024, “Zero Major Safety Accidents and Zero Environmental Incidents” was achieved at our PRC and overseas mines.

The Company has proactively taken part in accomplishing energy conservation and consumption reduction. Leveraging on the introduction of advanced energy-saving and environmental technologies and processes, unnecessary electricity consumption at Chifeng Gold has been reduced effectively so that excess energy from equipment operation can be recycled. Apart from purchasing energy-efficient equipment, the existing equipment has received technical upgrades and optimisation in virtue of replacing aging and inefficient components so as to enhance the energy efficiency of the equipment. The application scope of intelligent control technology has been gradually widened in terms of equipment usage monitoring to achieve rational use of energy and lower consumption. The Company actively explores the use of alternative energy in mining areas aimed to replace the partial reliance on traditional petrochemical energy, in response to the potential electricity price increase in the countries it operates coupled with carbon emissions reduction. Meanwhile, we have introduced a vision for the first time to achieve the peak of carbon emissions by 2030 and attain carbon neutrality by 2055, clarifying our long-term commitment to sustainable development.

Upholding the principles of equality, diversity, and inclusion, the Company has attached strategic importance to employee well-being and community development. Local employees in each mining area accounted for an average of 80.5% of all employees, among which, the local employees at GSWL reached 97.8% while local employees accounted for 93.3% at LXML. Women comprise 14% of the Group's employees. The employee stock ownership plan has been considered as a long-term incentive mechanism of the Company, with the 100% coverage of performance incentive compensation for permanent management and skilled labour.

Through facilitating community communication channels, the Company was committed to protecting local cultures and listening to the voices of the community. Adhering to the concept of "Mutual Prosperity and Development," the in-depth collaborations have been carried out with the community in areas including infrastructure, education, employment, and ecology. The Company undertook public service with a focus on the underprivileged in the community bearing inheritance the spirit of public welfare and charity in mind, which demonstrated corporate social responsibilities and missions. The Company focused on providing assistance and support to employees' families facing major illnesses and unforeseen difficulties. The management team of the Company took the lead in donations, reflecting the "people first" philosophy with concrete actions, highlighting the Company's strong emphasis on employee well-being and unwavering dedication.

INDUSTRY IN WHICH THE COMPANY OPERATED DURING THE REPORTING PERIOD

(I) General Overview of the Industry

Gold has dual attributes of both being a commodity and a means of finance and plays an irreplaceable role in maintaining national financial stability and economic security as an important global strategic asset and the cornerstone for the financial reserve systems of various countries. On the world gold map, the PRC, as the world's largest gold producer, owns the gold market which has developed into an important global gold market and has become a material part of the PRC financial market. During recent years, the PRC gold industry has achieved leapfrog development, forming a complete industrial system including geological exploration, mining, metallurgical processing, deep processing, wholesale and retail, investment and trading market.

In 2024, with sharp substantial volatility, the international gold price continued to reach record highs. At the end of December, the London Gold Fixing was US\$2,610.85/ounce, up 25.83% from US\$2,074.90/ounce at the beginning of the year, while the average full-year price of US\$2,386.20/ounce was US\$1,940.54/ounce, representing an increase of 22.97% over the same period in 2023. The closing price of Au9999 gold on the Shanghai Gold Exchange at the end of December was RMB614.80/g, up 27.87% as compared to the opening price of RMB480.80/g at the beginning of the year, while the weighted average full-year price was RMB548.49/g, an increase by 22.14% as compared to RMB449.05/g during the same period in 2023.

Compared to the significant increase in the gold price, the gold production growth turns relatively slow along with the different gold consumption market structure. As shown in the World Gold Council's Global Gold Demand Trends Report in 2024, there recorded an unprecedented high in gold demand, amounting to 4,974 tonnes (including over-the-counter trading and other demand) in total. The annual gold demand totalled 1,180 tonnes, increasing by 25% and achieving new high in the recent four years. As strong support offered by gold ETFs to the year-on-year growth in overall investment demand, 2024 marked the first year since 2020 when holdings of gold ETF remained relatively stable, in stark contrast to the substantial outflows during the previous three years. In the PRC market, the holdings of gold ETFs represents a soaring trend.

In addition, continuously active expansion of the gold holdings by central banks globally brought a significant increase to their gold reserves in 2024. According to the World Gold Council, central banks globally kept their gold accumulation at remarkable speed, leading to a rise of 1,044.6 tonnes in gold reserves in 2024 as the third consecutive year with an increase exceeding 1,000 tonnes. Notably, their gold purchases in the fourth quarter surged to 333 tonnes. In 2024, the People's Bank of China's accumulated increase in its gold reserves amounted to 44.17 tonnes throughout the year. As at the end of the year, the gold reserves amounted to 2,279.57 tonnes in the PRC, ranking 6th globally and hitting a historic volume high again.

(II) The Newly Promulgated Important Laws, Regulations, Departmental Rules, and Industry Policies

1. In February 2024, the Notice on the Mineral Resource Development and Utilization Research and Evaluation Measures (Trial) (礦產資源開發利用水平調查評估辦法(試行)) issued by the Ministry of Natural Resources required reinforcement of the research data quality management in the mineral resource development and utilization and the application of evaluation results of mineral resource development and utilization.
2. In February 2024, the National Mine Safety Administration issued the Key Points for Mine Production Safety Works in 2024 (2024 年礦山安全生產工作要點), requiring the improvement of “one-move” full chain for mining production safety, including geological precedence, advance disaster management, risk control, hidden danger rectification, basic-level foundation, technology empowerment, emergency response, and accident investigation. It fully promotes the transformation of mine safety management model towards pre-emptive prevention.
3. In March 2024, the Ministry of Natural Resources issued the Notice on Improving the Implementation and Management of Mineral Resource Planning (關於完善礦產資源規劃實施管理有關事項的通知), fully implementing the national resource safety strategies while playing the leading and supporting role of mineral resource planning to serve the overall situation of mineral resource management transformation and strategic action for breakthroughs in mineral exploration. This aims to guide the rational mineral resource exploration and extraction and empower increasing reserves and production in addition to promoting green transformation and high-quality development of the mining industry.
4. In March 2024, nine departments including the Ministry of Industry and Information Technology, the National Development and Reform Commission, the Ministry of Finance, and the Ministry of Natural Resources issued the Work Plan for Digital Transformation of the Raw Materials Industry (2024-2026) (原材料工業數字化轉型工作方案(2024-2026 年)), setting the deployment for the digital transformation work of the raw materials industry, including the construction of intelligent mines.
5. In April 2024, the Ministry of Natural Resources and six other departments jointly issued the Notice on Further Strengthening Green Mine Construction (關於進一步加強綠色礦山建設的通知). It requires all regions to comprehensively drive the construction of green mines. By the end of 2028, the main objectives shall be fulfilled for realising a more complete green mine construction mechanism and meeting the green mine standards required for 90% of licensed large mines and 80% of licensed medium-sized mines in production.

6. In May 2024, the “Measures for the Management of Exploration and Mining Information of Mineral Right Holders” (礦業權人勘查開採信息管理辦法) was considered and approved at the 2nd Ministerial Meeting of the Ministry of Natural Resources. The measures mainly set out specific provisions regarding the reporting, disclosure, verification of mining rights holders’ exploration and exploitation information, discredited subject identification, and management of the List of Abnormal Mining Rights Holders.
7. In November 2024, the Mineral Resources Law of the People’s Republic of China (中華人民共和國礦產資源法) was considered and approved at the twelfth meeting of the fourteenth NPC Standing Committee and will be implemented from 1 July 2025. This perform great significance for fostering high-quality development in the mining industry and contributing resource support for advancing Chinese-style modernisation.

BUSINESS OPERATIONS OF THE COMPANY DURING THE REPORTING PERIOD

(I) Principal Business of the Company During the Reporting Period

During the Reporting Period, the mining, selection, and sales of gold, as the principal business of the Company, were primarily conducted through its subsidiaries. The Company owned and operated seven gold and polymetallic mines located across various regions including China, Southeast Asia, and West Africa. Its subsidiaries Jilong Mining, Wulong Mining, Huatai Mining, and Jintai Mining were engaged in gold mining and selection business; Hanfeng Mining, its subsidiary, was engaged in zinc, lead, copper, and molybdenum mining and selection business; LXML, its subsidiary in Laos, was engaged in gold and copper mining and smelting primarily; GSWL, its subsidiary in Ghana, was primarily engaged in gold mining and selection business. Furthermore, Guangyuan Technology, a subsidiary of the Company, operated in the comprehensive resource recycling industry and was engaged in waste electrical appliance and electronic product treatment business.

During the Reporting Period, the principal products of the mining subsidiaries of the Company were precious metals (including gold and copper cathodes) and non-ferrous metals. The downstream gold users were gold production enterprises (producing investment gold bars and standard gold bullion). Its final utility included central banks (official reserves), investment, jewellery, and industrial sectors. Copper was widely used in various industries including infrastructure, construction, and equipment manufacturing with application in the production of communication cables, wires and cables, power equipment, pipelines, machinery, and air conditioning equipment.

(II) Operating Model

1. Except for the Xidengping Gold Mine of Jintai Mining using open-pit mining, all the other mines of the Company operating in the PRC conduct underground mining, whose workflow primarily includes planning, preparation and cutting, stopping, extraction, and filling processes. However, the workflow of open-pit mining mainly includes planning, stripping, and transportation. Considering the characteristics of different ores, diverse beneficiation processes have been adopted in each mine. The flotation process was used at Wulong Mining and Hanfeng Mining while the all-slime cyanidation absorption gold extraction process worked for Jilong Mining and Huatai Mining. Whereas, Jintai Gold Mine utilized the carbon-in-pulp gold extraction process.

The principal product of Jilong Mining and Huatai Mining was dorè with gold concentrate powder and gold-loaded carbon being that of Wulong Mining and Jintai Mining, respectively. The primary customers for gold products were gold refineries with membership qualifications of the Shanghai Gold Exchange. The Company transferred gold products to customers for sale through the Shanghai Gold Exchange Trading System. The settlement price was determined after deducting processing fees and handling fees from the market spot price. The payment shall be settled on the day of the spot price or the next business day, with the option to pre-settle part of the payment.

The principal products of Hanfeng Mining included zinc concentrate powder, lead concentrate powder (silver-bearing), copper concentrate powder (silver-bearing), and molybdenum concentrate powder. The pricing for external sales of Hanfeng Mining's concentrates was generally determined based on the market prices of the metals contained in the concentrates. The settlement price was primarily determined based on actual metal contents in the refined powder products, fully considering transportation fees, weighing-check fees and other factors, using the price of 1# zinc ingot and 1# spot lead available on the Shanghai Metals Network and the settlement price of the copper contract on the Shanghai Futures Exchange as benchmarks. The sales of products were conducted mostly through receipts in advance with the target customers being large downstream smelting enterprises with which the Company has had long-term cooperation.

2. LXML, a subsidiary of the Company, operated the Sepon Gold and Copper Mine in Laos, utilising a combination of open-pit and underground mining. LXML has two independent production lines for gold and copper, with a planned annual ore processing capacity of approximately 3.50 million tonnes and gold and copper cathode as principal products. Its gold products, dorè bars, contain 30% to 80% of gold and 10% to 70% of silver. The sales customers were selected globally through a tendering process, principally being large international gold refineries. After the delivery of the dorè products to the transportation service provider, up to 90% of the products may be sold at spot price based on inspection results of the Company, or all shall be sold at spot price after confirming the refining results with the sales payment to be settled by the customer on the date of the spot price or the next business day. The copper cathode of LXML possessed Grade A equivalent quality at the London Metal Exchange, with international commodity traders as its cooperative clients. Its sales model is determined upon negotiation between the parties according to international trade rules.

3. The Wassa Gold Mine in Ghana was operated by GSWL, a subsidiary of the Company, utilizing a combination of open-pit and underground mining, with the planned annual ore mining capacity of 3 million tonnes and annual ore processing capacity of 4 million tonnes. The principal products of GSWL was dorè containing over 80% of gold, which were sold through commissioning large gold refineries determined by tender. The pricing was based on the daily spot gold price set by the London Bullion Market Association after deducting relevant fees and would be determined on the date of completion of smelting at the smelters. The settlement of payment was generally completed within three business days after pricing.

4. Guangyuan Technology, a subsidiary of the Company, is a comprehensive environmental enterprise specialising in the disposal of industrial hazardous waste, disassembly of waste electrical appliances and electronic products, comprehensive resource utilisation, and power battery recycling. Benefiting from the national waste electrical and electronic equipment treatment fund subsidies, it owns an annual disassembly capacity of 2.65 million units and obtained hazardous waste management licenses approved by the Hefei Municipal Ecology and Environmental Bureau in January 2022 to commence its business for the Hefei City Hazardous Waste Comprehensive Transfer and Disposal Centre (合肥市危險廢棄物綜合轉運處理中心). The Guangyuan Technology Project for the Collection, Storage, and Transfer Centre of Hazardous Waste for Micro and Small Enterprises possesses operational qualifications for 13 major categories and 67 subcategories of hazardous waste listed in the Directory of National Hazardous Wastes, with a capacity to collect and store hazardous waste of 10,000 tonnes per year. The disassembly business process for electrical appliances and electronic products of Guangyuan Technology was implemented strictly complying with the “Guidelines for the Standardized Disassembling and Disposal Operations and Production Management of Waste Electrical and Electronic Equipment 2015” (廢棄電器電子產品規範拆解處理作業及生產管理指南(2015 年版)) issued by the Ministry of Ecology and Environment and the Ministry of Industry and Information Technology. It primarily adopted a comprehensive disassembly and disposal procedure that combines manual dismantling and mechanical disposal and carries out in-depth mechanical sorting and separation of the dismantled materials. The materials generated in the recycling process are then delivered to enterprises holding hazardous waste operation licenses for recycling or disposal. Guangyuan Technology designated Hefei City as the main raw material procurement market and has established a presence in over 30 surrounding counties and cities. It entered into procurement contracts with large local customers monthly, adopting pricing on a market floating basis that considers market conditions and supplier transportation distances. The bidding and quotation would be conducted based on the quantity of dismantled products and market conditions, before customers picked up goods on-site, with arrival of products upon receipt of payment.

ANALYSIS OF CORE COMPETITIVENESS DURING THE REPORTING PERIOD

The Company adheres to the development strategy of “focusing on gold” and is committed to a more outstanding international development layout. From 2021 to 2023, the Company’s gold production growth and operational efficiency improvements outperformed the industry average. The Company’s favorable performance in development trends is primarily based on the following competitive advantages.

(I) Ambitious management team and sound incentive mechanism

The Company’s management team is composed of experts with extensive experience in the mining sector and capital markets, covering various fields such as corporate management, mining, mineral processing, geology, surveying, finance, and law. Mr. Wang Jianhua, our Chairman, possesses outstanding management capabilities and extensive experience in large corporate groups. Core senior management personnel, including our Chief Executive Officer, have held significant positions in globally renowned mining enterprises, demonstrating strong business performance. The Company has also recruited scholars and professors from prestigious universities and institutions, injecting substantial professional expertise into the Board.

The Company adheres to the corporate culture of “Mutual Prosperity and Development, Sharing Responsibilities and Benefits”, advocating a partnership where our Shareholders, managers and workers share the successes and face the challenges together, as they are all invested in the same collective goal. It has adopted a long-term internal incentive mechanism, such as employee stock ownership plans, to permeate Shares to the frontline, deeply binding core personnel with the development of the Company. This effectively motivates the management team and core personnel, aligning the team with a highly consistent mission, vision, and enterprising spirit. After years of exploration and practice, the Company has gradually established a management model and incentive assessment mechanism that aligns with the Company’s actual conditions, achieving remarkable results in cost control and improving labour efficiency. Meanwhile, the Company has strengthened its international management and operations team, improved management decision-making processes and response mechanisms worldwide, enabling the Company to effectively manage its global operations and assess quality acquisition opportunities.

(II) Further acquire resources, increase resources and reserves, and enhance production potential

The ore grade of some mines under the domestic mining subsidiaries of the Company is relatively high, belonging to the rare high-grade rich deposits in the PRC. Compared to similar gold mining enterprises, the unit cost of gold production of the Company is relatively low, and the gross profit margin is higher. The Company’s existing mines have favorable mineralization conditions, and most of the mining areas still have the potential for further exploration to acquire more resources.

The Sepon Gold and Copper Mine, operated by the Company's subsidiary, LXML, is the largest non-ferrous metal mine in Laos. It enjoys exclusive rights to explore and exploit mineral resources over an area of more than 1,000 km², including the Sepon mining area, with broad prospects for exploration. The core asset of the Company's subsidiary, Jinxing Resources, is the Wassa Gold Mine located in Ghana. The Wassa Gold Mine is situated in a favorable mineralization zone on the renowned Ashanti Gold Belt. The potential for exploration within and around the mining area remains significant. The mining rights of the Wassa Gold Mine are located on the eastern edge of the southern part of the Ashanti Gold Belt, extending approximately 70 km. It is the largest gold enterprise in Ghana in terms of mining rights area.

The Company's wholly-owned subsidiary, Hanfeng Mining, is a zinc-lead-copper-molybdenum polymetallic mining enterprise. The "Jilin Tianbaoshan-Kaishantun" area where Hanfeng Mining is located is a key exploration area for important mineral resources. This region has excellent geological conditions for mineralization and is an important concentration area for polymetallic mineralization.

Each of the Company's mines has developed plans for resource exploration, capacity, and production increase. The mine expansion plans have high visibility and certainty, and resource reserve increments are continuously achieved through exploration activities. On the other hand, the Company will also focus on enhancing resources to seek and acquire suitable and high-quality assets to maintain sustainable growth. The Company possesses extensive experience in overseas mergers and acquisitions, has a proven track record in identifying synergistic acquisition targets, executing transactions, and integrating global operations, and has established a mature decision-making and execution system.

(III) Continuously tap potential and control expenses, maintaining the ability to operate at relatively low costs

Under the leadership of the management team, the Company has implemented targeted cost reduction and efficiency enhancement strategies based on the actual conditions of each mine. It continues to research and apply new technologies, and through centralized procurement, optimization of organizational and personnel structures, among other measures, aims to continuously lower production costs, positioning the Company more favorably on the cost curve.

The Sepon Gold and Copper Mine and the Wassa Gold Mine have both been operating steadily for many years, equipped with internationally advanced mining production technology. Since the resumption of gold production in 2020, through independent research and external exchanges, LXML's Sepon Gold and Copper Mine has made significant progress in overcoming challenges related to difficult-to-process ores, continuously improving its processing and recovery processes. The ore processing recovery rate has increased by nearly 20% since the start of production. The Company has achieved good results in reducing the costs of the Wassa Gold Mine through measures such as optimizing procurement channels, improving material utilization rates, and expanding production capacity. At the domestic mines in China, the Company continuously enhances mining operation efficiency through progressive investment and transformation.

The Company conducts a detailed review of procurement channels and performs trial orders in batches, introducing high cost-performance suppliers into the procurement system to form healthy competition. The Company also expands the range of supplier selection and increases procurement efforts in low-cost regions. Centralized procurement has become an important approach for the Company to reduce costs and control expenses.

MAJOR OPERATING CONDITIONS DURING THE REPORTING PERIOD

In 2024, the Company recorded revenue from the principal business of RMB8,975.7776 million, among which, the mining segment produced 15.16 tonnes of mined gold, representing an increase of 5.60% as compared to the previous year, and 6.2 thousand tonnes of copper cathodes, representing a decrease of 4.51% as compared to the previous year. This segment recorded revenue from its the principal business of RMB8,717.4758 million, accounting for 97.12% of the Company's revenue from its principal business. As at the end of the Reporting Period, the Company's total assets were RMB20,328.5686 million, and the net assets attributable to Shareholders of the parent company were RMB7,916.8110 million, representing an increase of 8.61% and 28.69% respectively, as compared to the same period last year.

(I) Analysis on Principal Business

1. Analysis of the changes in relevant items in the statement of income and cash flow

Items	Amount for the current period	Unit: Yuan Currency: RMB	
		Amount for the corresponding period of last year	Percentage of change (%)
Revenue	9,025,821,822.22	7,220,951,536.26	24.99
Cost of sales	5,068,770,478.41	4,868,615,073.33	4.11
Selling expenses	348,745.14	689,058.34	-49.39
Administrative expenses	492,286,721.36	461,372,054.59	6.70
Finance costs	155,363,874.45	193,139,295.18	-19.56
Research and development expenses	63,615,898.70	51,752,511.95	22.92
Net cash flows from operating activities	3,268,480,659.70	2,203,080,341.36	48.36
Net cash flow from investing activities	-958,411,154.21	-1,771,118,501.70	
Net cash flows from financing activities	-1,097,464,248.48	-228,120,260.48	

- (1) Reasons for changes in revenue: revenue increased compared to the corresponding period of last year, primarily due to the year-on-year rise in gold sales volume and selling price;
- (2) Reasons for changes in cost of sales: selling costs increased compared to the corresponding period of last year, mainly due to the year-on-year increase in gold sales volume;
- (3) Reasons for changes in selling expenses: selling expenses decreased compared to the corresponding period of last year, mainly due to a year-on-year reduction in material consumption costs and travel expenses;
- (4) Reasons for changes in administrative expenses: administrative expenses increased compared to the corresponding period of last year, mainly due to a year-on-year increase in the Group's labour expenses and professional service fees;
- (5) Reasons for changes in finance costs: finance costs decreased compared to the corresponding period of last year, primarily due to an increase in the Group's own funds and a corresponding year-on-year increase in interest income;
- (6) Reasons for changes in research and development expenses: research and development expenses increased compared to the corresponding period of last year, mainly due to the increased investment in research and development by Jilong Mining and Wulong Mining;
- (7) Reasons for changes in net cash flow from operating activities: the increase in net cash flow from operating activities was mainly due to the rise in sales volume and sales price of mined gold, which led to an increase in proceeds from sales during the current period;
- (8) Reasons for changes in net cash flow from investing activities: the year-on-year decrease in the net cash outflow from investing activities was mainly due to the combined impact from the recovery of investment on the disposal of equity in Tietto Minerals during the period, coupled with a decrease in capital expenditures;
- (9) Reasons for changes in net cash flow from financing activities: the net cash outflow from financing activities was mainly due to a significant year-on-year decrease in net debt during the current period.

2. Revenue and Cost of sales Analysis

(1) Principal business by sector, product, region, and sales model

Unit: Yuan Currency: RMB

Analysis of the principal business by sector						
By sector	Revenue	Cost of sales	Gross profit margin (%)	Change in revenue as compared to last year (%)	Year-on-year change in cost of sales (%)	Year-on-year change in gross profit margin
Mining sector	8,717,475,766.34	4,796,302,401.77	44.98	27.86	6.66	Increased by 10.93%
Comprehensive resource recycling and utilization	258,301,841.50	231,659,248.11	10.31	-35.16	-37.56	Increased by 3.45%

Analysis of the principal business by product						
By product	Revenue	Cost of sales	Gross profit margin (%)	Change in revenue as compared to last year (%)	Year-on-year change in cost of sales (%)	Year-on-year change in gross profit margin
Mined gold	7,978,456,843.25	4,231,829,584.72	46.96	26.20	4.09	Increased by 11.27%
Copper cathode	407,334,926.11	364,462,458.22	10.53	6.75	1.65	Increased by 4.50%
Copper concentrate powder	20,359,687.51	7,664,728.50	62.35	27.55	8.88	Increased by 6.45%
Lead concentrate powder	57,419,874.96	21,014,677.71	63.40	93.05	73.11	Increased by 4.21%
Zinc concentrate powder	122,193,933.00	79,600,709.40	34.86	86.93	54.54	Increased by 13.65%
Molybdenum concentrate powder	123,285,540.04	87,597,095.36	28.95	N/A	N/A	N/A
Mined silver	8,424,961.47	4,133,147.86	50.94	171.19	137.01	Increased by 7.07%
Others (Disassembly of electronic products)	258,301,841.50	231,659,248.11	10.31	-35.16	-37.56	Increased by 3.45%

Analysis of the principal business by region

By region	Revenue	Cost of sales	Gross profit margin (%)	Change in revenue as compared to last year (%)	Year-on-year change in cost of sales (%)	Year-on-year change in gross profit margin
Domestic regions	2,737,784,634.40	1,046,796,528.40	61.76	35.23	10.21	Increased by 8.68%
Overseas regions	6,237,992,973.44	3,981,165,121.48	36.18	20.15	1.62	Increased by 11.64%

Approximately 69.50% of the Company's revenue from its principal business activities is derived from overseas mining operations.

(2) Analysis of Production and Sales Volume

Major products	Unit	Production Volume	Sales volume	Inventory	Unit sales price	Changes in production volume compared with last year (%)	Changes in sales volume compared with last year (%)	Changes in inventory compared with last year (%)	Change in unit selling price as compared with last year (%)
Mined gold	kg	15,158.08	15,218.00	519.63	524.28	5.60	4.88	-10.34	20.32
Copper cathode	tonne	6,192.77	6,273.30	457.07	64,931.52 RMB/gram	-4.51	-2.42	-14.98	9.40
Copper concentrate powder	tonne	1,380.65	1,396.46	28.01	14,579.48 RMB/tonne	-4.04	-4.91	-36.08	34.13
Lead concentrate powder	tonne	4,051.09	4,109.47	148.46	13,972.58 RMB/tonne	49.15	62.30	-28.22	18.94
Zinc concentrate powder	tonne	14,894.43	15,324.79	179.05	7,973.61 RMB/tonne	31.96	41.38	-70.62	32.21
Molybdenum concentrate powder	tonne	686.79	884.37	8.90	139,404.93 RMB/tonne	232.62	N/A	-95.96	N/A
Mined silver	kg	1,370.95	1,370.95	-	6.15 RMB/gram	-40.84	-41.09	N/A	14.87

(3) Analysis of Cost Components

Unit: Yuan Currency: RMB

By sector	Cost components	By sector				Change in amount for the current period as compared with the corresponding period of last year (%)
		Amount for the current period	Percentage of total cost for current period (%)	Amount for the corresponding period of last year	Percentage of total cost for the corresponding period of last year (%)	
Mining sector	Labour expense	841,481,125.15	17.54	680,649,187.58	15.14	23.63
	Materials expense	1,828,408,052.34	38.13	1,652,910,020.52	36.76	10.62
	Electricity fees	355,147,614.06	7.40	351,331,957.82	7.81	1.09
	Depreciation charge	1,247,246,236.00	26.00	1,318,343,687.94	29.32	-5.39
	Services and Others	524,019,374.22	10.93	493,409,421.68	10.97	6.20
	Subtotal	4,796,302,401.77	100.00	4,496,644,275.54	100.00	6.66
Resource recycling and utilization	Labour expense	7,125,473.31	3.08	10,334,628.72	2.79	-31.05
	Materials expense	217,525,032.46	93.89	353,090,036.30	95.17	-38.39
	Electricity fees	824,820.15	0.36	1,376,766.06	0.37	-40.09
	Depreciation charge	3,220,484.76	1.39	3,979,254.85	1.07	-19.07
	Services and Others	2,963,437.43	1.28	2,237,998.79	0.60	32.41
	Subtotal	231,659,248.11	100.00	371,018,684.72	100.00	-37.56

		By product				Change in amount for the current period as compared with the corresponding period of last year
By product	Cost components	Amount for the current period	Percentage of total cost for current period (%)	Amount for the corresponding period of last year	Percentage of total cost for the corresponding period of last year (%)	(%)
Mined gold	Labour expense	712,583,460.55	16.84	626,527,890.81	15.41	13.74
	Materials expense	1,627,144,657.07	38.44	1,471,688,234.08	36.20	10.56
	Electricity fees	292,750,592.58	6.92	314,061,643.47	7.72	-6.79
	Depreciation charge	1,144,199,926.19	27.04	1,213,203,333.84	29.84	-5.69
	Services and Others	455,150,948.33	10.76	440,170,202.61	10.83	3.40
	Subtotal	4,231,829,584.72	100.00	4,065,651,304.81	100.00	4.09
Copper cathode	Labour expense	33,278,523.78	9.13	28,306,779.96	7.89	17.56
	Materials expense	162,533,099.09	44.59	169,247,570.68	47.21	-3.97
	Electricity fees	26,158,019.22	7.18	23,677,679.74	6.60	10.48
	Depreciation charge	84,040,639.26	23.06	95,954,219.81	26.76	-12.42
	Services and Others	58,452,176.87	16.04	41,375,804.44	11.54	41.27
	Subtotal	364,462,458.22	100.00	358,562,054.63	100.00	1.65
Copper concentrate powder	Labour expense	3,380,063.37	44.10	2,439,546.45	34.66	38.55
	Materials expense	1,423,184.48	18.57	1,133,513.31	16.10	25.56
	Electricity fees	1,486,346.77	19.39	1,336,185.96	18.98	11.24
	Depreciation charge	842,448.21	10.99	910,417.99	12.93	-7.47
	Services and Others	532,685.67	6.95	1,220,261.81	17.33	-56.35
	Subtotal	7,664,728.50	100.00	7,039,925.52	100.00	8.88
Lead concentrate powder	Labour expense	9,267,248.32	44.10	4,310,195.50	35.51	115.01
	Materials expense	3,901,999.02	18.57	2,042,939.28	16.83	91.00
	Electricity fees	4,075,173.48	19.39	2,346,344.25	19.33	73.68
	Depreciation charge	2,309,772.31	10.99	1,513,033.96	12.46	52.66
	Services and Others	1,460,484.58	6.95	1,927,140.75	15.87	-24.21
	Subtotal	21,014,677.71	100.00	12,139,653.74	100.00	73.11
Zinc concentrate powder	Labour expense	35,103,062.28	44.10	18,279,653.68	35.49	92.03
	Materials expense	14,780,235.70	18.57	8,489,015.32	16.48	74.11
	Electricity fees	15,436,196.76	19.39	9,770,971.56	18.97	57.98
	Depreciation charge	8,749,099.91	10.99	6,383,018.08	12.39	37.07
	Services and Others	5,532,114.75	6.95	8,584,794.06	16.67	-35.56
	Subtotal	79,600,709.40	100.00	51,507,452.70	100.00	54.54

		By product			Change in amount for the current period as compared with the corresponding period of last year	
By product	Cost components	Amount for the current period	Percentage of total cost for current period (%)	Amount for the corresponding period of last year	Percentage of total cost for the corresponding period of last year (%)	Change in amount for the current period as compared with the corresponding period of last year (%)
Molybdenum concentrate powder	Labour expense	45,930,915.19	52.44	-		100.00
	Materials expense	17,880,772.09	20.41	-		100.00
	Electricity fees	14,850,759.01	16.95	-		100.00
	Depreciation charge	6,276,757.46	7.17	-		100.00
	Services and Others	2,657,891.61	3.03	-		100.00
	Subtotal	87,597,095.36	100.00	-		100.00
Mined silver	Labour expense	1,937,851.67	46.89	785,121.18	45.03	146.82
	Materials expense	744,104.89	18.00	308,747.85	17.70	141.01
	Electricity fees	390,526.23	9.45	139,132.84	7.98	180.69
	Depreciation charge	827,592.66	20.02	379,664.26	21.77	117.98
	Services and Others	233,072.41	5.64	131,218.01	7.52	77.62
	Subtotal	4,133,147.86	100.00	1,743,884.14	100.00	137.01
Others	Labour expense	7,125,473.31	3.08	10,334,628.72	2.79	-31.05
	Materials expense	217,525,032.46	93.89	353,090,036.30	95.17	-38.39
	Electricity fees	824,820.15	0.36	1,376,766.06	0.37	-40.09
	Depreciation charge	3,220,484.76	1.39	3,979,254.85	1.07	-19.07
	Services and Others	2,963,437.43	1.28	2,237,998.79	0.60	32.41
	Subtotal	231,659,248.11	100.00	371,018,684.72	100.00	-37.56

(4) Analysis of Unit Selling Costs and Gross Profit Margin

Unit: Yuan Currency: RMB

Items Name of the product	Unit	Selling costs			Gross profit margin (%)	
		2024	2023	Year-on-year (%)	2024	2023
Mined gold	RMB/g	278.08	280.20	-0.76	46.96	35.69
Copper cathode	RMB/tonne	58,097.41	55,775.35	4.16	10.53	6.03
Copper concentrate powder	RMB/tonne	5,488.68	4,793.96	14.49	62.35	55.90
Lead concentrate powder	RMB/tonne	5,113.72	4,794.53	6.66	63.40	59.19
Zinc concentrate powder	RMB/tonne	5,194.25	4,751.99	9.31	34.86	21.21
Molybdenum concentrate powder	RMB/tonne	99,050.28		N/A	28.95	
Mined silver	RMB/g	3.01	3.00	0.33	50.94	43.87
Overall gross profit margin (Note)					43.84	32.58

Note: The comprehensive gross profit margin is the overall gross profit margin of the Group, including mining, comprehensive resource utilization and recycling, and others.

(5) *Analysis of the Unit Cost of Mined Gold*

	Unit cost for the current period		Unit cost for the previous period		Percentage of change	
	Selling costs	All-in sustaining cost	Selling costs	All-in sustaining cost	Change in selling costs as compared with the corresponding period of last year (%)	All-in sustaining cost change from the corresponding period of last year (%)
Mined gold (RMB/gram)	278.08	281.19	280.20	267.17	-0.76	5.25

Note: Selling cost refers to the cost of principal business stated in the income statement. All-in sustaining cost refers to the cash costs, taxes and surcharges, plus sustaining capital expenditure in principal business costs, sales expenses, and administrative expenses.

	Unit cost for the current period		Unit cost for the previous period		Percentage of change	
	Selling costs	All-in sustaining cost	Selling costs	All-in sustaining cost	Change in selling costs as compared with the corresponding period last year (%)	All-in sustaining cost change from the corresponding period of last year (%)
Domestic mines (RMB/gram)	157.09	224.54	152.69	198.81	2.88	12.94
LXML (USD/oz)	1,497.05	1,323.75	1,489.89	1,330.00	0.48	-0.47
GSWL (USD/oz)	1,303.89	1,304.46	1,315.47	1,197.13	-0.88	8.97

(6) *Information on major customers and suppliers*

A. Major customers of the Company

The sales to the top five customers amounted to RMB6,952.5438 million, accounting for 77.03% of the total sales for the year, among which the sales to related parties were nil, accounting for 0% of the total sales for the year. The sales income from the largest customer accounted for 33.21% of the total sales income for the year.

B. Major suppliers of the Company

Purchases from the top five suppliers amounted to RMB943.7898 million, accounting for 18.89% of the total purchase amount for the year, among which the purchases from related parties were nil, accounting for 0% of the total purchase amount for the year. The procurement amount of the largest supplier accounted for 7.50% of the total procurement amount of the year.

3. R&D investment

(1) Statement of R&D Investment

Unit: ten thousands Yuan Currency: RMB

Expensed R&D investment for the period	6,361.59
Capitalized R&D investment for the period	–
Total R&D investment	6,361.59
Total R&D investment as a percentage of revenue (%)	0.70
Proportion of capitalized R&D investment (%)	–

(2) Information on R&D employees

Number of R&D employees of the Company	307
R&D employees as a percentage of the total number of staff of the Company (%)	4%

Educational background structure of R&D employees

Degree	Number
Doctor's degree	0
Master's degree	0
Bachelor's degree	26
Associate degree	47
High schools and below	234

Age of R&D employees

Age	Number
Under 30 years old (excluding 30)	15
30-40 years old (30 years old inclusive, 40 years old exclusive)	85
40-50 years old (40 years old inclusive, 50 years old exclusive)	113
50-60 years old (50 years old inclusive, 60 years old exclusive)	89
60 years old and above	5

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

1. Key quarterly financial data 2024

Unit: Yuan Currency: RMB

	Q1 (Jan-Mar)	Q2 (Apr-Jun)	Q3 (Jul-Sep)	Q4 (Oct-Dec)
Revenue	1,853,842,113.41	2,342,294,733.48	2,026,693,783.54	2,802,991,191.79
Net profit attributable to Shareholders of the listed company	200,507,242.93	509,992,432.46	394,666,065.98	659,173,909.62
Net profit attributable to Shareholders of the listed company after deducting non-recurring profits and losses	204,645,049.55	434,442,837.74	399,133,636.03	662,032,117.68
Net cash flows from operating activities	387,683,907.25	1,047,309,347.92	568,184,527.32	1,265,302,877.21

2. *Non-recurring gains or losses items and amounts*

	<i>Unit: Yuan Currency: RMB</i>	
Non-recurring profit or loss items	2024	2023
Gains or losses from disposal of non-current assets, including the write-off of the provision for impairment of assets	70,752,328.28^(note)	-1,853,354.37
Government grants included in the current profit or loss, except those that are closely related to the Company's normal business operations, which comply with national policies and can be obtained based on established standards, and which have a continuing impact on the Company's profit or loss.	2,444,570.99	16,950,168.86
Profit or loss arising from changes in fair value of financial assets and financial liabilities held by non-financial enterprises, and profit or loss from the disposal of financial assets and financial liabilities other than effective hedging activities related to the Company's normal business operations	-6,695,775.42	-64,209,788.86
Reversal of impairment provision for trade receivables that had an impairment test individually	1,777,552.54	–
Non-operating income and expenses rather than those mentioned above	-4,653,206.01	-1,716,908.23
Other profit or loss items within the definition of non-recurring profit and loss	262,525.77	309,412.29
Less: Effect of income tax	-118,442.13	3,026,021.00
Impact on minority interests (after tax)	-79,571.71	8,762,249.32
Total	<u>64,086,009.99</u>	<u>-62,308,740.63</u>

Note: Gains or losses on disposal of non-current assets in 2024 were primarily investment gains realized on the transfer of the equity interests in Tietto Minerals.

3. Items measured at fair value

Unit: Yuan Currency: RMB

	Balance at the beginning of the period	Balance as at the end of the period	Current change	Impact on the current profit
Financial assets held for trading	16,909,469.31	9,998,984.68	(6,910,484.63)	(6,758,713.94)
Derivative financial instruments	13,470,040.00	5,251,800.00	(8,218,240.00)	74,798,735.80
Financial liabilities held for trading	(939,996,400.00)	(707,020,000.00)	232,976,400.00	(227,110,710.83)
Total	<u>(909,616,890.69)</u>	<u>(691,769,215.32)</u>	<u>217,847,675.37</u>	<u>(159,070,688.97)</u>

4. Key Financial Ratios

Financial Ratios	As at 31 December 2024	As at 31 December 2023	Change for the current period over the corresponding period of last year	Reasons for change
Current ratio (note 1)	158.09%	131.51%	Increase of 26.58%	The scale of the company's own funds has increased
Quick ratio (note 2)	88.56%	64.60%	Increase of 23.96%	The scale of the company's own funds has increased
Gearing ratio (note 3)	47.25%	54.36%	Decrease of 7.11%	The scale of corporate debt decreased year-on-year

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

5. Liquidity and Financial Resources

As at 31 December 2024, the Group had cash and bank balances of RMB2,747 million (as at 31 December 2023: RMB1,662 million).

As at 31 December 2024, the Group had interest-bearing bank liabilities of RMB2,697 million (as at 31 December 2023: RMB3,430 million), of which the interest-bearing bank liabilities due within one year amounted to RMB2,097 million (as at 31 December 2023: RMB2,008 million); the interest-bearing bank liabilities due within one to two years amounted to RMB380 million (as at 31 December 2023: RMB988 million); the interest-bearing bank liabilities due within two to five years amounted to RMB220 million (as at 31 December 2023: RMB434 million).

The interest-bearing bank liabilities consisted of three categories: short-term borrowings, trading financial liabilities, and long-term borrowings.

Short-term borrowings: As at 31 December 2024, the short-term borrowings amounted to RMB1,108 million at an interest rate ranging from 2.35% to 5.70% per annum (as at 31 December 2023: RMB850 million, an interest rate ranging from 2.45% to 7.50% per annum).

Financial liabilities held for trading: the Group has entered into gold leasing contracts with banks for financing purposes, under which it leased gold within the bank's credit limit and sold the gold through the Shanghai Gold Exchange trading system. The Group repurchased an equivalent amount of gold with the same specifications through the system before the lease expiry date to repay the bank on the due date. The agreed lease fee is paid on schedule (generally on the bank's quarterly interest payment date), and the lease term is generally within 1 year (inclusive). The year-end balance of liabilities from gold leasing represents the fair value of gold borrowed from banks as at the balance sheet date. As at 31 December 2024, the amount of financial liabilities at fair value through profit or loss was RMB707 million (as at 31 December 2023: RMB940 million).

Long-term borrowings (including long-term borrowings due within one year): As at 31 December 2024, the long-term borrowings amounted to RMB882 million at an interest rate ranging from 3.20% to 5.69% per annum (as at 31 December 2023: RMB1,640 million at an interest rate of 3.50% to 9.15% per annum).

For the year ended 31 December 2024, the Group financed its operations through bank loans and internally generated cash flows. The Group pursues a prudent treasury management policy and actively managed its liquidity position with sufficient standby banking facilities to cope with daily operation and any demands for capital in future development.

6. Foreign Exchange Risk Management

The reporting currency of the Group and the functional currencies of its domestic subsidiaries is RMB, while the functional currencies of the Group's overseas subsidiaries are mainly USD. Some of the Group's assets are located in Laos and Ghana. The cost of sales and expenses of overseas subsidiaries are, in some cases, denominated in local currencies and are therefore the Group is exposed to fluctuations in the USD, KIP and GH¢. In addition, as the presentation currency of the Group is RMB and the functional currency of our overseas subsidiaries is USD, the financial reporting amounts of the overseas subsidiaries are translated into RMB for consolidation purposes.

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

(III) Analysis of Assets and Liabilities

1. Assets and liabilities

Unit: Yuan Currency: RMB

Items	Closing balance for the period	Closing balance for the period as a percentage of total assets (%)	Closing balance for the previous period	Closing balance for the previous period as a percentage of total assets at the end of last year (%)	Year-on-year change of the closing balance (%)	Explanations
Cash and bank balances	2,747,442,442.93	13.52	1,662,283,423.20	8.88	65.28	During the current period, the Company's operating cash inflow increased year-on-year, with an increase in retention of own funds
Trade receivables	587,165,738.54	2.89	513,213,184.61	2.74	14.41	Gold sales receivable from domestic and overseas mines increased during the current period
Other current assets	141,333,280.01	0.70	103,110,739.87	0.55	37.07	There were intermediary fees for Shares listed in Hong Kong for the current period
Long-term equity investments	3,955,645.67	0.02	373,480,577.43	2.00	-98.94	Equity investment in Tietto Minerals held during the current period was transferred
Construction in progress	677,866,937.65	3.33	592,313,143.29	3.16	14.44	The Group's investment in production expansion projects for the period increased on a year-on-year basis
Short-term borrowings	1,108,199,165.67	5.45	850,009,317.45	4.54	30.37	There was additional bank-hedged gold leasing financing by the headquarters and Jilong Mining during the current period

Items	Closing balance for the period	Closing balance for the period as a percentage of total assets (%)	Closing balance for the previous period	Closing balance for the previous period as a percentage of total assets at the end of last year (%)	Year-on-year change of the closing balance (%)	Explanations
Financial liabilities held for trading	707,020,000.00	3.48	939,996,400.00	5.02	-24.78	Made repayment of the due gold lease financing during the current period
Taxes payables	698,951,345.10	3.44	472,985,750.24	2.53	47.77	The corporate income tax payables increased
Other payables	225,263,620.79	1.11	316,105,510.91	1.69	-28.74	Decrease in payables to entities during the current period
Non-current liabilities due within one year	398,463,926.07	1.96	341,631,615.55	1.83	16.64	The long-term borrowings due within one year increased during the current period
Long-term borrowings	599,502,985.86	2.95	1,421,974,104.54	7.60	-57.84	Made early repayment of part of long-term borrowings

2. Overseas assets

(1) Asset Size

Overseas assets were RMB14,707.9029 million, accounting for 72.35% of total assets.

(2) Restrictions on major assets as at the end of the Reporting Period

Unit: ten thousands Yuan Currency: RMB

Name of overseas assets	Reason of Formation	Operational Model	Revenue for the Reporting Period	Net profit for the Reporting Period
LXML	Mergers and acquisitions	Self-operation	333,979.44	54,016.45
Golden Star Resources	Mergers and acquisitions	Self-operation	290,136.43	23,142.48

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

Unit: Yuan Currency: RMB

	Closing book value	Reasons for such restrictions
Cash and bank balances	230,543,475.83	Note 1
Other current assets	87,136,340.00	Note 2
Other non-current assets	113,848,420.90	Note 3
Fixed assets	232,604,622.13	Note 4
Intangible assets	55,418,562.78	Note 5
	<hr/>	
Total	<u>719,551,421.64</u>	/

Note 1: As at 31 December 2024, the Group's cash and bank balances restricted from being used was RMB230,543,475.83, listed under "Other Cash and Bank balances". Among them, RMB12,580,180.75 is the fund provided for mine geological environment governance and restoration, with the relevant amount deposited in a designated bank account and restricted for use in land reclamation and environmental protection after mine closure; RMB141,071,348.77 is the bank deposit for handling gold leasing business; RMB76,891,946.31 is a six-month term deposit, with the deposit period from 27 August 2024 to 27 February 2025, at an interest rate of 1.6%.

Note 2: As at 31 December 2024, other current assets of the Group restricted from being used amounted to RMB87,136,340.00, with the restriction due to futures margin occupation.

Note 3: As at 31 December 2024, other non-current assets of the Group restricted from being used (including the portion due within one year) amounted to RMB113,848,420.90, which were restricted due to the Group's contribution to the mine geological environment governance and restoration fund that cannot be withdrawn at any time.

Note 4: As at 31 December 2024, the Group's long-term borrowings of RMB200,830,324.57 were secured by fixed assets of Wulong Mining and Jilong Mining with carrying amounts of RMB162,997,409.17 and RMB69,607,212.96, respectively.

Note 5: As at 31 December 2024, the Group's long-term borrowings of RMB403,376,482.29 were secured by the pledge of 100% equity interests of Wulong Mining, 100% equity interests of Jilong Mining and 100% equity interests of Chijin HK with intangible assets at carrying value of RMB55,418,562.78 used as collateral.

Apart from the above, the Group has no material pledge of assets or contingent liabilities as at 31 December 2024.

(IV) Analysis of Industry Operational Information

Analysis on business information of non-ferrous metal industry

Costs of ore raw materials

Unit: ten thousands Yuan Currency: RMB

Type and source of ore raw materials	Total costs of raw materials	Proportion (%)	Increase or decrease in total costs of raw materials compared with the same period last year (%)
Self-owned mines	<u>254,677.18</u>	100	<u>18.60</u>
Total	<u><u>254,677.18</u></u>		<u><u>18.60</u></u>

(V) Analysis on Investments

Overall analysis of external equity investments

On 4 March 2024, our holding subsidiary, Chijin Xiawu, and its wholly-owned subsidiary Chixia Laos entered into an equity transfer agreement with China Investment (Property) Limited (“**China Investment**”). Chixia Laos intends to acquire 90% equity interest in China Investment Mining (Laos) Sole Co., Ltd. held by China Investment Property by way of cash and debt assumption, with a total transaction consideration of US\$18.963 million.

During the Reporting Period, the Company transferred all Shares of Tietto Minerals held by its wholly-owned subsidiary Chijin HK to Zhaojin Capital, with a transaction consideration of AUD0.68 per share.

For further details of the above transactions, please refer to the section headed “Significant Investments, Material Acquisitions or Disposals of Subsidiaries and Associated Companies” in this announcement.

Save as the above, during the Reporting Period, the Company did not carry out any significant external equity investments.

1. Significant non-equity investment

Unit: ten thousands Yuan Currency: RMB

Project name	Investment for the period	Accumulated Investment Amount	Source of funding	Project Progress	Expected target
New Plant Expansion for Jilong Mining	12,727.03	16,587.41	Self-owned fund	Completion	New annual ore processing capacity of 180,000 tonnes
Tianbaoshan Lead-Zinc Mine and Lishan Mining Area Expansion Project of Hanfeng Mining with an annual mining capacity of 600,000 tonnes	9,279.95	19,315.03	Fundraising	Completion	Annual ore processing up to 600,000 tonnes
Far West Project of LXML	13,143.84	13,143.84	Self-owned fund	Partially completed	Annual mining volume of 1.30 million
GSWL Underground Mining Project	24,241.04	95,278.43	Self-owned fund	Under construction	Annual mining capacity of 3.30 million

2. Derivative Investments

On 29 March 2024, the Company held the 26th meeting of the eighth session of the Board and considered and approved the “Proposal on the Launch of Futures Hedging Activities in 2024”. It was agreed that the Company would make use of the hedging function of financial instruments to mitigate risks associated with the prices of major products such as gold and copper cathodes, as well as foreign exchange rate fluctuations, to ensure profit margins from product sales, control funding costs related to gold leasing financing and foreign currency borrowings, and carry out hedging activities on major products related to production and operation, gold leasing financing, and foreign exchange risk exposures at appropriate times. This aims to enhance the Company’s risk resistance capability and ensure stable operations.

3. Analysis of Major Companies in Which the Company has Invested

Unit: ten thousands Yuan Currency: RMB

Company Name	Principal Business	Principal Business Qualification	Registered Capital	Total Assets	Net Assets	Operating income	Net profit
Jilong Mining	Gold mining and processing	2 mining rights and 1 exploration right	17,500	311,277.08	120,342.39	80,774.19	79,230.46
Huatai Mining	Gold mining and processing	6 mining rights and 5 exploration rights	2,000	28,665.45	-1,672.91	53.77	-3,922.78
Wulong Mining	Gold mining and processing	1 mining right and 2 exploration rights	4,000	179,675.48	113,208.17	119,497.47	60,096.81
Xinhenghe Mining	Gold mining and processing	1 mining right and 1 exploration right	4,000	31,511.90	12,909.31	15,420.88	7,292.80
Hanfeng Mining	Non-ferrous metal mining and processing	2 mining rights and 1 exploration right	42,920	68,543.48	51,474.02	32,367.87	7,524.52
LXML	Non-ferrous metal mining and processing	1 mining right and 1 exploration right	1,436,516.83 million Lao Kip	621,855.47	347,456.02	333,979.44	54,016.45
Golden Star Resources	Gold mining and processing	3 mining rights and 4 exploration rights	US\$ 932.9285 million	892,472.14	422,736.75	290,136.43	23,142.48
Guangyuan Technology	Disassembling of waste electrical and electronic products	Qualification for treatment of waste electrical and electronic products	4,477.60	50,898.34	34,689.28	26,169.16	1,302.54

- Note:* 1. The business qualifications of Xinhenghe Mining are held by its subsidiary Jintai Mining, while the business qualifications of Golden Star Resources are held by its subsidiary GSWL.
2. The financial data of Jilong Mining, Xinhenghe Mining and Golden Star Resources are based on their consolidated financial statement figures, and the net profit data of Jilong Mining includes the dividend of RMB400 million from its subsidiary Wulong Mining.

MANAGEMENT DISCUSSION AND ANALYSIS ON FUTURE DEVELOPMENT OF THE COMPANY

(I) Industry landscape and trends

From the perspective of industry development, due to mergers and resource integration among gold mining enterprises, the concentration of the gold industry continues to increase. Large gold enterprises possess advantages such as efficient operations, global presence, and financial strength, occupying a dominant position in the gold industry. The regulatory requirements for gold mining safety and environmental protection are continuously tightening; on the other hand, some gold production enterprises with aging mining facilities, insufficient subsequent resources, and lower competitiveness have gradually shut down or undergone rectification. The cost of gold mining has increased due to various factors, leading smaller gold mining companies to gradually exit the market. Global and Chinese gold mining companies are developing towards green mining, deep mining, and intelligent mining. The merger and large-scale acquisition of global gold companies have become mainstream trends. In 2024, the overseas mines of large gold groups in the PRC achieved a gold production volume of 71.937 tonnes, representing a year-on-year increase of 19.14%.

In 2023, the gold production of the world's top ten gold producers accounted for approximately 25.6% of the global production. According to Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., based on the gold production in 2023, the Company is estimated to rank between 20th and 30th among global gold producers. In 2023, the Company's gold production ranked fifth among the listed gold enterprises in China. From 2021 to 2023, the Company's gold production grew the fastest among the top five gold producers in China. Compared to most major gold mining enterprises, the Company has a broader overseas business coverage.

The Company's main product is gold. From 2020 to 2024, the Company's gold production amounted to 4.59 tonnes, 8.10 tonnes, 13.57 tonnes, 14.35 tonnes, and 15.16 tonnes, respectively, achieving consecutive annual growth. Through internal exploration and reserve expansion as well as external resource integration and acquisitions, the retained resource volume has significantly increased. The Company actively implements an internationalization strategy, expanding investment resources both domestically and internationally, and has developed a management philosophy of integration and cooperation. The Company has the potential and foundation to become a large-scale international and professional gold mining company. The Company is a key national gold enterprise group and became a comprehensive member of the Shanghai Gold Exchange in 2023. The Company has received multiple awards and recognition from the countries where it operates for its achievements in mine safety, environmental protection, and harmonious ESG development. The Company's philosophy of enabling as many people as possible to benefit from corporate development has gained widespread recognition.

(II) Development Strategy of the Company

The Company practices the core value of “To benefit more people from the development of Chifeng Gold”, focusing on the extraction and smelting of gold mines, and concentrating on high-quality gold mine resources both domestically and internationally, to become a dedicated and professional gold mining company. It actively explores the application of new technologies and processes to efficiently develop mineral resources. With a people-oriented approach, it gathers talent to build a high-quality and highly professional management team, vigorously promoting management innovation. The Company actively assumes its social responsibilities, emphasizes environmental protection, cares about community welfare and public welfare undertakings, ensures the Company’s sustainable high-quality development, and establishes a corporate image rich in contemporary characteristics.

The Company adheres to the development strategy of “focusing on gold”, unwaveringly developing its core business of gold mining, seizing the strategic opportunity presented by the transformation of the national economic structure, and maximizing economic and social value for its Shareholders. The Company’s development goal is to become an international gold mining listed company with technological leadership, scientific management, significant cost advantages, abundant resource reserves, outstanding core competitiveness, and a good reputation in the gold market and capital market. The Company’s development vision is “to become a globally welcomed major gold producer”.

(III) Operation plan

In 2024, the Company planned a total gold mine production of 16.02 tonnes within the consolidated budget scope, with an actual completion of 15.16 tonnes, achieving 94.63% of the annual plan. It is expected that revenue from the principal business for the year would be RMB8,800 million, with net profit attributable to the parent company not less than RMB1,100 million. The actual revenue from the principal business was RMB9,026 million, and the net profit attributable to the parent company was RMB1,764 million, completing 102.57% and 160.36% of the annual plan respectively, both exceeding the initial budget at the beginning of the year.

In 2025, the Company will continue to develop and apply new technologies, and persist in cost reduction and expense control through measures such as centralized procurement, organizational structure, and personnel optimization. It will cautiously estimate gold production and sales prices. Excluding the impact of various positive factors, the budgeted production and sales volume within the consolidation scope is 16.70 tonnes of gold, 10,010 tonnes of copper cathodes, 33,350 tonnes of copper, lead, and zinc concentrate powder, and 660 tonnes of molybdenum concentrate powder. It is expected that the annual operating revenue will be RMB11,444 million, and the net profit attributable to the parent company will be RMB2,100 million.

The Group identifies suitable target for acquisition by leveraging the Hong Kong stock and capital market, and in the meantime rooted deeply in its principal business, and fully leverage its listing status in both cities and the driving force from its domestic and overseas businesses, thus steadily developing its business core of “gold as its key”, to strive for enhancing its production volume while at the same time to control its cost effectively, bringing long-term interest to the Company and its Shareholders.

(IV) Potential risks

In the complex and volatile market environment, the Company consistently regards risk management as an important safeguard for stable operations. It builds and continuously optimizes the risk management system, integrating various risk management requirements into daily management activities and business processes to identify, assess, monitor, and respond to various risks in operational activities, ensuring the steady advancement of the Company's strategy.

1. Risk of price fluctuations in key products and raw materials

The Company's main products, such as gold and copper cathodes, belong to precious metals and bulk non-ferrous metal commodities. The Company's profitability is closely related to product prices. On the other hand, the prices of raw materials and energy required in the Company's mining and beneficiation processes are also under considerable upward pressure. Factors affecting price fluctuations include global supply and demand, geopolitics, inflation, interest rates, exchange rates, and expectations of global economic conditions. Under the combined effect of these factors, there will be significant fluctuations in the prices of the Company's products, raw materials, and energy. These will affect the Company's profitability and cash flow generated from operations.

Countermeasures

Based on cost reduction and expense control, the Company aims to enhance labour efficiency and equipment utilization through a series of measures, including technological innovation, centralized procurement, and optimization of personnel and organizational structure, to control unit costs. The Company will also further improve management mechanisms to control non-production costs.

The Company continuously enhances the capacity and output of existing mines. As the scale of mining and ore processing operations expands, the economies of scale in mining will gradually emerge. Coupled with significant cost control measures, the Company will have a certain degree of control over future performance. At the same time, the Company proactively manages commodity price risks and avoids price fluctuation risks by reasonably utilizing financial instruments to conduct hedging business.

2. Safety production and environmental protection risk

The majority of the Company's mining operations involve blasting, which requires the use of explosives. In some mineral processing operations, chemicals such as sodium cyanide are needed, posing certain risks. Furthermore, as the Company's mining operations involve multiple risks, including natural disasters, equipment failures, and other unforeseen events, these risks may result in unforeseeable property loss and casualties at the Company's mines.

The Company generates waste that may affect the environment, such as the discharge of waste rock and slag, during the mining and beneficiation process of mineral resources. The extraction of mineral resources not only generates dust and solid waste pollution but may also lead to landform changes, vegetation destruction, and soil erosion, thereby affecting the balance of the ecological environment. The occurrence of the above matters may adversely affect the Company's business prospects, financial condition, and operating results.

Countermeasures

The Company continuously establishes and improves safety management systems and processes, with a dedicated safety production supervision department. It has formulated a series of safety production management systems and safety education and training systems, clearly defining the safety responsibilities of each department and position, forming a comprehensive and clearly accountable safety management network. The Company actively applies advanced safety technologies and equipment, enhancing safety levels through mechanization and intelligence. It has developed a series of operational procedures and safety guidelines for the procurement, transportation, storage, and use of explosives and chemicals to ensure the safety of employees and company property.

On the basis of strictly complying with laws and regulations, the Company regards environmental protection as a core element of its corporate strategy, and promotes the implementation of sustainable development strategies through the establishment of a safe and efficient environmental management system. Each mine is committed to promoting green mining and conducting ecological restoration during the operation process. In accordance with the principle of “simultaneous mining and restoration”, the ecological impacts caused by mining activities are being restored, with efforts to rehabilitate vegetation and ecological functions. Supporting pollution prevention facilities are constructed to achieve harmlessness and resource utilization of waste residues and comprehensive utilization of wastewater. For mines using cyanidation processes for ore dressing, detoxification technology is employed for harmless treatment of tailings. Funds are invested in building environmental protection facilities, and a comprehensive environmental management and supervision system has been established, with continuous monitoring of groundwater, soil, and solid waste conducted internally or by inviting third-party experts. In the future, the Company aims to advance the construction of new energy infrastructure, actively engaging in low-carbon transformation, and gradually achieving deep decarbonization through a diversified mix of clean energy.

3. *Country and Policy Risk*

The Company’s existing mines are primarily located in China, Laos, and Ghana, where there are significant differences in the levels of political, economic, and cultural development, leading to certain country and policy risks. If there are changes in mining rights management policies, it may affect the acquisition, renewal, and transfer of mining rights; adjustments in tax policies, such as increasing resource tax and value-added tax, will increase corporate costs; changes in import and export policies may restrict the import and export of mineral products and major equipment, affecting sales channels; if government departments impose restrictions or prohibitions on the development and utilization of certain mineral types, or set higher requirements for the scale and technical level of mining enterprises, it will result in existing projects being unable to continue or requiring substantial capital investment for transformation and upgrading.

Countermeasures

The Company will fully leverage its management advantages, promote an open culture of diversity, inclusiveness, and symbiosis, maintain close communication with government departments in the countries where projects are located, constantly monitor changes in the political and economic situations of those countries, strengthen the study and research of international laws, regulations, execution standards, and business practices, and enhance its risk prevention and response capabilities; adhere to the core value of “To benefit more people through the development of Chifeng Gold” and the concept of “Mutual Prosperity and Development”, actively fulfilling corporate social responsibility and community contribution responsibility.

Employees, Remuneration Policy and Pension Plans

The Company formulated the implementation measures for remuneration management in accordance with relevant national laws and regulations and in light of its actual situation to regulate the remuneration management of the Company, fully drive the motivation and innovation of the employees, improve work efficiency and attract excellent talents.

The remuneration management of the Company realizes the sound remuneration strategy, and its remuneration scale is competitive among the comparable companies in the same industry. In addition to the sound remuneration strategy, it takes into full consideration the degree of influence, the contribution value and responsibility of the positions on the development goals of the Company when determining the internal salary scale of the positions so as to fairly and reasonably determine the position hierarchy, formulate the salary of the positions, and promote the salary to higher level. In addition, the employees’ salary management and performance assessment of the Company are related to each other, and the salary is linked to the performance of the positions, stimulating the potential of the employees in the position and giving full play to their individual abilities.

Operations in the PRC

Employees are critical to the Group’s success. The Group is committed to recruiting, training and retaining skilled and experienced employees throughout the operations. It intends to achieve this by offering competitive remuneration packages, which are above the market average, as well as focusing on training and career development. The remuneration packages, including salary, bonus, commercial insurance and other benefits, are designed to reward the employees based on their work performance as measured against specified work objectives. The Group undertakes yearly research on prevailing market remuneration conditions and adjusts its remuneration packages accordingly to ensure that the offer remains attractive compared with its competitors. In addition, the Group provides induction training and a wide range of on-job trainings to its employees on regular basis to enhance their professional knowledge, improve their working skills and strengthen teamwork within the Company.

Operations in Ghana and Laos

The Group has established comprehensive human resources systems to manage recruitment, employee development, salary and compensation, among other things. The Group design remuneration packages with reference to the local mining industry benchmark and are competitive compared with our competitors. The Group also make contributions to mandatory social security funds for our employees as required by the relevant laws and regulations of Laos and Ghana, respectively, and provide employee benefits such as commercial insurance.

As at 31 December 2024, the Group has a total of 6,911 (as at 31 December 2023: 6,447) employees in the PRC, Ghana and Laos etc., covering various positions such as production, sales, technical, finance and administration. During the Reporting Period, the total remuneration expenses of the employees amounted to approximately RMB1.37 billion (last year: approximately RMB1.07 billion).

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

(1) Acquisition of China Investment Mining (Laos) Sole Co., Ltd.

Reference is made to the section headed “History, Development and Corporate Structure – Post-Track Record Period Acquisition” in the Prospectus and the announcement of the Company dated 25 March 2025 in relation to (among others) the transaction of the Group’s acquisition of China Investment Mining (Laos) Sole Co., Ltd. In light of the Group’s overseas expansion and to facilitate its planning of rare earth exploration in Laos, on 4 March 2024, China Investment (as seller), China Investment Mining (Laos) Sole Co., Ltd (as the target company, the “**Target Company**”), Chixia Laos (as purchaser) and Chijin Xiawu (as guarantor) entered into an equity transfer agreement, pursuant to which Chixia Laos shall acquire from China Investment 90% of the equity interest in the Target Company, which was wholly owned by China Investment, at a total consideration of US\$18,963,000.

The Target Company holds 86% equity interest in each of its two subsidiaries, namely CIRE Mining and CIREX Mining, and the remaining 14% equity interest in each of CIRE Mining and CIREX Mining is held by DDC Mining Sole Co., Ltd., an independent third party. The Target Company operates the Mengkham Rare Earth Element Project which is still at the construction stage covering the mining area of 50 km², whereby the genetic type of the mineral deposit belongs to the weathering crust ion-adsorbed rare earth deposit. CIRE Mining holds a rare earth mineral processing permit (experimental) and a mineral extraction permit (experimental). CIREX Mining holds a rare earth exploration permit.

The rare earth project represents an opportunity for the Group to tap into the potential for quality rare earth resources with a relatively higher economic value to be realised through the medium-heavy rare earth ore held by the project. The Directors are of the view that the proposed acquisition is in our ordinary and usual course of business and on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As at 25 March 2025, all transacting parties confirmed in writing that the transaction was completed, and accordingly, the acquisition of the Target Company was completed. Following the completion, the Target Company has become an indirect non-wholly owned subsidiary of the Company and the financial results of the Target Group have been consolidated into the Group's financial statements. The Target Company has been renamed as Chixia Mining (Laos) Co., Ltd.

(2) Acquisitions and disposal of Tietto Minerals

Reference is made to the section headed “History, Development and Corporate Structure – Major Acquisitions and Disposals – Acquisitions and disposal of Tietto Minerals” in the Prospectus. In line with the Company's strategic positioning on investing in quality overseas Mineral Resources operations, on 9 September 2022, Chijin HK entered into a share subscription agreement with Tietto Minerals, pursuant to which Chijin HK subscribed for 85,000,000 shares of Tietto Minerals at the issue price of AUD0.58 per share, representing a total consideration of AUD49.3 million. The consideration was settled and the acquisition was completed on 21 September 2022.

On 30 October 2023, Zhaojin Capital lodged a bidder statement to Tietto Minerals, pursuant to which it made a conditional offer to acquire all the outstanding issued Shares of Tietto Minerals at an offer price of AUD0.58 per share (and subsequently increased to AUD0.68 per share on 15 April 2024).

Upon resolution by the Board, Chijin HK accepted the above offer and transferred all the 140,855,864 Shares of Tietto Minerals to Zhaojin Capital during the offer period at a total consideration of AUD95.782 million by 29 April 2024. Upon completion of the transfer, the Group no longer held any interest in Tietto Minerals.

The offer was completed on 14 May 2024 upon which Zhaojin Capital obtained 90.72% of the voting rights in Tietto Minerals. Upon the commencement of exercise of the compulsory acquisition rights against the remaining Shares of Tietto Minerals on 24 May 2024, the shares of Tietto Minerals ceased trading on the Australian Securities Exchange on 3 June 2024 and Tietto Minerals was delisted on 6 June 2024.

Save as the above, there were no significant investments, material acquisitions or disposals in respect of subsidiaries, associates and joint ventures during the Reporting Period.

PLAN FOR PROFIT DISTRIBUTION AND INCREASE IN SHARE CAPITAL FROM CAPITAL RESERVE

(I) Formulation, implementation or adjustment of the cash dividend policy

The Company has formulated specific profit distribution policies and incorporated them into the Articles of Association, clearly defining the forms of profit distribution, specific conditions and proportions for cash dividends, and the decision-making mechanism and procedures for profit distribution, in compliance with the Company Law, the “Listed Companies Regulatory Guidance No.3 – Cash Dividend Distribution of Listed Companies” issued by CSRC, and other relevant laws, regulations, and normative documents. During the Reporting Period, the Company did not adjust or change the cash dividend policy.

According to the “Listed Companies Regulatory Guidance No.3 – Cash Dividend Distribution of Listed Companies” and “Guidelines for the Self-discipline Supervision of Listed Companies on the Shanghai Stock Exchange No.1-Standardized Operation” as well as other laws, administrative regulations, departmental rules, normative documents, and the Articles of Association of Chifeng Jilong Gold Mining Co., Ltd., the Company has formulated the “Shareholders’ Return Plan for the Next Three Years (2025-2027) of Chifeng Jilong Gold Mining Co., Ltd.”

The 2024 Profit Distribution Plan, as reviewed by the Board, is as follows: the Company proposes to distribute a cash dividend of RMB1.60 (tax inclusive) for every 10 Shares to all Shareholders who are eligible for distribution on the record date determined by the profit distribution implementation announcement for 2024. The remaining undistributed profit will be carried forward for distribution in subsequent years. The actual amount of cash dividend to be distributed will be determined according to the number of Shares on the record date. There will be no distribution of bonus Shares or conversion of capital reserve into share capital for 2024 by the Company. As at 28 March 2025, the total number of Shares of the Company is 1,869,563,378 Shares, based on which the aggregate amount of the proposed cash dividend shall be RMB299,130,140.48 (tax inclusive). The 2024 Profit Distribution Plan shall be subject to consideration and approval at the 2024 AGM. If the relevant resolution is approved, it is expected that the cash dividends will be paid to the Shareholders on Friday, 27 June 2025.

Notice of the 2024 AGM will announce the date convening the 2024 AGM by the Company and details of relevant book closure of H Shares and the record date, as well as the arrangement of book closure of H Shares for the 2024 Profit Distribution Plan and the record date.

(II) Particulars of Cash Dividend Policy

Whether it complies with the provisions of the Articles of Association or the requirements of the resolution of the general meeting	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Whether the standard and proportion of dividends are clear and definite	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Whether the relevant decision-making procedures and mechanisms are complete	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Whether independent directors have performed their duties and played their role properly	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Whether minority Shareholders have the opportunity to fully express their opinions and appeals, and whether their legitimate rights and interests have been fully protected	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

(III) Plans for profit distribution and conversion of capital reserve into share capital for the Reporting Period

Unit: Yuan Currency: RMB

Number of bonus Shares for every 10 Shares (share)	0
Amount of dividend for every 10 Shares (RMB) (tax inclusive)	1.60
Number of Shares converted for every 10 Shares (share)	0
Amount of cash dividends (tax inclusive) ^(note)	299,130,140.48
Net profit attributable to the ordinary Shareholders of the listed company in the consolidated financial statements	1,764,339,650.99
Amount of cash dividend as a percentage of net profit attributable to ordinary Shareholders of the Company in the consolidated financial statements (%)	16.95
Amount of Shares repurchased in cash included in cash dividends	0
Total amount of dividends (tax inclusive)	299,130,140.48
Percentage of total dividend amount to net profit attributable to ordinary Shareholders of the listed company in the consolidated financial statements (%)	16.95

Note: The profit distribution plan is subject to the approval at the general meeting. If there is a change in the total share capital of the Company between the date of consideration of the 2024 AGM and the date of registration of the right to implement the profit distribution, the Company intends to maintain the amount of distribution per share unchanged and adjust the total amount of distribution accordingly.

(IV) Cash dividend in the recent three financial years

Unit: Yuan Currency: RMB

Accumulated amount of cash dividends (tax inclusive) in the recent three financial years (1)	381,566,579.38
Aggregate amount of repurchase and cancelation in the recent three financial years (2)	0
Accumulated amount of cash dividends and repurchase and cancelation in the recent three financial years (3) = (1) + (2)	381,566,579.38
Average net profit amount for the recent three accounting years (4)	1,006,462,895.55
Cash dividend ratio (%) for the recent three financial years (5) = (3)/(4)	37.91%
Net profit attributable to ordinary Shareholders of the listed company in the consolidated financial statements for the recent accounting year	1,764,339,650.99
The undistributed profit at the end of the recent accounting year in the parent company's statements	2,356,024,316.66

EQUITY INCENTIVE PLAN, EMPLOYEE STOCK OWNERSHIP PLAN OR OTHER EMPLOYEE INCENTIVE MEASURES AND THEIR IMPACT

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

Summary of the Event

On 29 March 2024, the Company convened the 26th meeting of the eighth session of the Board of Directors and the 17th meeting of the seventh session of the Supervisory Committee, where the “Resolution on the Cancellation of Share Appreciation Rights under the 2022 Share Appreciation Rights Incentive Plan” was considered and approved. It was agreed to cancel a total of 1.80 million share appreciation rights granted but not yet exercised by 7 incentive participants who failed to meet the assessment targets in the two accounting years of 2022-2023 within two exercise periods.

On 9 October 2024, the Company disclosed the “Chifeng Gold Announcement on the Completion of Stock Sale under the Phase II Employee Stock Ownership Plan”. As at 30 September 2024, all 16,575,406 Shares held under the Company’s Phase II Employee Stock Ownership Plan have been fully sold through centralized bidding transactions.

On 30 December 2024, the Company convened the 33rd meeting of the eighth session of the Board of the Directors to consider and approve the “Proposal on the Phase III Employee Stock Ownership Plan (Draft) of Chifeng Jilong Gold Mining Co., Ltd. and its Summary”, the “Proposal on the Administrative Measures for the Phase III Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd.”, and the “Proposal on Requesting the General Meeting to Authorize the Board to Handle Matters Related to the Company’s Phase III Employee Stock Ownership Plan”, among other. On the same day, the Company convened the staff representative meeting to consider and approve the “Proposal on the Phase III Employee Stock Ownership Plan (Draft) of Chifeng Jilong Gold Mining Co., Ltd. and its Summary”.

Inquiry Index

The Announcement on the Cancellation of the 2022 Stock Appreciation Rights Incentive Plan of Chifeng Gold (Announcement Number: 2024-020) published on 30 March 2024 on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated information disclosure media.

The announcement of “Chifeng Gold on the Completion of Stock Sale under the Phase II Employee Stock Ownership Plan” (Announcement Number: 2024-063) published on 9 October 2024 on the website of Shanghai Stock Exchange (www.sse.com.cn) and designated information disclosure media.

The “Announcement of Resolutions Passed at the 33rd Meeting of the Eighth Session of the Board of Directors of Chifeng Gold” (Announcement No.: 2024-069) and the “Announcement of Resolutions of the Employee Representative Meeting of Chifeng Gold” (Announcement No.: 2024-071) published on 31 December 2024 on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated media for information disclosure.

CHANGES IN SHARE CAPITAL

(I) Changes in Share Capital during the Reporting Period

During the Reporting Period, there was no change in the Company's total number of Shares and structure of the Share capital.

(II) Other contents deemed necessary by the Company or required by securities regulatory authorities

Upon approval by Listing Committee of the Hong Kong Stock Exchange, the 205,652,000 H Shares issued by the Company (before the exercise of the over-allotment option) were listed and traded on the Main Board of the Hong Kong Stock Exchange on 10 March 2025. The Company's total Share capital increased from 1,663,911,378 A Shares to 1,869,563,378 Shares (including 1,663,911,378 A Shares and 205,652,000 H Shares).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Reporting Period, the Company did not repurchase its A Shares on the Shanghai Stock Exchange. At the beginning of the Reporting Period, the Company had repurchased an aggregate of 15,182,600 A Shares, all of which were deposited in the Company's repurchased securities account and yet to be cancelled for the use of the Company's A Share incentive plan (i.e. the Phase III Employee Stock Ownership Plan, please refer to the section "C. Further Information about our Directors, Supervisors and Substantial Shareholders — 4. Employee Stock Ownership Plans" in Appendix VII to the Prospectus for details). Such repurchase of A Shares was conducted in accordance with the resolution considered and passed at the eighteenth meeting of the eighth session of the Board of the Company held on 27 June 2023, which approved the "Proposal on the Repurchase of Shares (Phase III) through Centralised Price Bidding" to approve that the Company repurchased certain listed ordinary shares (A Shares) in issue of the Company using its own funds through centralised price bidding for the purpose of employee stock ownership plan or equity incentive plan.

On 24 February 2025, the Company received the Confirmation Letter on Securities Transfer and Registration (證券過戶登記確認書) issued by the China Securities Depository and Clearing Corporation Limited. There were 15,182,600 A Shares transferred from the Company's repurchase securities account to the employee stock ownership plan securities account by way of non-trade transfer on 21 February 2025, at a transfer price of RMB14.50 per Share. As such, the share transfer has been completed for the Phase III Employee Stock Ownership Plan of the Company.

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

Save as disclosed above, the Company did not hold any treasury shares as at 31 December 2024.

CORPORATE GOVERNANCE

The Company has adopted all applicable code provisions of the Corporate Governance Code. Pursuant to code provision B.2.2 of the Corporate Governance Code, every director, including those appointed for a specific term, is subject to retirement by rotation at least once every three years. The eighth session of the Board of the Company would ordinarily have expired on 4 January 2025. In view of the fact that the nomination of candidates for the new session of the Board of the Company has not yet been completed, in order to ensure the continuity and stability of the work of the Board, the general election of the Board is postponed, and the terms of office of the specialized committees of the Board is postponed accordingly. Until the completion of the general election of the Board, the eighth session of the Board of the Company will continue to perform its duties and responsibilities as a director in accordance with relevant laws, regulations, regulatory documents and the Articles of Association of the Company.

As the H Shares of the Company were listed on the Hong Kong Stock Exchange on 10 March 2025, the Corporate Governance Code is only applicable to the Company since the listing date of the H Shares. Save for the above, The Company has adopted and complied with the provisions of the Corporate Governance Code and has followed most of its recommended best practices throughout the period from the listing date of the H Shares and up to the date of this announcement.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Since the listing date of the H Shares, the Company has complied with Rules 3.10(1), 3.10(2), and 3.10A of the Hong Kong Listing Rules regarding the appointment of a sufficient number of independent non-executive Directors, and at least one independent non-executive Director must possess appropriate professional qualifications or accounting or related financial management expertise. The appointed independent non-executive Directors must constitute at least one-third of the Board members. The Company has appointed four independent non-executive Directors, with the number of independent non-executive Directors accounting for at least one-third of the Board members, and one of the independent non-executive Directors possesses accounting or related financial management expertise. Brief biographies of the independent non-executive Directors will be set out in the Company's 2024 H Shares annual report.

SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted a set of standards no less stringent than the Model Code as the model code for the trading of securities by the Directors and the Supervisors of the Company. As the H Shares of the Company were listed on Hong Kong Stock Exchange on 10 March 2025, the Model Code is only applicable to the Company since the listing date of the H Shares. All Directors, Supervisors and relevant employees, having made specific enquiries, confirmed that they have been in compliance with the Model Code during the period from the listing date of the H Shares and up to the date of this announcement.

AUDIT COMMITTEE

The Audit Committee has reviewed the Group's annual results and financial report for the year ended 31 December 2024 and discussed internal control and financial reporting matters. The committee considers that the annual results and financial report comply with the applicable accounting standards and relevant laws and regulations and have made sufficient disclosure.

AUDITOR’S AGREEMENT ON THE ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The financial information in the 2024 annual results announcement has been agreed by Ernst & Young Hua Ming LLP, the external auditor of the Group, as the amounts in the audited financial statements.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

1. Pursuant to the resolution passed at the general meeting convened by the Company on 15 January 2025, the Phase III Employee Stock Ownership Plan was approved, aimed at providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. The Phase III Employee Stock Ownership Plan became effective on 25 February 2025 and, unless otherwise canceled or amended, will remain in force for 24 months from that date. All Shares granted to participants shall be subject to performance conditions, namely achieving a year-on-year increase of 5% (including 5%) or more in the Company’s gold production by 2025. As at the date of this announcement, 15,182,600 A Shares have been granted to the participants of the Phase III Employee Stock Ownership Plan, please refer to the section “C. Further Information about our Directors, Supervisors and Substantial Shareholders — 4. Employee Stock Ownership Plans” in Appendix VII to the Prospectus for details.
2. According to the resolution passed by the Board on 28 March 2025, the 2024 Profit Distribution Plan will distribute a cash dividend of RMB1.60 (tax inclusive) per 10 Shares to all Shareholders based on the number of Shares eligible for distribution on the record date specified in the profit distribution implementation announcement for 2024. As at 28 March 2025, the total number of Shares of the Company is 1,869,563,378 Shares, based on which the total proposed cash dividend is RMB299,130,140.48. The proposal is subject to the consideration and approval at the 2024 AGM.
3. The Company listed on the Hong Kong Stock Exchange on 10 March 2025 and issued 205,652,000 H Shares. The total number of H Shares to be offered in the Global Offering is 205,652,000 (prior to the exercise of the over-allotment option), and the net proceeds to be received by the Company from the Global Offering, after deduction of the underwriting commissions and other estimated expenses in connection with the Global Offering and assuming the over-allotment option is not exercised, will be approximately HK\$2,676 million.
4. On 4 March 2024, the Group entered into an equity transfer agreement with China Investment (Property) Limited (中國投資(置業)有限公司) (“**China Investment**”), pursuant which Chixia Laos, a subsidiary of the Group, intends to acquire 90% of the equity interests in China Investment Mining (Laos) Sole Co. Sole Co., Ltd. (中國投資(老撾)礦業獨資有限公司) (the “**Target Company**”) from China Investment for a total consideration of US\$18.9630 million in cash and in the form of a debt obligation. As at 31 December 2024, the Group’s prepayment for the acquisition of the equity interests amounted to RMB68,570,147.60. As at the date of this announcement, the registration procedures of this transaction, including the transfer of the shareholdings in the Target Company and the change of company name, have been completed, and the parties to the transaction have confirmed in writing that the transaction has been completed and the Target Company has become a subsidiary within the scope of the Company’s consolidated financial statements.

Save as disclosed above, there is no important event affecting the Group which occurred after the end of the Reporting Period to the date of this announcement.

Use of Proceeds from the Global Offering

The H Shares of the Company were successfully listed on the Main Board of the Hong Kong Stock Exchange on 10 March 2025. The net proceeds from the Global Offering received by the Company were approximately HK\$2,676 million after deducting underwriting commissions and listing expenses, which will be utilized for the purposes set out in the Prospectus. As at the date of this announcement, there was no change in the intended use of net proceeds as previously disclosed in the section headed “Future Plans and Use of Proceeds” in the Prospectus. To the extent that net proceeds are not immediately used for the intended use, the Company will place the net proceeds as short-term interest-bearing accounts at licensed commercial banks and/or other authorised financial institutions (as defined under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), or applicable laws and regulations in other jurisdictions). For details of the breakdown of the use of proceeds, please refer to the H Shares annual report of the Company for the year ended 31 December 2024 to be published.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND H SHARES ANNUAL REPORT

This annual results announcement is published on the HKEXnews website (www.hkexnews.hk) and the website of the Company (www.cfgold.com). The H Shares annual report of the Company for the year ended 31 December 2024 will be made available for review on the same websites in due course, and will be despatched to the Shareholders who have indicated their wish to receive a printed copy.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below.

“2024 AGM”	the 2024 annual general meeting or the adjournment thereof to be convened and held by the Company
“2024 Profit Distribution Plan”	the profit distribution plan of paying cash dividend of RMB1.60 (tax inclusive) per 10 Shares as the final dividend for the year ended 31 December 2024 to the Shareholders as proposed by the Board, which is subject to consideration and approval at the 2024 AGM.
“A Share(s)”	domestic ordinary share(s) in the share capital of the Company with nominal value of RMB1.00 each, which are traded in Renminbi and listed on the Shanghai Stock Exchange
“AISC”	all-in sustaining costs, a metric which means cost of sales excluding amortisation and depreciation, plus all costs not included therein relating to sustaining current production including sustaining capital expenditure. It generally comprises of cash costs (including by-product credits), sustaining capital, exploration expenses and general and administrative expenses
“Articles of Association”	the articles of association of the Company

“AUD”	Australian dollars, the lawful currency of Australia
“Audit Committee”	the audit committee of the Board
“Board” or “Board of Directors”	the board of Directors
“CASBE”	the China Accounting Standards for Business Enterprises
“Cedi”, “GH¢” or “Ghanaian Cedi”	the lawful currency of Ghana
“Chifeng Gold”, “Company” or “Listed Company”	Chifeng Jilong Gold Mining Co., Ltd. (赤峰吉隆黃金礦業股份有限公司), a joint stock company incorporated under the laws of the PRC with limited liability on 22 June 1998, the A Shares and H Shares of which are listed on the Shanghai Stock Exchange (stock code: 600988) and the Main Board of the Hong Kong Stock Exchange (stock code: 6693)
“Chijin HK”	Chijin International (HK) Limited (赤金國際(香港)有限公司), a company incorporated in Hong Kong with limited liability and a direct wholly owned subsidiary of the Company
“Chijin Xiawu”	Xiamen Chijin Xiawu Metal Resources Limited (廈門赤金廈鎢金屬資源有限公司), previously known as Shanghai Chijin Xiawu Metal Resources Limited (上海赤金廈鎢金屬資源有限公司), a private limited liability company established under the PRC laws and a direct non-wholly owned subsidiary of the Company
“Chixia Laos”	CHIXIA Laos Holdings Limited (赤廈老撾控股有限公司), a company registered in the Cayman Islands with limited liability and wholly owned by Chijin Xiawu
“CIRE Mining”	China Investment Rare Earth Mining Co., Ltd, a company registered in Laos with limited liability, a subsidiary of China Investment Mining (Laos) Sole Co., Ltd., and the operator of the trial mining area of the Mengkham Rare Earth Element Project
“CIREX Mining”	China Investment Rare Earth Mining Xiangkhouang Co. Ltd, a company registered in Laos with limited liability and a subsidiary of China Investment Mining (Laos) Sole Co., Ltd., and the operator of the exploration area of the Mengkham Rare Earth Element Project
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Hong Kong Listing Rules
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	director(s) of the Company

“ESG”	environmental, social and governance
“Ghana”	the Republic of Ghana
“Global Offering”	the offer of the H Shares for subscription by the public in Hong Kong and outside the United States in offshore transactions, details of which are set out in the Prospectus
“Golden Star Resources” or “GSR”	Golden Star Resources Ltd., a company registered in Canada and an indirect non-wholly owned subsidiary of the Company
“grade”	ratio of the content of a useful element or its compounds in an ore, for which the greater the content, the higher the grade. For gold, grade is commonly expressed in grams per tonne of milled ore (g/t Au)
“Group”	the Company and its subsidiaries
“GSWL”	Golden Star (Wassa) Ltd, a company registered in Ghana and an indirect non-wholly owned subsidiary of GSR
“Guangyuan Environmental Protection”	Hefei Guangyuan Environmental Protection Technology Co., Ltd. (合肥廣源環保技術有限公司), a wholly owned subsidiary of Guangyuan Technology
“Guangyuan Technology”	Anhui Guangyuan Technology Development Co., Ltd. (安徽廣源科技發展有限公司), a private limited liability company established under the PRC laws and a direct non-wholly subsidiary of the Company
“H Share(s)”	overseas listed foreign ordinary shares in the share capital of the Company with nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange
“Hanfeng Mining”	Jilin Hanfeng Mining Technology Co., Ltd. (吉林瀚豐礦業科技有限公司), a direct wholly owned subsidiary of the Company
“HK\$”	Hong Kong dollars, being the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Hong Kong Listing Rules” or “Listing Rules”	the Rules Governing the Listing of Securities on The Hong Kong Stock Exchange

“Huatai Mining”	Chifeng Huatai Mining Co., Ltd. (赤峰華泰礦業有限責任公司), which is registered in the PRC and is a wholly owned subsidiary of Jilong Mining
“IFRS”	the International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board (IASB) and the International Accounting Standards (IAS) and interpretation issued by the International Accounting Standards Committee (IASC)
“Jilong Mining”	Chifeng Jilong Mining Co. Ltd. (赤峰吉隆礦業有限責任公司), a private limited liability company established under the PRC laws and a direct wholly owned subsidiary of the Company
“Jintai Mining”	Eryuan Jintai Mining Development Co., Ltd. (洱源錦泰礦業開發有限責任公司), a private limited liability company established under the PRC laws and a direct non-wholly owned subsidiary of Xinhenghe Mining
“KIP” or “Lao Kip”	the lawful currency of Laos
“Laos”	the Lao People’s Democratic Republic
“LXML”	Lane Xang Minerals Limited Company, a company registered in Laos, an indirect non-wholly owned subsidiary of the Company and is the operator of the Sepon Gold and Copper Mine
“Mengkham Rare Earth Element Project”	a rare earth mine project operated by CIRE Mining in Laos
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Hong Kong Listing Rules
“PRC”	the People’s Republic of China, and solely for the purpose of this announcement, excluding Taiwan, the Macao Special Administrative Region of the PRC and Hong Kong
“Prospectus”	the prospectus of the Company in connection with the Global Offering dated 28 February 2025
“Reporting Period”, “Year” or “Period”	year ended 31 December 2024
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, comprising our A Shares and our H Shares

“Shareholder(s)”	holder(s) of the Share(s)
“Supervisor(s)”	supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Tietto Minerals”	Tietto Minerals Limited, a company previously listed on the Australian Securities Exchange under the stock code TIE, which the Group acquired a total of approximately 13.05% of the then shareholding interest in by January 2023 and disposed of such shareholding interest in May 2024 through the offer from Zhaojin Mining Industry Company Limited (a company listed on the Main Board of the Hong Kong Stock Exchange, stock code: 1818) pursuant to a bidder statement to acquire all its outstanding issued shares
“US\$” or “USD” or “U.S. dollars”	United States dollars, the lawful currency of the United States of America
“Wulong Mining”	Liaoning Wulong Gold Mining Co., Ltd. (遼寧五龍黃金礦業有限責任公司), a private limited liability company established under the PRC laws and a direct wholly owned subsidiary of Jilong Mining
“Xinhenghe Mining”	Kunming Xinhenghe Mining Co., Ltd. (昆明新恒河礦業有限公司), a private limited liability company established under the PRC laws and is a direct non-wholly owned subsidiary of the Company
“Zhaojin Capital”	Zhaojin Capital (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability, which is an indirect wholly owned subsidiary of Zhaojin Mining Industry Company Limited
“%”	per cent

By order of the Board
Chifeng Jilong Gold Mining Co., Ltd.
Wang Jianhua
Chairman and Executive Director

Hong Kong, 28 March 2025

As at the date of this announcement, the executive Directors are Mr. Wang Jianhua, Ms. Yang Yifang, Mr. Lyu Xiaozhao and Mr. Gao Bo, the non-executive Director is Mr. Zhang Xudong, and the independent non-executive Directors are Dr. Mao Jingwen, Dr. Shen Zhengchang, Mr. Hu Nailian and Dr. Wong Yet Ping Ambrose.