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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 2025**

FINANCIAL HIGHLIGHTS OF THE GROUP

Revenue of the Group for the year ended 31 December 2025 amounted to approximately RMB12,639 million, representing an increase of 40.03% (last year: RMB9,026 million).

The Group's net profit attributable to Shareholders of the parent company for the year ended 31 December 2025 amounted to approximately RMB3,082 million, representing a year-on-year increase of 74.70% (last year: RMB1,764 million).

As at 31 December 2025, the Group's total assets were RMB24,981 million, representing an increase of 22.89% compared with the beginning of the year (beginning of the year: RMB20,329 million).

As at 31 December 2025, the Group's net assets attributable to Shareholders of the parent company were RMB13,415 million, representing an increase of 69.45% compared with the beginning of the year (beginning of the year: RMB7,917 million).

The Board proposed the 2025 Profit Distribution Plan as follows: a cash dividend of RMB0.32 (tax inclusive) per Share. The 2025 Profit Distribution Plan shall be subject to consideration and approval at the 2025 AGM.

The Board of the Company is pleased to announce the audited consolidated annual results of the Group for the year ended 31 December 2025 (the “**Reporting Period**”), together with the comparative figures for the year ended 31 December 2024.

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

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 statement of profit or loss for the year ended 31 December 2025 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 2025. The 2025 consolidated financial statements of the Company prepared in accordance with CAS have also been audited by the external auditor of the Group who has issued a standard unqualified audit opinion.

This announcement contains forward-looking statements including future plans of the Company, which reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. Such forward-looking statements are subject to certain risks, uncertainties and assumptions and do not constitute any actual commitments by the Company to investors. Investors are advised to pay attention to investment risks.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

RMB

Assets	Note	31 December 2025	31 December 2024
Current assets:			
Cash and bank balances		6,820,720,561.54	2,747,442,442.93
Financial assets held for trading		19,231,618.75	9,998,984.68
Derivatives financial assets		–	5,251,800.00
Trade receivables	10	466,577,452.85	587,165,738.54
Prepayments		126,376,173.62	276,484,571.30
Other receivables		68,390,134.23	96,187,623.04
Inventories		2,685,277,001.26	2,540,318,023.51
Other current assets		63,977,818.30	141,333,280.01
Total current assets		<u>10,250,550,760.55</u>	<u>6,404,182,464.01</u>
Non-current assets:			
Long-term receivables		–	1,190,808.13
Long-term equity investments		8,770,945.96	3,955,645.67
Other equity instrument investments		10,000,000.00	–
Fixed assets		7,075,444,419.93	6,399,516,327.75
Construction in progress		776,911,092.97	677,866,937.65
Right-of-use assets		183,438,730.03	206,797,707.37
Intangible assets		6,294,132,658.94	6,318,994,537.74
Goodwill		15,741,599.31	41,968,889.08
Long-term deferred expenses		37,187,973.34	350,312.50
Deferred tax assets		75,121,867.75	67,228,646.44
Other non-current assets		253,470,802.69	206,516,336.78
Total non-current assets		<u>14,730,220,090.92</u>	<u>13,924,386,149.11</u>
Total assets		<u><u>24,980,770,851.47</u></u>	<u><u>20,328,568,613.12</u></u>

Liabilities and shareholders' equity

	<i>Note</i>	31 December 2025	31 December 2024
Current liabilities:			
Short-term borrowings		707,600,631.31	1,108,199,165.67
Financial liabilities held for trading		–	707,020,000.00
Trade payables	<i>11</i>	854,027,977.68	684,571,183.74
Contract liabilities		48,084,781.82	56,598,949.03
Employee benefits payable		179,150,347.45	171,273,575.15
Taxes payable		1,338,090,221.61	698,951,345.10
Other payables		409,073,379.19	225,263,620.79
Non-current liabilities due within one year		187,225,340.40	398,463,926.07
Other current liabilities		348,709.56	672,771.76
Total current liabilities		<u>3,723,601,389.02</u>	<u>4,051,014,537.31</u>
Non-current liabilities:			
Long-term borrowings		69,617,398.59	599,502,985.86
Lease liabilities		148,516,989.79	179,596,024.47
Long-term payables		53,096,163.24	59,167,832.67
Provisions		1,653,501,445.60	1,783,633,263.08
Deferred income		5,948,000.91	6,838,500.83
Deferred tax liabilities		2,252,289,493.16	2,329,605,255.27
Other non-current liabilities		563,555,634.09	596,094,797.55
Total non-current liabilities		<u>4,746,525,125.38</u>	<u>5,554,438,659.73</u>
Total liabilities		<u><u>8,470,126,514.40</u></u>	<u><u>9,605,453,197.04</u></u>

Liabilities and shareholders' equity	<i>Note</i>	31 December 2025	31 December 2024
Shareholders' equity:			
Share capital		1,900,411,178.00	1,663,911,378.00
Capital reserve		3,263,330,952.74	626,736,519.64
Less: Treasury shares		220,015,940.99	220,015,940.99
Other comprehensive (loss)/income	8	(3,960,215.70)	145,710,300.63
Special reserve		–	3,347,876.91
Surplus reserve		269,782,850.97	269,782,850.97
Retained earnings	12	8,205,640,053.21	5,427,338,050.01
Equity attributable to shareholders of the parent		13,415,188,878.23	7,916,811,035.17
Non-controlling interests		3,095,455,458.84	2,806,304,380.91
Total shareholders' equity		16,510,644,337.07	10,723,115,416.08
Total liabilities and shareholders' equity		24,980,770,851.47	20,328,568,613.12

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

RMB

	Note	2025	2024
Operating income	2	12,638,506,229.12	9,025,821,822.22
Less: Operating costs	2	6,008,408,689.62	5,068,770,478.41
Taxes and surcharges	3	726,881,645.95	473,039,848.61
Selling expenses		252,666.85	348,745.14
Administrative expenses		584,210,837.63	492,286,721.36
Research and development expenses		117,241,958.61	63,615,898.70
Financial expenses	4	48,227,376.68	155,363,874.45
Including: Interest expenses		102,888,053.18	208,992,302.95
Interest income		86,262,030.66	38,389,697.15
Add: Other income		3,641,027.34	2,649,096.76
Investment (losses)/income	5	(79,794,105.82)	78,893,850.40
Including: Share of (losses)/profits of associates		(281,499.71)	7,194,112.43
Gains/(Losses) on changes in fair value	6	112,244,504.91	(26,345,013.94)
Credit impairment (losses)/reversal		(2,132,812.89)	1,666,368.75
Impairment losses on assets		(224,588,719.10)	(4,897,057.61)
Gains/(Losses) on disposal of non-current assets		485,274.72	(51,568.59)
Operating profit		4,963,138,222.94	2,824,311,931.32
Add: Non-operating income		403,196.14	1,035,053.08
Less: Non-operating expenses		37,669,929.59	5,944,891.02
Profit before tax		4,925,871,489.49	2,819,402,093.38
Less: Income tax expenses	1	1,478,483,521.99	833,437,504.30
Net profit		3,447,387,967.50	1,985,964,589.08

	<i>Note</i>	2025	2024
Classification according to the continuity of operations			
Net profit from continuing operations		3,447,387,967.50	1,985,964,589.08
Attributable to:			
Shareholders of the parent		3,082,367,791.68	1,764,339,650.99
Non-controlling interests		365,020,175.82	221,624,938.09
Other comprehensive (loss)/income, net of tax		(197,493,708.86)	108,863,230.64
Other comprehensive (loss)/income attributable to shareholders of the parent, net of tax		(149,670,516.33)	81,001,811.86
Other comprehensive (loss)/income that may be reclassified to profit or loss in subsequent periods		(149,670,516.33)	81,001,811.86
Exchange differences arising from translation of financial statements denominated in foreign currencies		(149,670,516.33)	81,001,811.86
Other comprehensive (loss)/income attributable to non-controlling interests, net of tax		(47,823,192.53)	27,861,418.78
Total comprehensive income		<u>3,249,894,258.64</u>	<u>2,094,827,819.72</u>
Attributable to:			
Shareholders of the parent		2,932,697,275.35	1,845,341,462.85
Non-controlling interests		317,196,983.29	249,486,356.87
Earnings per share:			
Basic earnings per share (RMB/share)	7	<u>1.69</u>	<u>1.07</u>
Diluted earnings per share (RMB/share)	7	<u>1.69</u>	<u>1.07</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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 A Shares and H Shares listed on the Shanghai Stock Exchange and the Main Board of the Hong Kong 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 CAS 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 turnover tax	1%-7%
Corporate income tax ("CIT")	Assessable profits	0-35%
Resources tax	Sales amount of primary products	China gold: 4%, 4.5% Laos gold and copper cathodes: 5% Ghana gold: 5% Hanfeng Mining zinc: 5% Hanfeng Mining molybdenum: 8% Laos rare earth: 20%
Urban land use tax	Levied at the annual tax rate per square metre of the actual occupied land area	Based on tax law
Growth and sustainability levy	Gross revenue	Ghana: Before 31 March 2025: 1%; After that: 3%
Export tariff	Export sales revenue	Laos rare earth: 10%

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

Name of taxable entity	CIT rate for 2025
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%
Chixia Mining	35%
CIRE Mining	35%
CIREX Mining	35%

(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.

	2025	2024
Current income tax expenses	1,513,880,292.53	902,726,163.23
Deferred income tax expenses	<u>(35,396,770.54)</u>	<u>(69,288,658.93)</u>
Total	<u><u>1,478,483,521.99</u></u>	<u><u>833,437,504.30</u></u>

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

	2025	2024
Profit before tax	4,925,871,489.49	2,819,402,093.38
Income tax expenses calculated at statutory tax rate (25%)	1,231,467,872.37	704,850,523.35
Effect of applying different tax rates by certain subsidiaries	175,840,214.70	98,798,240.96
Adjustments in respect of current tax of previous periods	29,202,160.17	23,656,770.91
Profits and losses attributable to associates	60,083.16	(1,176,260.28)
Non-taxable income	(19,784,219.79)	(13,123,401.63)
Non-deductible expense	48,488,367.97	17,690,705.50
Tax losses utilised from previous periods	–	(5,040,478.34)
Unrecognised deductible temporary differences and tax losses	40,973,774.97	16,856,247.24
Additional deduction for R&D expenses and wages for disabled employees	(8,792,674.46)	(9,074,843.41)
Recognition of the unrecognised deductible temporary differences and tax losses from previous periods	(18,972,057.10)	–
Income tax expense of the Group	<u>1,478,483,521.99</u>	<u>833,437,504.30</u>

2. OPERATING INCOME AND OPERATING COSTS

	2025		2024	
	Operating income	Operating costs	Operating income	Operating costs
Principal operations	12,622,904,313.30	5,996,757,904.05	8,975,777,607.84	5,027,961,649.88
Other operations	15,601,915.82	11,650,785.57	50,044,214.38	40,808,828.53
Total	<u>12,638,506,229.12</u>	<u>6,008,408,689.62</u>	<u>9,025,821,822.22</u>	<u>5,068,770,478.41</u>

3. TAXES AND SURCHARGES

	2025	2024
Resources tax	608,276,841.09	426,929,862.15
Growth and sustainability levy (<i>Note</i>)	99,806,526.31	32,013,806.61
Land use tax	6,888,020.30	6,199,997.82
Export tariff	3,581,189.82	–
Real estate tax	2,316,150.02	1,977,562.37
Education surcharges	1,620,403.63	2,023,304.18
City construction and maintenance tax	1,621,383.15	1,215,772.93
Stamp duty	1,753,984.07	1,555,538.29
Others	1,017,147.56	1,124,004.26
Total	<u>726,881,645.95</u>	<u>473,039,848.61</u>

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

4. FINANCIAL EXPENSES

	2025	2024
Interest expenses	57,491,006.93	168,402,079.88
Amortisation of unrecognised finance expenses	45,397,046.25	40,590,223.07
Less: Interest income	(86,262,030.66)	(38,389,697.15)
Foreign exchange losses/(gains)	29,245,870.43	(38,925,714.29)
Financial institution commissions	2,355,483.73	23,686,982.94
Total	<u>48,227,376.68</u>	<u>155,363,874.45</u>

5. INVESTMENT (LOSSES)/INCOME

	2025	2024
(Losses)/income from long-term equity investments under equity method	(281,499.71)	7,194,112.43
Investment (losses)/income from disposal of financial assets and liabilities held for trading <i>(Note)</i>	(79,512,606.11)	581,209.17
Investment income from disposal of long-term equity investments	—	71,118,528.80
	<u>—</u>	<u>71,118,528.80</u>
Total	<u>(79,794,105.82)</u>	<u>78,893,850.40</u>

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

	2025	2024
Investment losses arising from gold leasing at fair value	(140,213,815.38)	(128,754,427.35)
Investment income arising from gold leasing hedging contracts	27,789,608.00	129,272,698.00
Investment income arising from stock investments	26,694,726.18	—
Investment income arising from wealth management products	3,223,773.24	62,938.52
Investment income arising from foreign currency derivative instruments	2,993,101.85	—
	<u>2,993,101.85</u>	<u>—</u>
Total	<u>(79,512,606.11)</u>	<u>581,209.17</u>

6. GAINS/(LOSSES) ON CHANGES IN FAIR VALUE

Source of the changes in fair value	2025	2024
Financial assets held for trading-stock investments	9,758,004.91	(6,758,713.94)
Derivative financial instruments-gold leasing hedging contracts	(5,251,800.00)	(8,802,440.00)
Financial liabilities held for trading-gold leasing at fair value	107,738,300.00	(10,783,860.00)
Total	<u>112,244,504.91</u>	<u>(26,345,013.94)</u>

7. EARNINGS PER SHARE

	2025 <i>RMB/share</i>	2024 <i>RMB/share</i>
Basic earnings per share		
Continuing operations	<u>1.69</u>	<u>1.07</u>
Diluted earnings per share		
Continuing operations	<u>1.69</u>	<u>1.07</u>

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

The Group does not have any dilutive potential ordinary shares.

8. OTHER COMPREHENSIVE INCOME/(LOSSES)

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

2025

	Movements					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 shareholders of parent company after tax	Attributable to non-controlling shareholders after tax	
Other comprehensive income/(losses) that may be reclassified to profit or loss in subsequent periods						
Exchange differences arising from translation of financial statements denominated in foreign currencies	145,710,300.63	(197,493,708.86)	-	(149,670,516.33)	(47,823,192.53)	(3,960,215.70)

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, nonferrous metals and rare earth in Laos and Ghana. 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 on 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, other equity instrument investments, derivative financial instruments and other unallocated head office and corporate assets as these assets are managed on a group basis.

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

(2) Financial information of each reporting segment**2025**

Items	Domestic mining	Overseas mining	Others	Total	
Operating income	3,427,703,357.36	8,999,164,512.03	319,616,277.77	12,746,484,147.16	
Operating income between segments	-	-	(107,977,918.04)	(107,977,918.04)	
External operating income	3,427,703,357.36	8,999,164,512.03	211,638,359.73	12,638,506,229.12	
Segment profits/(losses)	2,057,049,425.95	2,975,895,636.29	(45,571,055.93)	4,987,374,006.31	
Reconciliation:					
Head office profits and unallocated profits and losses				(44,876,494.30)	
Interest income				86,262,030.66	
Interest expenses				(102,888,053.18)	
Profit before tax				4,925,871,489.49	
Assets and liabilities					
Segment assets	3,479,710,912.01	14,155,006,582.39	365,255,587.30	17,999,973,081.70	
Unallocated assets				6,980,797,769.77	
Total assets				24,980,770,851.47	
Segment liabilities	542,382,230.34	3,190,192,137.23	21,106,795.28	3,753,681,162.85	
Unallocated liabilities				4,716,445,351.55	
Total liabilities				8,470,126,514.40	
Items	Domestic mining	Overseas mining	Others	Head office	Total
External operating income	3,427,703,357.36	8,999,164,512.03	211,638,359.73	-	12,638,506,229.12
Share of losses of associates	(102,917.73)	-	(4,340.87)	(174,241.11)	(281,499.71)
Impairment losses on assets	(54,054,916.67)	(145,506,926.04)	(25,026,876.39)	-	(224,588,719.10)
Depreciation and amortization	182,860,206.18	1,038,635,015.96	5,939,055.03	5,174,201.29	1,232,608,478.46
Income tax expenses	296,333,943.10	1,189,477,812.32	(7,328,233.43)	-	1,478,483,521.99
Investments in associates	4,131,356.62	-	3,395,659.13	1,243,930.21	8,770,945.96

2024

Items	Domestic mining	Overseas mining	Others	Total	
Operating income	2,481,141,778.08	6,241,158,714.81	437,442,682.81	9,159,743,175.70	
Operating income between segments	–	–	(133,921,353.48)	(133,921,353.48)	
External operating income	2,481,141,778.08	6,241,158,714.81	303,521,329.33	9,025,821,822.22	
Segment profits	1,341,840,802.47	1,616,725,323.11	34,269,778.18	2,992,835,903.76	
Reconciliation:					
Head office profits and unallocated profits and losses				(2,831,204.58)	
Interest income				38,389,697.15	
Interest expenses				(208,992,302.95)	
Profit before tax				<u>2,819,402,093.38</u>	
Assets and liabilities					
Segment assets	3,417,917,967.68	13,351,290,376.88	658,206,389.12	17,427,414,733.68	
Unallocated assets				<u>2,901,153,879.44</u>	
Total assets				<u>20,328,568,613.12</u>	
Segment liabilities	617,984,933.73	3,202,469,500.61	18,321,009.48	3,838,775,443.82	
Unallocated liabilities				<u>5,766,677,753.22</u>	
Total liabilities				<u>9,605,453,197.04</u>	
Items	Domestic mining	Overseas mining	Others	Head office	Total
External operating income	2,481,141,778.08	6,241,158,714.81	303,521,329.33	–	9,025,821,822.22
Share of profits/(losses) of associates	–	7,320,797.94	–	(126,685.51)	7,194,112.43
Impairment reversal/(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	5,359,520.65	1,277,096,552.43
Income tax expenses	194,103,867.01	633,667,840.29	5,665,797.00	–	833,437,504.30
Investments in associates	<u>2,537,474.35</u>	<u>–</u>	<u>–</u>	<u>1,418,171.32</u>	<u>3,955,645.67</u>

Regional information

Operating income from external customers

Items	2025	2024
Mainland China	3,639,341,717.09	2,784,663,107.41
Overseas	8,999,164,512.03	6,241,158,714.81
Total	<u>12,638,506,229.12</u>	<u>9,025,821,822.22</u>

The operating income information above is based on the locations of the subsidiaries.

Non-current assets

Items	2025	2024
Mainland China	3,398,556,605.46	3,239,747,490.51
Overseas	11,125,421,577.24	10,502,370,783.13
Total	<u>14,523,978,182.70</u>	<u>13,742,118,273.64</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

Operating income of RMB4,821,729,058.34 was derived from sales by the overseas mining segment to a single customer ABC Refinery (Australia) Pty Ltd (2024: RMB2,997,139,762.60), and operating income of RMB2,848,409,872.43 was derived from sales by the overseas mining segment to a single customer Rand Refinery Proprietary Limited (2024: RMB2,477,037,153.74).

10. TRADE RECEIVABLES

Apart from the trade receivables of Guangyuan Technology, which is engaged in dismantling waste electronic products, the credit period for other subsidiaries' trade receivables in relation to the sales of commodities such as gold, copper, zinc and copper cathode is generally within 60 days. The trade receivables of Guangyuan Technology are comprised of policy-based subsidies and incentive payments from government authorities and have no fixed credit periods. Trade receivables are non-interest-bearing.

(1) An ageing analysis of the trade receivables

	31 December 2025	31 December 2024
Within 1 year	214,516,104.85	302,904,390.54
Over 1 year but within 2 years	–	92,642,615.00
Over 2 years but within 3 years	92,642,615.00	74,703,595.00
Over 3 years	159,418,733.00	116,915,138.00
Subtotal	466,577,452.85	587,165,738.54
Less: Bad debt provision for trade receivables	–	–
Total	<u>466,577,452.85</u>	<u>587,165,738.54</u>

(2) Disclosure by classification of bad debt provisions

2025

Items	Carrying amount		Bad debt provision		Net book value
	Amount	%	Amount	%	
Bad debt provision made individually	278,387,234.70	59.67	-	-	278,387,234.70
Bad debt provision based on credit risk characteristics	<u>188,190,218.15</u>	<u>40.33</u>	<u>-</u>	<u>-</u>	<u>188,190,218.15</u>
Total	<u><u>466,577,452.85</u></u>	<u><u>100.00</u></u>	<u><u>-</u></u>	<u><u>/</u></u>	<u><u>466,577,452.85</u></u>

2024

Items	Carrying amount		Bad debt provision		Net book value
	Amount	%	Amount	%	
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><u>587,165,738.54</u></u>	<u><u>100.00</u></u>	<u><u>-</u></u>	<u><u>/</u></u>	<u><u>587,165,738.54</u></u>

Trade receivable with bad debt provision made individually is as follows:

Items	31 December 2025				31 December 2024		
	Carrying amount	Bad debt provision	%	Reason	Carrying amount	Bad debt provision	%
Trade receivables of government subsidies/incentives	278,387,234.70	-	-	Government receivable, high government credit rating, low default risk, no provision for bad debts	347,205,358.00	-	-

As at 31 December 2025, trade receivable with bad debt provision based on credit risk characteristics, is as follows:

Items	Carrying amount	Bad debt provision	%
Domestic customer portfolio	85,043,345.15	-	-
Overseas customer portfolio	103,146,873.00	-	-
Total	188,190,218.15	-	-

11. TRADE PAYABLES

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

Items	31 December 2025	31 December 2024
Payables for procurement of materials	337,649,423.61	283,881,250.13
Payables for services	263,623,571.90	210,723,785.00
Payables for constructions	162,172,526.13	118,326,565.73
Payables for equipment	51,061,414.60	44,902,109.55
Payables for transportation	32,281,432.46	22,798,835.44
Others	7,239,608.98	3,938,637.89
Total	854,027,977.68	684,571,183.74

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

	31 December 2025	31 December 2024
Within 1 year	836,769,161.05	664,369,929.71
Over 1 year but within 2 years	15,922,713.24	17,022,892.99
Over 2 years but within 3 years	806,985.70	2,548,603.73
Over 3 years	529,117.69	629,757.31
	<u>854,027,977.68</u>	<u>684,571,183.74</u>
Total	854,027,977.68	684,571,183.74

As at 31 December 2025, there are no significant trade payables over 1 year (as at 31 December 2024: nil).

12. RETAINED EARNINGS

	2025	2024
At the beginning of the year	5,427,338,050.01	3,811,493,217.07
Add: Net profit attributable to shareholders of the parent	3,082,367,791.68	1,764,339,650.99
Less: Appropriation to statutory surplus reserve	–	(66,058,379.15)
Less: Cash dividends payable for ordinary shareholders	(304,065,788.48)	(82,436,438.90)
	<u>8,205,640,053.21</u>	<u>5,427,338,050.01</u>
At the end of the year	8,205,640,053.21	5,427,338,050.01

Pursuant to the resolution passed on the annual general meeting of the Company held on 12 June 2025, the Company distributed a cash dividend of RMB0.16 per Share (2024: RMB0.05 per share) to Shareholders, recorded on the ex-dividend date calculated on the basis of the number of issued shares: i.e., 1,900,411,178 (2024: 1,648,728,778), with an aggregate amount of RMB304,065,788.48 (2024: RMB 82,436,438.90).

13. NET CURRENT ASSETS

	31 December 2025	31 December 2024
Current assets	10,250,550,760.55	6,404,182,464.01
Less: Current liabilities	<u>(3,723,601,389.02)</u>	<u>(4,051,014,537.31)</u>
Net current assets	<u>6,526,949,371.53</u>	<u>2,353,167,926.70</u>

14. TOTAL ASSETS LESS CURRENT LIABILITIES

	31 December 2025	31 December 2024
Total assets	24,980,770,851.47	20,328,568,613.12
Less: Current liabilities	<u>(3,723,601,389.02)</u>	<u>(4,051,014,537.31)</u>
Total assets less current liabilities	<u>21,257,169,462.45</u>	<u>16,277,554,075.81</u>

15. DEPRECIATION AND AMORTIZATION

	2025	2024
Depreciation of fixed assets	938,630,346.53	955,563,883.81
Depreciation of right-of-use assets	35,445,030.63	38,391,798.23
Amortisation of intangible assets	247,107,008.17	283,092,120.39
Amortisation of long-term deferred expenses	<u>11,426,093.13</u>	<u>48,750.00</u>

16. CHANGES IN ACCOUNTING POLICIES

The Group did not have any changes in accounting policies during the year ended 31 December 2025.

CHAIRMAN’S STATEMENT

Dear Shareholders, investors, and friends who care about the development of Chifeng Gold,

On behalf of the Board of Chifeng Gold, I would like to express my sincere gratitude to all of you for your long-term trust and support along the way!

The external environment in 2025 was full of uncertainties. We have always believed that the Company’s greatest certainty comes from our unwavering commitment in demonstrating goodwill when addressing any issue and our ability to proactively adapt to change. Our team must not only be capable of responding to change but must also enthusiastically embrace it and proactively create it.

This year, the Company’s net profit increased substantially, reaching a historical high. At the same time, the organizational structure and talent allocation have laid a solid foundation for the Company’s long-term development.

I. FOCUSING ON LONG-TERM GOLD MINING BUSINESS, AVOIDING CHANGES BROUGHT BY SHORT-TERM DIVERSIFIED INVESTMENTS

At the end of 2019, based on a profound understanding of gold as a strategic resource and the industry’s development, the Board established the development direction of “investing only in gold,” committing to becoming “a dedicated and professional gold mining company”. Some called this “a desperate act”, but we have always believed this is “doing the right thing for the long term”.

Over the past few years, centering on our core development goals, we have resolutely divested non-mining assets, focusing all resources on exploration and reserve expansion, capacity expansion and production increase, and high-quality acquisitions. During this period, we faced various pressures, including temporarily high production costs, fluctuating operating performance, and tight cash flow. However, it was our determination and unwavering commitment in this chosen path that enabled Chifeng Gold to achieve a major transformation, aligning with the current trend of gold price volatility and preparing us for even greater fluctuations.

Without exceptional improvements in efficiency and effectiveness, it's just coping; significant changes signify true dedication and effort. In early March 2025, the Company completed its Hong Kong listing. This year, operating performance grew substantially, ESG ratings steadily improved, and operating cash flow continued to increase, making our development momentum more robust. These are the rich rewards for the team's long-term persistence, dedication, and hard work in the gold mining industry.

II. DEMONSTRATING GOODWILL, ORGANIZATIONAL OPTIMIZATION, AND SYSTEMATIC CONSTRAINTS LEADING TO GOVERNANCE IMPROVEMENTS

2025 was a pivotal year for the upgrade and evolution of Chifeng Gold's governance system. The Hong Kong listing not only established an international platform for the Company but also served as a comprehensive compliance check. We continuously improved our internal control system, and actively accepted the supervision of the global capital market. Adhering to the principle of "internal transparency and external openness", we strive to demonstrate goodwill and respond to every trust and concern with higher standards.

The Company successfully completed the re-election of the Board of Directors and the appointment of senior management. A group of professional elites and management experts has joined the operations and governance team, injecting optimized momentum into the Company's project construction and high-quality development.

Upholding the philosophy that management is about enabling the team to fully demonstrate goodwill, we despise apathy and privilege. Our senior management has long been stationed at the mine frontline, living and dining with the miners. We strictly implement audits and supervision of personal expenses for senior management. Only when standardization, integrity, and uprightness become the norm and a habit can Chifeng Gold truly become a company worthy of investors' long-term followership, employees' long-term dedication, and society's concern.

III. FORMING TRUE CORPORATE CONFIDENCE AMIDST PRESSURE, GROWING THROUGH CHANGE

The belief in demonstrating goodwill has led to steady improvement in Chifeng Gold's development, but we will not relax our pursuit of growth. In our growth, we are also earnestly reflecting: if we strip away the dividends from rising gold prices, what is the true substance of our endogenous growth?

Indulging in past achievements does not help focus on solving future problems. In 2026, we still face numerous challenges: the complex and rapidly changing international situation, intensified global competition for gold resources, the coexistence of pressure to increase production and control costs, and the tasks for tackling key projects are arduous. All these require us to go all out to find development opportunities amidst change and to develop better through change.

True confidence stems from the internal consciousness of continuous growth. The Chifeng Gold management team is forging this confidence amidst change and pressure, and will embrace the future with greater responsibility, the resolve to act immediately once decisions are made, and firmer confidence to create greater changes.

IV. UNCHANGED PHILOSOPHY: PERSISTENTLY DEMONSTRATING GOODWILL, LET MORE PEOPLE BENEFIT FROM THE DEVELOPMENT OF CHIFENG GOLD

We embrace change and create change, but the value of “letting more people benefit from the development of Chifeng Gold” – the goodwill-demonstrating philosophy we uphold – has never changed. The atmosphere of our team, characterized by integrity, honesty, and dedication to work, will not change under any circumstances. All changes in the Company will revolve around the main management thread of “demonstrating goodwill” – doing everything for the people.

We will continue striving to substantially and continuously improve operating performance, enhance miners’ welfare, increase cash dividends, and share development outcomes with Shareholders and workers.

We will continue to actively fulfill social responsibilities and support local economic and social development.

We will continue to treat every striver with care, ensuring that doers are rewarded, have dignity, and enjoy promising future.

We will continue to adhere to openness and mutual benefit, growing hand in hand with all partners and stakeholders.

Every year will be a year of growth and change for Chifeng Gold. With more determined efforts and more pragmatic endeavors, we will create greater changes for Chifeng Gold and an even better future year after year!

Chifeng Jilong Gold Mining Co., Ltd.

Wang Jianhua

Chairman and Executive Director

RESOURCES AND RESERVES OF THE GROUP

The Company achieved significant growth in the following main types of minerals. These increases are due to the contributions from new projects, as well as resource expansion from resource model updates and pit optimization for existing projects, based on input parameters including new exploration data and prices.

Mineralized zone	Main type of mineral	Resources			Reserves			Remaining explorable years of resources (year)	Number of license/ mining right (expiry date of the license/mining right)
		Ore quantity (million tonnes)	Grade g/T; %	Metal volume (tonnes; Kt)	Ore quantity (million tonnes)	Grade g/T; %	Metal volume (tonnes; Kt)		
Jilong Mining's Zhuanshanzi Gold Mine	Gold	2.06	10.46	21.6	1.31	7.65	10	8.6	2 mining rights (2026.09.27) (2032.03.27) 1 exploration right
Wulong Mining's Wulong Gold Mine	Gold	3.54	7.91	28.0	0.99	9.24	9.18	22	2 mining rights (2035.08.04) (2034.08.28) 2 exploration rights
Huatai Mining's Honghuagou Gold Mine	Gold	3.81	7.01	26.7	1.69	6.20	10.50	14	6 mining rights (2044.06.05) (2027.09.14) (2025.09.05) (3 of them: 2025.11.17)
Jintai Mining's Xidengping Gold Mine	Gold	29.78	0.60	18.0	11.15	0.91	10.17	40	2 mining rights (2032.06.06) (2035.03.06) 1 exploration right
Hanfeng Mining's Lishan Mine	Zinc		2.78	540	3.08	2.46	75.74		1 mining right (2050.08.27)
	Copper	19.38	0.07	14		-	-	31	
	Lead		0.12	24		-	-		
Hanfeng Mining's Dongfeng Mine	Molybdenum	65.37	0.12	79.25	-	-	-	33	1 mining right (2030.02.24)
Ghana Wassa Gold Mine	Gold	193.21	1.87	360	30.61	1.41	43.06	71	3 mining rights (2047.01.25) (2 of them: 2031.08.24) 4 exploration rights
Laos LXML's Sepon Gold and Copper Mine	Gold	15.08	3.84	58	11.96	1.91	22.85	5	1 mining right (2033.09.29) 1 exploration right
	Copper	18.22	1.34	244	5.32	1.69	90.09	12	
	Gold and Copper (SND project equivalent gold)	131.50	0.81	106.90	-	-	-	/	
	Rare earth	90.57	352.43	31.92	-	-	-	/	
Laos Mengkham Rare Earth Mine	Rare earth	124.69	238.04	29.68	-	-	-	7	1 trial mining license (2025.12) 1 exploration right

Notes:

1. The Company has entrusted SRK Consulting China Ltd. (“**SRK**”) to update the mineral resources and ore reserves of the Company’s mining asset projects located in China, Ghana, and Laos as of the data cutoff date of 31 December 2025. and submit a summary of the mineral resources data and key assumptions for 2025.
2. The retained resources and reserves are the total amounts not converted by equity. During the Reporting Period, retained resources and reserves were presented based on 100% of controlled enterprises. Resources include reserves. The additional resources from certain exploration projects for which formal reports have not yet been submitted are temporarily excluded from the retained resources.
3. The renewal of permits that have expired or are approaching expiration are being handled in accordance with relevant laws and regulations, and the Company does not expect any legal impediment in the renewal process for such permits.
4. Gold metal quantity unit: tonnes; copper, zinc, lead, molybdenum metal quantity and rare earth oxides unit: thousand tonnes; gold grade unit: g/t; copper, zinc, lead, molybdenum grade unit: %; rare earth oxides grade unit: g/t.

DISCUSSION AND ANALYSIS OF OPERATIONS

In 2025, the Company delivered strong operating performance. The operating income reached RMB12.639 billion, representing a year-on-year increase of 40.03%. The net profit attributable to shareholders of the parent amounted to RMB3.082 billion, representing a year-on-year increase of 74.70%. The net cash flow generated from operating activities stood at RMB5.556 billion, representing a year-on-year increase of 69.97%. All key performance indicators achieved robust improvement. As of the end of the Reporting Period, the Company's gearing ratio was 33.91%, a decrease of 13.34 percentage points from the beginning of the year; interest-bearing liabilities amounted to RMB0.878 billion, a decrease of 67.45% from the beginning of the year, indicating sustained enhancement of the financial structure.

In 2025, international gold prices repeatedly hit historic highs. While delivering notable incremental revenue to the Company, it also imposed higher requirements on the Company's profitability resilience and cost control capabilities amid widespread cost escalation across the industry. Rising global resource nationalism, local hiring practices and cultural differences have further increased the complexity and overall costs of overseas operations. ESG standards have shifted from a "bonus factor" to an essential prerequisite for market access. Also, digital and intelligent transformation has accelerated from a long-term vision to a core arena that determines enterprises' cost competitiveness and intrinsic safety levels. Confronted with the intricate external environment, the Company stayed focused on strengthening its internal strengths and pursuing prudent operations in 2025. Guided by its established development strategy, the Company successfully achieved the phased objectives of one breakthrough, two drivers and three cornerstones.

1. A new breakthrough in globalization layout and capital market

The Company has achieved a significant milestone in advancing its international capital market operations. On 10 March 2025, the Company successfully listed on the Main Board of the Hong Kong Stock Exchange. Approximately 90% of the H Shares were offered under the global offering, which received strong demand from prominent institutional investors in Asia, Europe, Australia and other regions, and raised a net amount of approximately HK\$3.1 billion (including the over-allotment option). The Hong Kong listing fully demonstrates the strong recognition of the global capital market in the Company’s strategy of “gold as the main focus and global layout”, and represents one of the most important strategic achievements of the Company in recent years.

The IPO of H Shares on the Hong Kong Stock Exchange has enabled the Company to further diversify its international funding channels and improve its equity structure, signifying an all-round upgrade in its corporate governance, market credibility and international influence, and opening up a new strategic landscape for the Company to efficiently integrate capital and resources globally. Going forward, the Company will continue to leverage the capital market as a booster to accelerate the implementation of domestic and overseas mine capacity expansion, technological upgrading, and mineral exploration and resource reserve enhancement projects.

2. Dual drivers of domestic and overseas mines for synergistic and steady growth

Domestic mines unlocked internal potential through refined operation and control. With continuous efforts in mineral exploration, reserve enhancement and technical upgrades of mineral processing, they have ensured stable production output and maintained all-in sustaining costs within a competitive industry range, effectively serving as the Company's profit cornerstone and cash flow pillar.

Overseas mines have achieved significant progress in integrated operations. The Company has enhanced post-acquisition management empowerment and deep local integration: Laos's Sepon Operation have maintained safe, stable and efficient operation; Ghana's Wassa Operation have seen rapid improvements in production organization and on-site management following the optimization and adjustment of the management team, laying a solid foundation for future production ramp-up and operational efficiency improvement.

3. Fortify the "three cornerstones" to strengthen the foundation for long-term development

Safety and environmental protection, sustainable resource development and management enhancement are the fundamental safeguards and cornerstones of the Company's development. Committed to "Life Above All, Environment First", the Company emphasized standardization of safety production, energy conservation and consumption reduction, as well as clean energy substitution. The Company has rigorously implemented the safety production responsibility system and complied with environmental protection requirements. Through systematic capacity building, it has continuously enhanced its ability to predict risks and conduct refined management. Significant progress has been made in the ESG performance. The Company's MSCI ESG rating was upgraded from CCC to B, while S&P CSA score reached 40 points – both representing the highest levels in the Company's history.

In line with its “gold-oriented” development strategy, the Company simultaneously advanced in three key areas – resources, reserves, and production capacity – to continuously establish scale advantages and core competitiveness in its core gold business. Faced with tight production schedules, all mines upheld the principle of “mining and excavation proceeding concurrently, with excavation taking precedence”, striving to balance production and engineering construction. Yet the tight interface between mining and excavation at some mines has not been fundamentally addressed. During the Reporting Period, the Company has increased investment in the exploration and development of both domestic and overseas mines, clearly identifying priority exploration zones and reserve enhancement targets, thus promoting the simultaneous growth of resource volume and reserves. At the same time, the Company realized significant breakthroughs in resource exploration and reserve growth. The Sepon team in Laos delivered the discovery of a large porphyry gold and copper ore body in the initial phase of the SND project with low cost and industry-leading efficiency. This has substantially boosted the resource base of core assets and extended mine life, laying a solid foundation for the Company’s long-term value growth and serving as a successful benchmark for its global exploration strategy.

As of the date of this announcement, the Company has completed the election of its new management team and organizational restructuring, marking a new phase of systematic upgrading and efficient control. Through optimizing its talent pipeline and recruiting expert management personnel with global perspectives and practical frontline experience, the Company’s organizational vitality and professional competence have improved notably. The newly established Domestic Business Division and the Overseas Group of the Production Technology Department further reinforced the unified coordination of domestic and overseas mining production and operations.

4. Key projects progressed in an orderly manner

As of the date of this announcement, the Company's key new construction and technological transformation projects at its domestic and overseas mines progressed smoothly as planned:

Wulong Mining: The new tailings storage facility project commenced in October 2025, and is expected to be completed by the fourth quarter of 2026. Projects including the technological transformation and extension of the three-part mine blind shaft, and the technological transformation of the auxiliary open shaft were launched in 2025 and are expected to be completed progressively in 2026. The transition from exploration to mining at the Haojingou-Ligunzi mine and the integration of mining rights at the Lijinguzi mine are progressing smoothly.

Jilong Mining: The new 60,000-tonnes-per-annum underground mining project obtained a mining license in July 2025, and the preliminary design and the safety facility design for the underground mining expansion project are currently underway. The renovation of the smelting facility is progressing in an orderly manner.

Huatai Mining: The additional 30,000-tonnes-per-annum underground mining expansion project is progressing steadily.

Jintai Mining: The second phase of the construction project has completed the transition from exploration to mining, the engineering surveys of all construction sites and project approval. The relevant land acquisition procedures, and supporting projects including the heap leach yard and waste dump are progressing as scheduled.

Hanfeng Mining: The expansion and renovation of the beneficiation plant, the expansion of the Lishan tailings storage facility and the integration of mining regions are being implemented as planned.

Sepon, Laos: Stripping at Khanong Copper Mine commenced in mid-2025, and mining of oxide ore has started. Primary ore mining is scheduled to commence in the second quarter of 2027, with a designed capacity of 1.3 million tonnes per annum. Mining at Thenkham South copper ore area has resumed, with oxide copper production expected to increase. Optimization of underground mine filling has achieved a near-zero loss rate. Optimization of the pressure oxidation process and application of shielding agents have significantly improved primary ore recovery rate. The new 1.2-million-tonnes-per-annum grinding mill has been successfully put into operation, further enhancing ore processing capacity.

Wassa, Ghana: The upgrade and renovation of the concentrator crushing system will be open to public tender upon completion of the third-party feasibility study, with a planned construction period of 13 months. Works such as dewatering, adit platform backfilling and ramp development in the Father Brown mining area are advancing simultaneously.

5. Internal control and risk management

Following its listing on both the A-share and H-share markets, the Company has strictly complied with higher standards of compliance and internal control requirements, continuously enhanced its audit system and institutional frameworks, promoted transparent process management, and steadily elevated internal control standards. During the Reporting Period, the Company reinforced comprehensive planning across procurement, logistics, sales, and other key areas, facilitated efficient integration between global and regional supply chains, promoting the efficient integration between the global and regional supply chains. Leveraging information-based and refined management practices, the Company has enhanced operational efficiency and transparency, delivering cumulative cost savings of more than RMB20 million.

The Company has further regulated the conduct of its global business segments to ensure authentic and accurate data, legally compliant processes, and transparent decision-making. A standardized mechanism for contractor access control, performance evaluation, and auditing procedures, is planned for establishment to ensure that all partners strictly adhere to the Company's requirements regarding safety, environmental protection, and regulatory compliance. Additionally, the Company has sustained efforts to strengthen its information security management. Through robust systems, targeted training programs, and advanced technical measures, it ensures the security of data and information systems, thereby providing solid support for the Company's prudent operation and risk mitigation.

INDUSTRY IN WHICH THE COMPANY OPERATED DURING THE REPORTING PERIOD

Driven by hedging demand and diversified asset allocation, investor sentiment in the global gold market improved significantly in 2025. As at the end of December 2025, the London Gold Fixing had increased by 62.90% compared to the beginning of the year, while the closing price of Au9999 gold on the Shanghai Gold Exchange had risen by 58.78% compared to the beginning of the year. According to the World Gold Council, the total global gold demand (including over-the-counter trading) exceeded 5,000 tonnes for the first time in 2025. The gold price set new historical highs 53 times during the year. The total value of global gold demand reached US\$555 billion, up 45% year-on-year.

A significant uptick in market investment boosted overall gold demand: global gold ETF holdings increased by 801 tonnes, marking the largest net inflow in history, while both assets under management and total holdings reached all-time highs. Despite pressure on gold jewelry demand from elevated gold prices, demand for gold bars and coins maintained an upward trend, with sales rising to a 12-year high.

Currently, global gold supply chain is encountering structural constraints, including inadequate investment in new mine development and weak supply elasticity. Meanwhile, many existing mines face challenges such as declining ore grades, outdated equipment, rising operational costs, and compliance pressures related to safety and environmental regulations. According to the “MINERAL COMMODITY SUMMARIES 2026” published by the United States Geological Survey (USGS) in February 2026, Australia and Russia possess the largest gold reserves globally, followed by South Africa, Indonesia, Canada and China. Global gold mine production in 2025 reached approximately 3,300 metric tonnes, representing an increase of only 0.61%. China, Russia, Australia, Canada, and the United States are the top five producers, together accounting for approximately 41% of the global output.

Data from the China Gold Association showed that in 2025, domestic raw material gold production totaled 381.339 tonnes, reflecting a year-on-year increase of 1.09%. Meanwhile, gold production derived from imported raw materials reached 170.681 tonnes, showing a year-on-year increase of 8.81%. Combined gold production from domestic and imported raw materials stood at 552.020 tonnes, representing a year-on-year increase of 3.35%. During the same period, consumption of gold bars and coins in China exceeded that of gold jewelry for the first time, marking a phased shift in the structure of domestic gold consumption.

A new pricing paradigm driven by softer U.S. dollar credibility, geopolitical risk premiums, and strong demand from central banks and private investors is redefining gold's role in the global monetary system. Demand for strategic gold allocation by global central banks is mainly led by emerging markets. Since 2010, gold reserves in emerging and developing economies have remained well below those in advanced economies, leaving ample room for further increases in central banks' gold reserves.

ANALYSIS OF CORE COMPETITIVENESS DURING THE REPORTING PERIOD

The Company adheres to the development strategy of “focusing on gold”, steadily promoting its international layout. The steady development of the Company is attributed to the following core competitive advantages:

(I) Professional management team and effective incentive mechanism

The Company's management team comprises senior experts with extensive experience in mining, capital markets and enterprise management. The Chairman, Mr. Wang Jianhua, and other senior management personnel have accumulated substantial management experience and achieved notable accomplishments within globally recognized mining enterprises. Furthermore, the Board includes experts from prestigious universities and research institutions, thereby enhancing the professionalism of corporate decision-making. A group of expert managers with both global vision and frontline practical experience have been successfully introduced, significantly strengthening organizational vitality and professional expertise.

The Company upholds the corporate culture of "coexistence and mutual growth", and promotes the trinity of owners, managers and employees. It has established a long-term internal incentive mechanism to effectively align the interests of core personnel with the Company's development goals, thereby enhancing the motivation of the management team and key employees. As a result, a strong alignment in mission, vision and action has been formed. In addition, the Company will continue to actively explore long-term equity incentive programs tailored to domestic and overseas employees, aiming to further strengthen its international management capabilities and operational efficiency.

(II) High-quality resource reserves and the potential for sustained capacity expansion

The Company has developed sustainable development strategies encompassing resource exploration, as well as enhancements in capacity and production output for each mine. The medium-to-long-term plans are both highly feasible and well-defined.

The Company's domestic gold mines are located among the rare high-grade deposits in China. The ore exhibits relatively high grades, and the mineralization conditions are favorable, demonstrating significant potential for further exploration and resource expansion. Furthermore, the Company's effective cost control measures have resulted in unit costs and gross profit margins that outperform the industry average of domestic gold mining peers. Ongoing deep exploration efforts, coupled with technological upgrades and process optimization, have substantially increased mining production and mineral processing capacity. These initiatives have positioned the Company on a steady path toward achieving its strategic objective of "discovering and developing large-scale mining operations".

The Sepon Gold and Copper Mine, operated by the Company, is the largest non-ferrous metal mine in Laos. The Company holds exclusive exploration and mining rights for mineral resources across a total area exceeding 1,000 km², including the Sepon mining area, offering substantial potential for future development. The initial resource estimation of the Sepon Mine SND project has further reinforced the strategic importance of the Sepon Mine within the Company's long-term development framework.

The Wassa Gold Mine, operated by the Company, is situated on the eastern margin of the southern segment of the globally renowned Ashanti Gold Belt, which extends for approximately 70 km. It represents the largest gold mining entity in Ghana in terms of the area covered by mining rights, and the mine site, along with its surrounding regions, holds significant exploration potential. Through continuous improvements in mining capacity and the optimization of mineral processing equipment and systems, the volume of ore processed and gold output have shown steady growth, providing sound conditions for sustainable production expansion and laying a solid foundation for the future growth in production capacity and resource reserves.

The Company has accumulated extensive experience in overseas merger and acquisition as well as resource integration. It has established an efficient system for target identification, transaction execution and business integration, ensuring the rapid implementation and tangible outcomes of exploration, capacity expansion and production growth initiatives. By combining internal exploration with external merger and acquisition, the Company is driving rapid growth in resource and reserves and production capacity, and accelerating the development of a globally competitive gold mining enterprise.

(III) Diversified financing capabilities and robust financial structure

In 2025, the Company issued H Shares through its initial public offering (IPO) on the Hong Kong Stock Exchange, thereby establishing an international platform for market financing and diversifying its financing channels. The Hong Kong listing has effectively attracted overseas investors, enhancing the internationalization of the shareholder structure and laying a solid foundation for the global expansion of the Company's brand and overseas operations.

The dual listing of A Shares and H Shares provides a wide variety of financing channels to the Company, offering more flexible and efficient financing options during the period of rapid business expansion. This strategy will provide critical financial momentum for the Company's continued global resource mergers and acquisitions, core mine exploration and development, as well as intelligent technological transformation and expansion. Going forward, the Company will closely align with the pace of business growth, flexibly leverage various forms of equity financing to reduce reliance on debt, and simultaneously employ structured financial instruments such as asset securitization and project-specific financing for mining initiatives. These efforts aim to unlock the value of existing assets and achieve optimal capital allocation efficiency.

With ample operating cash flow and through the dynamic refinancing of existing debt in line with prevailing market interest rate cycles, the Company has steadily reduced its interest-bearing liabilities. Meanwhile, non-productive expenditures have been strictly controlled. By implementing refined fund management and control measures, capital utilization efficiency has been enhanced, and the liability structure has been continuously optimized.

Currently, the Company has established a high-quality financial structure characterized by “low interest-bearing debt combined with strong cash flow”. The scale of interest-bearing debt remains among the lowest compared to global peers, interest expenses have declined significantly, and cash flow remains robust. This financial structure not only ensures stable financial support for strategic initiatives such as global high-quality mine mergers and acquisitions and the enhancement of resource operational capabilities, but also substantially strengthens financial resilience against cyclical fluctuations and geopolitical risks, thereby laying a solid foundation for sustainable and high-quality development in the medium to long term.

(IV) High-efficiency operations and coordinated resource allocation

Under the guidance of the management team, each mine within the Company focuses on enhancing operational efficiency by leveraging its specific circumstances. The Company consistently advances technological innovation and management optimization through the accelerated research and application of new technologies, the implementation of global centralized procurement, and the refinement of organizational structures. As a result, resource allocation efficiency and operational coordination capabilities have been significantly improved, further strengthening the Company’s competitive position within the industry.

In recent years, domestic mines have enhanced operational efficiency and resource utilization through progressive investment and systematic modernization, serving as the stabilizer of corporate profitability and the cornerstone of cash flow. Overseas mines are operating in a stable manner and employ internationally advanced mining and production technologies and concepts, serving as the primary driver for the Company’s production growth. The Company has progressively unlocked its production potential and delivered steady improvements in overall operational efficiency by implementing measures such as capacity expansion and optimization at its existing projects.

MAJOR OPERATING CONDITIONS DURING THE REPORTING PERIOD

In 2025, the Group recorded operating income from the principal business of RMB12.623 billion, among which, the mining segment produced 14.51 tonnes of mined gold, representing a decrease of 4.27% as compared to last year, and 6.8 thousand tonnes of copper cathodes, representing an increase of 9.07% as compared to last year. This segment recorded operating income from its principal business of RMB12.412 billion, accounting for 98.33% of the Group's operating income from its principal business. As at the end of the Reporting Period, the Group's total assets were RMB24.981 billion, and the net assets attributable to Shareholders of the parent company were RMB13.415 billion, representing an increase of 22.89% and 69.45% respectively, as compared to the end of last year.

(I) Analysis on Principal Business

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

Unit: Yuan Currency: RMB

Items	Amount for the current period	Amount for the same period last year	Percentage of change (%)
Operating income	12,638,506,229.12	9,025,821,822.22	40.03
Operating costs	6,008,408,689.62	5,068,770,478.41	18.54
Selling expenses	252,666.85	348,745.14	(27.55)
Administrative expenses	584,210,837.63	492,286,721.36	18.67
Finance expenses	48,227,376.68	155,363,874.45	(68.96)
Research and development expenses	117,241,958.61	63,615,898.70	84.30
Net cash flows from operating activities	5,555,589,287.50	3,268,480,659.70	69.97
Net cash outflows used in investing activities	(2,310,401,317.06)	(958,411,154.21)	N/A
Net cash flows from/(used in) financing activities	972,342,660.23	(1,097,464,248.48)	N/A

- (1) Operating costs increased compared to the same period last year mainly due to the increase in the operating costs of mined gold and copper cathode;
- (2) Administrative expenses increased compared to the same period last year mainly due to an increase in the Group's labour expenses and professional consulting expenses;
- (3) Net finance expenses decreased compared to the same period last year primarily due to the decrease in finance expenses resulting from the improvement in the Group's operating cash flow and thus extra cash was used to prepay bank loans. Meanwhile, the increase in interest income was due to the increase in the Group's own funds;
- (4) Research and development expenses increased compared to the same period last year mainly due to the increasing investment in research and development by Jilong Mining, Wulong Mining and LXML;
- (5) The increase in net cash flows from operating activities was mainly due to the rise in selling price of mined gold, which led to an increase in proceeds from sales during the current period;
- (6) The increase in the net cash outflows used in investing activities was mainly due to the combined impact from the recoup of about RMB453 million investment from the disposal of equity investment during the same period last year, coupled with an increase in capital expenditures during this period;
- (7) The increase in net cash inflows from financing activities was mainly due to the combined impact from the proceeds from the listing on the Hong Kong Stock Exchange, coupled with a significant decrease in net debt during the current period.

2. Operating Income and Operating Costs Analysis

(1) Principal business by sector, product and region

Unit: Yuan Currency: RMB

Analysis of the principal business by sector						
By sector	Operating income	Operating costs	Gross profit margin (%)	Change in operating income as compared to last year (%)	Change in operating costs as compared to last year (%)	Change in gross profit margin as compared to last year
Mining sector	12,412,262,165.63	5,758,931,126.00	53.60	42.38	20.07	Increased by 8.62pp
Comprehensive resource recycling and utilization	210,642,147.67	237,826,778.05	(12.91)	(18.45)	2.66	Decreased by 23.22pp

Analysis of the principal business by product						
By product	Operating income	Operating costs	Gross profit margin (%)	Change in operating income as compared to the same period last year (%)	Change in operating costs as compared to the same period last year (%)	Change in gross profit margin as compared to the same period last year
Mined gold	11,338,917,613.16	4,704,089,809.87	58.51	42.12	11.16	Increased by 11.55pp
Copper cathode	505,541,750.16	661,763,891.47	(30.90)	24.11	81.57	Decreased by 41.43pp
Copper concentrate powder	72,190,806.51	13,763,489.04	80.93	254.58	79.57	Increased by 18.58pp
Lead concentrate powder	52,953,777.74	18,061,836.33	65.89	(7.78)	(14.05)	Increased by 2.49pp
Zinc concentrate powder	202,003,778.55	126,136,973.00	37.56	65.31	58.46	Increased by 2.70pp
Molybdenum concentrate powder	96,834,324.18	65,661,714.93	32.19	(21.46)	(25.04)	Increased by 3.24pp
Mined Silver	–	–	–	(100.00)	(100.00)	N/A
Rare earth products	143,820,115.33	169,453,411.36	(17.82)	N/A	N/A	N/A
Others (Disassembly of electronic products)	210,642,147.67	237,826,778.05	(12.91)	(18.45)	2.66	Decreased by 23.22pp

Analysis of the principal business by region

By region	Operating income	Operating costs	Gross profit margin (%)	Change in operating income as compared to the same period last year (%)	Change in operating costs as compared to the same period last year (%)	Change in gross profit margin as compared to the same period last year
Domestic regions	3,635,025,196.44	1,129,538,700.70	68.93	32.77	7.90	Increased by 7.17pp
Overseas regions	8,987,879,116.86	4,867,219,203.35	45.85	44.08	22.26	Increased by 9.67pp

Approximately 71.20% of the Group's operating income from its principle activities is derived from overseas mining operations.

(2) Analysis of Production and Sales Volume

Major products	Unit	Production volume	Sales volume	Unit selling price	Change in production volume as compared to last year (%)	Change in sales volume as compared to last year (%)	Change in Unit selling price as compared to last year (%)
Mined gold	kg	14,510.58	14,448.52	784.78 RMB/gram	(4.27)	(5.06)	49.69
Copper cathode	tonne	6,754.57	6,869.77	73,589.31 RMB/tonne	9.07	9.51	13.33
Copper concentrate powder	tonne	3,160.15	3,122.15	23,122.18 RMB/tonne	128.89	123.58	58.59
Lead concentrate powder	tonne	3,680.12	3,764.54	14,066.47 RMB/tonne	(9.16)	(8.39)	0.67
Zinc concentrate powder	tonne	29,518.37	29,473.65	6,853.71 RMB/tonne	98.18	92.33	(14.05)
Molybdenum concentrate powder	tonne	675.53	669.25	144,691.89 RMB/tonne	(1.64)	(24.32)	3.79
Rare earth products	tonne	998.56	853.01	168,602.98 RMB/tonne	N/A	N/A	N/A

(3) *Analysis of Unit Operating Costs and Gross Profit Margin*

Major product	Unit	Unit operating costs			Gross profit margin (%)	
		2025	2024	Percentage of change (%)	2025	2024
Mined gold	RMB/gram	326.26	278.08	17.33	58.51	46.96
Copper cathode	RMB/tonne	96,329.82	58,097.41	65.81	(30.90)	10.53
Copper concentrate powder	RMB/tonne	4,408.34	5,488.68	(19.68)	80.93	62.35
Lead concentrate powder	RMB/tonne	4,797.89	5,113.72	(6.18)	65.89	63.40
Zinc concentrate powder	RMB/tonne	4,279.65	5,194.25	(17.61)	37.56	34.86
Molybdenum concentrate powder	RMB/tonne	98,113.12	99,050.28	(0.95)	32.19	28.95
Rare earth products	RMB/tonne	198,653.37	N/A	N/A	(17.82)	N/A
Overall gross profit margin (<i>Note 1</i>)					52.46	43.84

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

Note 2: In 2025, the development ore generated during the technical transformation of Huatai Mining was not included in the calculation of the unit operating costs of the mined gold.

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

Items	Unit cost for the current period		Unit cost for the previous period		Percentage of change	
	Operating costs	All-in sustaining cost	Operating costs	All-in sustaining cost	Change in operating costs as compared to last year (%)	All-in sustaining cost change as compared to last year (%)
Mined gold (RMB/gram)	326.26	372.63	278.08	281.19	17.33	32.52

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

Note 2: The exchange rate of USD to RMB used in the current period and the previous period is 1: 7.1429 and 1: 7.1217, respectively.

	Unit cost for the current period		Unit cost for the previous period		Percentage of change	
	Operating costs	All-in sustaining cost	Operating costs	All-in sustaining cost	Change in operating costs as compared to last year (%)	All-in sustaining cost change as compared to last year (%)
Domestic mines (RMB/gram)	180.48	277.83	157.09	224.54	14.89	23.73
LXML (USD/oz)	1,472.32	1,596.22	1,497.05	1,323.75	(1.65)	20.58
GSWL (USD/oz)	1,860.17	1,972.98	1,303.89	1,304.46	42.66	51.25

Note 1: In 2025, the development ore generated during the technical transformation of Huatai Mining was not included in the calculation of the unit cost of the domestic mines.

Note 2: The unit cost for GSWL has increased significantly compared to the same period last year, primarily due to the following reasons:

First, the rise in gold prices in 2025 led to an increase in operating income. Additionally, the growth and sustainability levy tax rate increased from 1% to 3% since April 2025. The combined effect of the tax calculation base and higher tax rate resulted in an increase in resources tax and growth and sustainability levy.

Second, there were new mining operational units in GSWL in 2025, leading to higher operating costs, including drilling, tunneling, mining and other related activities.

Third, a decline in the grade of ore processed, coupled with the early arrival of the rainy season, led to a decrease in gold produced and sold.

(5) Analysis of Cost Components

Unit: Yuan Currency: RMB

By sector	Cost components	By sector				
		Amount for the current period	Percentage of total cost for current period (%)	Amount for last year	Percentage of total cost for last year (%)	Change in amount for the current period as compared with last year (%)
Mining sector	Labour expense	838,165,510.83	14.55	841,481,125.15	17.54	(0.39)
	Materials expense	1,977,306,012.19	34.34	1,828,408,052.34	38.13	8.14
	Electricity fees	429,606,282.03	7.46	355,147,614.06	7.40	20.97
	Depreciation charge	1,213,401,546.59	21.07	1,247,246,236.00	26.00	(2.71)
	Services and Others	1,300,451,774.36	22.58	524,019,374.22	10.93	148.17
	Subtotal	5,758,931,126.00	100.00	4,796,302,401.77	100.00	20.07
Resource recycling and utilization	Labour expense	6,998,869.93	2.94	7,125,473.31	3.08	(1.78)
	Materials expense	224,554,275.06	94.42	217,525,032.46	93.89	3.23
	Electricity fees	1,382,814.10	0.58	824,820.15	0.36	67.65
	Depreciation charge	3,462,841.32	1.46	3,220,484.76	1.39	7.53
	Services and Others	1,427,977.64	0.60	2,963,437.43	1.28	(51.81)
	Subtotal	237,826,778.05	100.00	231,659,248.11	100.00	2.66

By product						
By product	Cost components	Amount for the current period	Percentage of total cost for current period (%)	Amount for last year	Percentage of total cost for last year (%)	Change in amount for the current period as compared with last year (%)
Mined gold	Labour expense	695,033,637.66	14.78	712,583,460.55	16.84	(2.46)
	Materials expense	1,686,852,598.87	35.86	1,627,144,657.07	38.44	3.67
	Electricity fees	360,980,631.30	7.67	292,750,592.58	6.92	23.31
	Depreciation charge	974,293,197.36	20.71	1,144,199,926.19	27.04	(14.85)
	Services and Others	986,929,744.68	20.98	455,150,948.33	10.76	116.84
	Subtotal	4,704,089,809.87	100.00	4,231,829,584.72	100.00	11.16
Copper cathode	Labour expense	54,468,688.98	8.23	33,278,523.78	9.13	63.68
	Materials expense	194,680,271.59	29.42	162,533,099.09	44.59	19.78
	Electricity fees	26,422,882.52	3.99	26,158,019.22	7.18	1.01
	Depreciation charge	187,217,020.07	28.29	84,040,639.26	23.06	122.77
	Services and Others	198,975,028.31	30.07	58,452,176.87	16.04	240.41
	Subtotal	661,763,891.47	100.00	364,462,458.22	100.00	81.57
Copper concentrate powder	Labour expense	1,955,510.39	14.21	3,380,063.37	44.10	(42.15)
	Materials expense	1,705,474.72	12.39	1,423,184.48	18.57	19.84
	Electricity fees	1,909,928.96	13.88	1,486,346.77	19.39	28.50
	Depreciation charge	1,987,550.06	14.44	842,448.21	10.99	135.93
	Services and Others	6,205,024.91	45.08	532,685.67	6.95	1064.86
	Subtotal	13,763,489.04	100.00	7,664,728.50	100.00	79.57

By product						
By product	Cost components	Amount for the current period	Percentage of total cost for current period (%)	Amount for last year	Percentage of total cost for last year (%)	Change in amount for the current period as compared with last year (%)
Lead concentrate powder	Labour expense	2,991,604.14	16.56	9,267,248.32	44.10	(67.72)
	Materials expense	2,694,842.94	14.92	3,901,999.02	18.57	(30.94)
	Electricity fees	2,818,960.48	15.61	4,075,173.48	19.39	(30.83)
	Depreciation charge	2,576,105.17	14.26	2,309,772.31	10.99	11.53
	Services and Others	6,980,323.60	38.65	1,460,484.58	6.95	377.95
	Subtotal	18,061,836.33	100.00	21,014,677.71	100.00	(14.05)
Zinc concentrate powder	Labour expense	20,317,716.52	16.10	35,103,062.28	44.10	(42.12)
	Materials expense	16,647,117.93	13.20	14,780,235.70	18.57	12.63
	Electricity fees	18,624,653.11	14.77	15,436,196.76	19.39	20.66
	Depreciation charge	17,786,076.56	14.10	8,749,099.91	10.99	103.29
	Services and Others	52,761,408.88	41.83	5,532,114.75	6.95	853.73
	Subtotal	126,136,973.00	100.00	79,600,709.40	100.00	58.46
Molybdenum concentrate powder	Labour expense	6,716,450.03	10.23	45,930,915.19	52.44	(85.38)
	Materials expense	8,811,405.81	13.42	17,880,772.09	20.41	(50.72)
	Electricity fees	9,384,699.67	14.29	14,850,759.01	16.95	(36.81)
	Depreciation charge	3,863,686.91	5.88	6,276,757.46	7.17	(38.44)
	Services and Others	36,885,472.51	56.18	2,657,891.61	3.03	1,287.77
	Subtotal	65,661,714.93	100.00	87,597,095.36	100.00	(25.04)

By product						
By product	Cost components	Amount for the current period	Percentage of total cost for current period (%)	Amount for last year	Percentage of total cost for last year (%)	Change in amount for the current period as compared with last year (%)
Rare earth products	Labour expense	56,681,903.11	33.45	–	N/A	N/A
	Materials expense	65,914,300.33	38.90	–	N/A	N/A
	Electricity fees	9,464,525.99	5.59	–	N/A	N/A
	Depreciation charge	25,677,910.46	15.15	–	N/A	N/A
	Services and Others	11,714,771.47	6.91	–	N/A	N/A
	Subtotal	169,453,411.36	100.00	–	N/A	N/A
Mined silver	Labour expense	–	N/A	1,937,851.67	46.89	(100.00)
	Materials expense	–	N/A	744,104.89	18.00	(100.00)
	Electricity fees	–	N/A	390,526.23	9.45	(100.00)
	Depreciation charge	–	N/A	827,592.66	20.02	(100.00)
	Services and Others	–	N/A	233,072.41	5.64	(100.00)
	Subtotal	–	N/A	4,133,147.86	100.00	(100.00)
Others	Labour expense	6,998,869.93	2.94	7,125,473.31	3.08	(1.78)
	Materials expense	224,554,275.06	94.42	217,525,032.46	93.89	3.23
	Electricity fees	1,382,814.10	0.58	824,820.15	0.36	67.65
	Depreciation charge	3,462,841.32	1.46	3,220,484.76	1.39	7.53
	Services and Others	1,427,977.64	0.60	2,963,437.43	1.28	(51.81)
	Subtotal	237,826,778.05	100.00	231,659,248.11	100.00	2.66

(6) Information on major customers and suppliers

A. Major customers of the Company

The sales to the top five customers amounted to RMB10,227.9155 million, accounting for 80.93% 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 from the largest customer accounted for 38.16% of the total sales for the year.

Unit: Yuan Currency: RMB

No.	Name of the customer	Operating income	Percentage of the total operating income for the year (%)
1	ABC Refinery (Australia) Pty Ltd	4,821,729,058.34	38.16
2	Rand Refinery Proprietary Limited	2,848,409,872.43	22.54
3	Huadian Gold Co., Ltd	1,395,803,128.11	11.04
4	Bank of Ghana	591,785,327.48	4.68
5-1	Shandong Jinchuang Gold and Silver Smelting Co., Ltd	354,292,808.18	2.80
5-2	Shanjin Ruipeng (Tianjin) Trading Co., Ltd	215,895,282.43	1.71
Total		<u>10,227,915,476.97</u>	<u>80.93</u>

B. Major suppliers of the Company

Purchases from the top five suppliers amounted to RMB1,460.8808 million, accounting for 21.89% 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 purchase amount from the largest supplier accounted for 7.03% of the total purchase amount of the year.

Unit: Yuan Currency: RMB

No.	Name of the supplier	Purchase amount	Percentage of the total purchase amount for the year (%)
1	Setters Investment Co., Ltd	468,787,980.93	7.03
2	Yellow Power Ghana Limited	407,179,925.49	6.10
3	Electricite Du Laos	223,296,310.34	3.35
4	TD Lao and MVDC Joint Venture Co. Ltd	207,540,009.09	3.11
5	Zhejiang Baoshu Construction Co. Ltd.	154,076,561.24	2.30
Total		<u>1,460,880,787.09</u>	<u>21.89</u>

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

1. Key quarterly financial data 2025

Unit: Yuan Currency: RMB

	Q1 (Jan-Mar)	Q2 (Apr-Jun)	Q3 (Jul-Sep)	Q4 (Oct-Dec)
Operating income	2,407,203,605.84	2,864,834,007.12	3,372,133,316.04	3,994,335,300.12
Net profit attributable to shareholders of the parent	483,416,308.44	623,485,343.44	951,080,888.09	1,024,385,251.71
Net profit attributable to shareholders of the parent after deducting non-recurring profits and losses	488,252,302.63	623,656,344.62	914,055,609.68	1,032,308,227.49
Net cash flows from operating activities	338,008,396.30	1,274,723,206.26	1,422,908,792.64	2,519,948,892.30

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

	<i>Unit: Yuan Currency: RMB</i>	
	2025	2024
Gains or losses from disposal of non-current assets, including the write-off of the provision for impairment of assets	452,946.45	70,752,328.28
Government grants included in the current profit or loss, except those that are closely related to the Group's normal business operations, which comply with national policies and can be obtained based on established standards, and which have a continuing impact on the Group's profit or loss	3,163,888.54	2,444,570.99
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 Group's normal business operations	42,669,606.18	(6,695,775.42)

	2025	2024
Losses of assets arising from force majeure, such as natural disasters (<i>Note</i>)	(22,575,406.04)	–
Reversal of impairment provision for receivables which was individually tested for impairment	310,254.28	1,777,552.54
Non-operating income and expenses other than reasons mentioned above	(14,668,999.14)	(4,653,206.01)
Other profit or loss within the definition of non-recurring profit and loss	<u>487,138.80</u>	<u>262,525.77</u>
Subtotal	<u>9,839,429.07</u>	<u>63,887,996.15</u>
Less: Effect of income tax	11,866.03	(118,442.13)
Impact on minority interests (after tax)	<u>(14,267,744.22)</u>	<u>(79,571.71)</u>
Total	<u>24,095,307.26</u>	<u>64,086,009.99</u>

Note: The loss arising from natural disasters in 2025 was the damage of the work in progress products of Chixia Mining, an overseas subsidiary of the Group, caused by typhoon in Laos.

3. Items measured at fair value

Unit: Yuan Currency: RMB

Items	Balance at the beginning of the Reporting Period	Balance at the end of the Reporting Period	Changes in the current period	Impact on the profit for the current period
Financial assets held for trading	9,998,984.68	19,231,618.75	9,232,634.07	39,676,504.33
Derivative financial instruments	5,251,800.00	–	(5,251,800.00)	(30,946,580.07)
Financial liabilities held for trading	(707,020,000.00)	–	707,020,000.00	(32,475,515.38)
Total	<u>(691,769,215.32)</u>	<u>19,231,618.75</u>	<u>711,000,834.07</u>	<u>(23,745,591.12)</u>

4. Key financial ratios

Financial Ratios	As at 31 December 2025	As at 31 December 2024	Change for the end of current period over the end of last year	Reasons for change
Current ratio (note 1)	275.29%	158.09%	Increased by 117.20 pp	The increase in the Group's own funds resulting from operation accumulation and the proceeds from listing on the Hong Kong Stock Exchange
Quick ratio (note 2)	199.78%	88.56%	Increased by 111.22 pp	The increase in the Group's own funds resulting from operation accumulation and the proceeds from listing on the Hong Kong Stock Exchange
Gearing ratio (note 3)	33.91%	47.25%	Decreased by 13.34 pp	The decrease in the scale of the debt and the increase in the scale of assets

- Notes:*
1. Current ratio is calculated as total current assets divided by the total current liabilities.
 2. Quick ratio is calculated as total current assets less inventories and prepayments divided by total current liabilities.
 3. 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 2025, the Group had cash and bank balances of RMB6,821 million (as at 31 December 2024: RMB2,747 million).

As at 31 December 2025, the Group had interest-bearing bank liabilities of RMB878 million (as at 31 December 2024: RMB2,697 million), of which the interest-bearing bank liabilities due within one year amounted to RMB809 million (as at 31 December 2024: RMB2,097 million); the interest-bearing bank liabilities due within one to two years amounted to RMB69 million (as at 31 December 2024: RMB380 million); the interest-bearing bank liabilities due within two to five years were nil (as at 31 December 2024: RMB220 million).

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

Short-term borrowings: As at 31 December 2025, the short-term borrowings amounted to RMB708 million at an interest rate ranging from 1.20% to 5.34% per annum (as at 31 December 2024: RMB1,108 million at an interest rate ranging from 2.35% to 5.70% 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 2025, the amount of financial liabilities held for trading was nil (as at 31 December 2024: RMB707 million).

Long-term borrowings (including long-term borrowings due within one year): As at 31 December 2025, the long-term borrowings amounted to RMB170 million at an interest rate ranging from 2.70% to 3.15% per annum (as at 31 December 2024: RMB882 million at an interest rate of 3.20% to 5.69% per annum).

For the year ended 31 December 2025, the Group financed its operations through equity financing, bank loans, internally generated cash flows, and the proceeds from the listing on the Hong Kong Stock Exchange. The Group pursues a prudent treasury management policy and actively manages its liquidity position with sufficient standby banking facilities to cope with daily operation and any demands for capital in future development.

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

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

(III) Analysis of Assets and Liabilities

1. Assets and liabilities

Unit: Yuan Currency: RMB

Items	Closing balance at the end of the Reporting Period	Proportion to total assets at the end of the Reporting Period (%)	Closing balance at the end of last year	Proportion to total assets at the end of last year (%)	Change of the closing balance (%)	Explanations
Cash and bank balances	6,820,720,561.54	27.30	2,747,442,442.93	13.52	148.26	Self-owned funds of the Group increased during the current period due to the inflow of free cash flow and the proceeds from the listing on the Hong Kong Stock Exchange.
Trade receivables	466,577,452.85	1.87	587,165,738.54	2.89	(20.54)	The receipt of the receivables from customers increased during the Reporting Period.
Prepayments	126,376,173.62	0.51	276,484,571.30	1.36	(54.29)	The consolidation of rare earth business to the Group in the Reporting Period.
Construction in progress	776,911,092.97	3.11	677,866,937.65	3.33	14.61	Investment in production expansion projects in the current period increased.
Other non-current assets	253,470,802.69	1.01	206,516,336.78	1.02	22.74	The tailings storage facility project was launched and compensations for land use were paid to local residents during the Reporting Period.

Items	Closing balance at the end of the Reporting Period	Proportion to total assets at the end of the Reporting Period (%)	Closing balance at the end of last year	Proportion to total assets at the end of last year (%)	Change of the closing balance (%)	Explanations
Financial liabilities held for trading	-	-	707,020,000.00	3.48	(100.00)	The gold leases under the previous model were all repaid by the end of the Reporting Period. The new gold leasings were all hedged by the banks and recognized in "Short-term borrowings".
Tax payable	1,338,090,221.61	5.36	698,951,345.10	3.44	91.44	The balances of the growth and sustainability levy and corporate income tax increased at the end of the Reporting Period.
Other payables	409,073,379.19	1.64	225,263,620.79	1.11	81.60	The Company received the funds from Phase III Employee Stock Ownership Plan and the vesting criteria have not been met by the end of the Reporting Period.
Long-term borrowings	69,617,398.59	0.28	599,502,985.86	2.95	(88.39)	Part of the long-term borrowings were prepaid.

2. Overseas assets

(1) Asset Size

Overseas assets were RMB17,186.0038 million, accounting for 68.80% of the total assets of the Group as at 31 December 2025.

(2) Relevant explanations on the overseas assets with a relatively large proportion

Unit: ten thousands Yuan Currency: RMB

Name of overseas assets	Initial recognition	Operational model	Operating income for the Reporting Period	Net profit/ (loss) for the Reporting Period
LXML	Merger and acquisition	Self-operation	529,886.94	143,181.32
Golden Star Resources	Merger and acquisition	Self-operation	354,771.49	43,876.88
Chixia Mining	Merger and acquisition	Self-operation	13,957.38	(13,558.09)

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

Unit: Yuan Currency: RMB

Item	Carrying amount at the end of the Reporting Period	Reasons for restriction
Cash and bank balances	118,011,032.64	Note 1
Other non-current assets	121,120,040.47	Note 2
Fixed assets	<u>195,271,568.52</u>	Note 3
Total	<u><u>434,402,641.63</u></u>	

Note 1: As at 31 December 2025, the Group's cash and bank balances restricted from being used was RMB118,011,032.64, listed under "Other Monetary Fund". Among them, RMB16,163,720.64 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; USD14,490,000.00 is a one-year term deposit of GSWL, with the deposit period from 9 December 2025 to 9 December 2026, at an interest rate of 4.0%. The term deposit has been used as collateral to secure the bank guarantee opened in the name of GSWL for fulfilling its land reclamation obligations.

Note 2: As at 31 December 2025, other non-current assets of the Group restricted from being used (including the portion due within one year) amounted to RMB121,120,040.47, which were restricted due to the Group's contribution to the mine geological environment governance and restoration fund that cannot be withdrawn on demand.

Note 3: As at 31 December 2025, the Group's long-term borrowings of RMB100,367,878.16 were secured by fixed assets of Wulong Mining and Jilong Mining with carrying amounts of RMB135,119,736.54 and RMB60,151,831.98, respectively.

Apart from the above, the Group has no material pledge of assets or contingent liabilities as at 31 December 2025.

(IV) Analysis on Operational Information of the Industry

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 (%)	Change in total costs of raw materials compared with the same period last year (%)
Self-owned mines	<u>314,468.76</u>	<u>100</u>	23.48

(V) Analysis on Investments

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	Accumulated	Investment	Accumulated	Source of funding	Project progress	Expected target
	investment amount as of 31 December 2024	for the Reporting Period	investment amount as of 31 December 2025			
Far West Project of LXML	13,143.84	782.67	13,926.51	Self-owned fund	97%	Annual mining volume of 1.30 million tonnes
Resin leaching project of LXML	3,830.79	1,029.02	4,859.81	Self-owned fund	42%	Recovery rate increase by 3.5%
Copper Oxide Grinding Upgrade Project of LXML	-	4,876.13	4,876.13	Fund raising from proceeds of listing on the Hong Kong Stock Exchange	96%	Ore grinding volume increase by approximately 30% and recovery rate increase by 5%
Dagudingzi Tailings Storage Facility of Wulong Mining	122.30	7,800.00	7,922.30	Fund raising from proceeds of listing on the Hong Kong Stock Exchange	21%	Storage capacity of 9.73 million cubic meters

2. Financial assets measured at fair value

Unit: Yuan Currency: RMB

Assets Category	Balance at the beginning of the Reporting Period	Gains/(losses) on Changes In fair value for the current period	Investment income for the current period	Purchase amount for the current period	Sales amount for the current period	Other	Balance at the end of the Reporting Period
Stock investments	9,998,984.68	9,758,004.91	26,694,726.18	46,129,335.03	(72,824,061.21)	(525,370.84)	19,231,618.75
Gold leasing hedging contracts	5,251,800.00	(5,251,800.00)	–	–	–	–	–
Other equity investments	–	–	–	10,000,000.00	–	–	10,000,000.00
Banking wealth management products and structured deposit	–	–	3,223,773.24	2,543,780,000.00	(2,547,003,773.24)	–	–
Total	15,250,784.68	4,506,204.91	29,918,499.42	2,599,909,335.03	(2,619,827,834.45)	(525,370.84)	29,231,618.75

Details of Securities Investment

Securities type	Security Code	Security short name	Source of funding	Balance at the beginning of the Reporting Period	Gains/(losses) on Changes In fair value for the current period	Purchase amount for the current period	Sales amount for the current period	Investment income for the current period	Exchange differences on foreign currency translation	Balance at the end of the Reporting Period	Accounting Item
Stock	MTC.ASX	MetalsTech Zijin Gold	Self-owned funds	9,998,984.68	9,758,004.91	–	–	–	(525,370.84)	19,231,618.75	Financial assets held for trading
Stock	2259.HK	Intl	Self-owned funds	–	–	46,129,335.03	(72,824,061.21)	26,694,726.18	–	–	Financial assets held for trading
Total	/	/	/	9,998,984.68	9,758,004.91	46,129,335.03	(72,824,061.21)	26,694,726.18	(525,370.84)	19,231,618.75	/

Note: The initial investment costs in MetalsTech Limited and Zijin Gold International Company Limited were AUD3 million and HK\$50.5027 million, respectively.

3. Derivative Investments

On 29 March 2025, the Company held the 35th meeting of the eighth session of the Board and considered and approved the “Proposal on the Launch of Futures Hedging Activities in 2025”. 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 and foreign exchange risk exposures at appropriate times. This aims to enhance the Company’s risk resistance capability and ensure stable operations.

4. Analysis on Major Companies in Which the Company has Invested

Unit: ten thousands Yuan Currency: RMB

Company name	Type of company	Principal operation	Registered capital	Total assets	Net assets	Operating income	Operating profit/(loss)	Net profit/(loss)
Jilong Mining	Subsidiary	Gold mining and processing	17,500	252,111.47	202,512.37	138,338.26	96,330.43	82,169.97
Huatai Mining	Subsidiary	Gold mining and processing	2,000	32,756.75	(1,243.10)	3,690.22	149.32	433.23
Wulong Mining	Subsidiary	Gold mining and processing	4,000	227,544.25	171,936.31	126,955.00	69,097.22	58,728.15
Xinhenghe Mining	Subsidiary	Gold mining and processing	4,000	57,189.35	40,504.13	31,327.48	22,332.21	18,592.99
Hanfeng Mining	Subsidiary	Non-ferrous metal mining and processing	42,920	76,878.77	63,848.17	42,459.38	15,222.29	12,705.52
LXML	Subsidiary	Gold and non-ferrous metal mining and processing	1,436,516.83 million	716,256.61	438,754.94	529,886.94	214,621.97	143,181.32
Golden Star Resources	Subsidiary	Gold mining and processing	US\$932.9285 million	937,010.66	456,654.91	354,771.49	91,686.41	43,876.88
Guangyuan Technology	Subsidiary	Disassembling of waste electrical and electronic products	4,477.60	39,721.42	32,344.49	21,163.84	(3,386.16)	(2,344.79)
Chijin Xiawu	Subsidiary	Rare earth mining and processing	40,000	40,250.87	27,343.30	15,258.02	(11,486.64)	(13,756.57)

Note 1: The business substance of Xinhenghe Mining are held by its subsidiary Jintai Mining. The business substance of Golden Star Resources are held by its subsidiary GSWL. The business substance of Chijin Xiawu are held by its subsidiaries CIRE Mining and CIREX Mining.

Note 2: The financial data of Wulong Mining, Xinhenghe Mining, Golden Star Resources, Guangyuan Technology and Chijin Xiawu are based on their consolidated financial statement figures.

MANAGEMENT DISCUSSION AND ANALYSIS ON FUTURE DEVELOPMENT OF THE COMPANY

(I) Industry landscape and trends

Gold prices have maintained an upward trend amid shifting geopolitical landscapes and mounting concerns over the U.S. dollar system. The “de-dollarization” trend has caused the pricing logic of gold to deviate from traditional fundamental framework. The record-breaking gold purchases by global central banks demonstrate that gold is being re-endowed with the strategic attributes of being “non-sovereign and sanctions-resistant”. Fluctuations in U.S. dollar credit, inflation expectations, risk-off sentiment and other core drivers will continue to support a sustained uplift in the central pricing level of gold. Gold’s position and demand in global broad asset allocation have continued to rise, while various leading international investment banks have successively raised their medium-to-long-term gold price forecasts.

From a fundamental perspective, gold prices still have support on the upside: firstly, Federal Reserve rate cut expectations and further downside potential in the US Dollar Index are conducive to strengthening gold's financial and monetary attributes; secondly, geopolitical risks remain elevated; and thirdly, the "de-dollarization" trend persists, and the trend of central bank gold accumulation is difficult to reverse. Going forward, the upward impetus to gold prices from certain non-routine factors may moderate, and gold prices may periodically revert to the upper end of the range as determined by fundamentals. On the one hand, external geopolitical and policy pressures may ease, shifting relevant focus to domestic economic conditions; on the other hand, the market's periodic over-trading of monetary policy expectations will gradually unwind, and the assessment of Federal Reserve policy will realign with the underlying fundamentals of the US economy.

From a supply perspective, Metals Focus, a leading metals consultancy, forecast in its "Precious Metals Investment Focus Report" published in October 2025 that the global gold supply surplus will reach 41.9 million ounces in 2026, representing a year-on-year increase of 28%, while this incremental supply is expected to be absorbed by robust investment demand. During the same period, gold mine production may hit another record high, while recycled gold volumes are expected to increase by 6% to a 14-year high. In contrast, the World Gold Council stated in its "Gold Demand Trends: Q4 and Full Year 2025" published in January 2026 that further substantial expansion of gold production from current levels still faces significant constraints.

Gold prices are jointly driven by financial, monetary, commodity, risk-off and inflation-hedging attributes, with the relative weighting of each attribute changing in line with prevailing market conditions. Gold pricing is currently undergoing a structural paradigm shift, with its pricing logic progressively and materially decoupling from the U.S. dollar framework. Policy risks, inflation expectations and changes in the structure of investor holdings will collectively determine the future trajectory of the gold market.

(II) Development strategy of the Company

The Company focuses 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 be a prominent gold producer well recognized around the world".

(III) Potential risks

1. Overall risk management

Facing a complex and volatile international political and economic environment, intensifying geopolitical conflicts, rising resource nationalism, and profound adjustments in the global mining landscape, the Company adheres to bottom-line thinking and systematic risk prevention. It continuously refines its comprehensive risk management system, embedding risk identification, assessment, monitoring, and response into all processes including strategic decision-making, investment and mergers, production operations, and financial management, and establishes a risk prevention mechanism covering both domestic and overseas assets, providing a solid foundation for the Company's global, scaled, and high-quality development.

2. Key risks and countermeasures

Geopolitical and country-specific policy risks

Frequent global geopolitical conflicts, de-globalization, and the rising trend of resource nationalism and uncertainties in policies, laws, tax systems, mining rights management, import and export controls in some countries may bring challenges to the Company's overseas project operations, cost control and new project mergers and acquisitions.

Countermeasures:

The Company remains committed to its global layout, embeds country-specific risk assessment into the entire investment decision-making process, continuously optimizes the structure of global resource allocation, and appropriately increases strategic layout in China and surrounding friendly countries. It closely tracks policy changes in host countries, strengthens research on international laws and commercial practices, deepens communication and cooperation with local governments and communities, practices the concept of "To benefit more people through the development of Chifeng Gold", and comprehensively improves its international operation and risk response capabilities.

Metal price volatility risk

Prices of products such as gold and copper cathode are significantly influenced by multiple factors including global supply and demand, geopolitics, monetary policy, inflation, and exchange rates, resulting in substantial volatility that directly impacts the Company's profitability and cash flow stability. Concurrently, rising costs for energy and consumables further compress profit margins.

Countermeasures:

Adhere to cost control, scale efficiency, and technological efficiency enhancement. Control unit costs through capacity expansion and efficiency improvements, centralized procurement, intelligent transformation, management optimization and other methods. Reasonably utilize financial instruments such as hedging to manage commodity price volatility risks, enhancing the stability and controllability of operating performance.

Production operation and resource continuity risks

Mining operations are faced with challenges such as complex geological conditions, lower-than-expected new resource reserves, tight mining-excavation coordination and rising development costs. Increased difficulty in acquiring high-quality global resources and insufficient exploration investment may also affect long-term sustainable development.

Countermeasures:

Adhere to a dual-drive strategy combining endogenous exploration for reserve growth with external mergers and acquisitions expansion. Increase exploration investment in key domestic and international regions, accelerate the conversion of exploration results into mining operations, and intensify efforts to achieve breakthroughs in deep and peripheral mineral exploration. Continuously optimize mining and excavation coordination and production organization, advance intelligent and large-scale technical upgrades, and enhance comprehensive resource utilization efficiency and development benefits.

Exchange rate risks

The Group is exposed to two kinds of exchange rate risk. One is the transactional exchange rate risk mainly arising from sales or purchases by operating units in currencies other than their functional currencies. The other is the risk of the translation of financial statements denominated in foreign currencies. The functional currency of the Group is RMB while some overseas subsidiaries adopt USD as their functional currencies. The exchange differences are formed when the financial statements of these overseas subsidiaries are retranslated into RMB at the balance sheet date.

Countermeasures:

Adhering to the prudent and neutral principles, the Group centrally monitors exchange risk exposures and smooths out the impact of exchange rate fluctuations by utilizing tools like hedging.

3. *Community, labor, and social risks*

Significant differences exist in the culture, religion, laws, and labor practices of the countries/regions where overseas projects are located, which may give rise to communication barriers, community conflicts or labor disputes that may disrupt project operation stability and social acceptance.

Countermeasures:

Adhere to localized operations and development, actively promote local employment and procurement to support host-region industrial chain improvement and economic development; establish regular community communication and grievance handling mechanisms while respecting multiculturalism and stakeholder concerns; strengthen global compliance and legal system development to ensure that business activities strictly adhere to local laws and regulations and international practices.

Work safety and occupational health risks

Mining operations involve blasting, the use of hazardous chemicals, and high-altitude/underground work. Inadequate management, non-standard operations, or natural disasters may lead to safety hazards or production safety accidents.

Countermeasures:

Uphold the principle of “Life First, Safety Foremost”. Establish a comprehensive work safety responsibility system and supervision network, and improve safety management systems, operating procedures and training programs. Increase safety investments, promote the use of mechanized and intelligent equipment to enhance intrinsic safety levels. Conduct regular hazard identification and special rectification, strengthen contractor safety management, and build a full-chain safety control framework.

Environmental protection and climate-related risks

Mining operations may generate waste rock, waste residue, wastewater, and other by-products that may impact ecosystems if improperly managed and controlled. Increasingly frequent global extreme weather events and stricter low-carbon transition policies place higher demands on environmental governance, energy conservation, emissions reduction, and carbon management.

Countermeasures:

Strictly comply with domestic and overseas environmental regulations and standards, adhere to the principle of conducting governance and restoration concurrently with mining to advance green mining and ecological restoration; improve wastewater, waste residue, and waste gas treatment facilities to promote resource recycling and harmless disposal of hazardous waste; actively address climate change by formulating carbon reduction and low-carbon development pathways, advancing clean energy substitution, and continuously improving ESG governance and brand value.

The Company will continuously improve its comprehensive risk management system, strengthen risk anticipation, source prevention, and closed-loop management, and continuously enhance its ability to operate steadily and develop sustainably in complex environments to effectively safeguard the long-term interests of the Company and all Shareholders.

BUSINESS OUTLOOK

The Company's gold production and sales target for 2026 is 14.7 tonnes, and the target for electrolytic copper production is 11,000 tonnes. Focusing on key tasks for the year, the Company will fully commit to safe production, increased production and reserves, and enhanced quality and efficiency. 2026 is also a crucial year for accumulating momentum for a new round of strategic breakthroughs, laying the foundation for a leap in production during 2028-2030.

1. Advance from “stable operations” to “strategic breakthroughs”

Taking the A+H dual capital platform as a new starting point, fully launch strategic breakthroughs, transforming the developmental momentum accumulated in 2025 into tangible growth drivers. Centering on value creation and value realization, focus on increasing production, reducing costs, and solidifying resources. Adhering to the dual-wheel drive of organic growth and external expansion, tap internal potential while seizing external opportunities to accelerate the progress towards becoming a world-class gold mining company.

2. Improve quality and efficiency in operation management

Adhering to the “gold-focused” strategy, continuously increase exploration investment and intensify efforts in intelligent and large-scale technical upgrades of mines, promoting a virtuous cycle and leapfrog development of resource reserve increase, production capacity enhancement, and benefit realization. While ensuring production targets are met, maximize efficiency through management and pursue extreme cost competitiveness.

For domestic mines, continuously deepen refined management and control, optimize mining-excavation coordination, advance technological transformation in mineral processing, and strictly control energy and material consumption to maintain the advantages of all-in sustaining cost. Accelerate intelligent mine construction, and achieve tangible results in safety early warning, online monitoring, and production process optimization.

3. Deeply and solidly build up resource reserves to expand into new territories

Resources are the core foundation of mining enterprises. The Company will make greater efforts to consolidate its resource base:

For domestic mines, accelerate the pace of converting exploration results into mining operations, strengthen deep and peripheral exploration in key mines, and create new production capacity succession areas.

For the Sepon Gold and Copper Mine in Laos, complete a high-standard detailed exploration within the year, and simultaneously advance feasibility study, design, and bidding to accelerate the conversion of results.

For the Wassa Gold Mine in Ghana, complete the transition from resource exploration to reserve, deepen exploration in deep and peripheral areas, including the high-grade mineral belt of the DMH pit, and prudently advance the Father Brown project to provide a reliable basis for capacity expansion and production increase.

Simultaneously, fully leverage the advantages of the capital platform to establish a systematic mechanism for screening and evaluating global projects. Focus on high-quality resource projects that are synergistic with existing assets and possess stand-alone scale effects, so as to reserve high-quality targets for external expansion.

4. Adhere to sustainable development and achieve safe and compliant operations

Thoroughly practice the ESG concepts and adhere to safe, green, compliant, and harmonious development: strengthen regular safety management, improve risk prevention and hazard identification and rectification mechanisms; enhance the compliance management system to enhance the level of lawful operations; actively fulfill social responsibilities, deepen win-win development with local communities and partners, enable more stakeholders to share in the Company's development achievements, and transform ESG advantages into core competitiveness in terms of brand reputation, financing capability, and social acceptance.

Against the backdrop of the current upward cycle of gold prices, and facing a complex and volatile external environment as well as arduous development tasks, the Company's management is confident and determined to anchor its strategic goals, build consensus among all employees, and fully accelerate the exploration layout of domestic and overseas mines and the construction progress of new projects with efficient execution. It will practice Chifeng Gold's value concept of "To benefit more people through the development of Chifeng Gold" and steadily advance towards the development vision of becoming a "globally welcomed major gold producer"!

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 driving the motivation and innovation of the employees, improving work efficiency and attracting 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 designs remuneration packages with reference to the local mining industry benchmark, which 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 provides employee benefits such as commercial insurance.

As at 31 December 2025, the Group has a total of 6,738 (as at 31 December 2024: 6,911) employees in the PRC, Ghana and Laos etc., covering various positions such as production, sales, technical, finance and administration.

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

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 (Properties) Limited (“**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 construction stage covering the mining area of 42 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 is 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.

Save as disclosed above, there were no significant investments, material acquisitions or disposals in respect of subsidiaries, associates and joint ventures during the Reporting Period. Other than as disclosed in this "Management Discussion and Analysis on Future Development of the Company" section, there was no plan authorized by the Board for other material investments or additions of capital assets as at the date of this announcement.

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

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

The Company considered and approved the “Shareholders’ Return Plan for the Next Three Years (2025-2027) of Chifeng Jilong Gold Mining Co., Ltd.” on at the 2024 annual general meeting of the Company, stipulating that, subject to satisfaction of the cash dividend conditions aforementioned, the Company should, in principle, distribute no less than 45% of the cumulative average annual distributable profits realized over the same three-year period in cash within these three years.

After being audited by Ernst & Young Hua Ming LLP, based on the CAS, the consolidated financial statements of the Group for the year 2025 show that the net profit attributable to shareholders of the parent was RMB3,082,367,791.68. The parent company’s financial statements for the year 2025 recorded a net loss of RMB49,490,068.02. No statutory surplus reserve was extracted. Cash dividend of RMB304,065,788.48 was distributed. Adding the undistributed profits from previous years of RMB2,356,024,316.66, as of 31 December 2025, the cumulative distributable profit of the parent company was RMB2,002,468,460.16.

The Board proposes that the Company’s dividend distribution plan for the year 2025 be as follows: the Company proposes to distribute a cash dividend of RMB0.32 (tax inclusive) per Share to all Shareholders who are eligible for distribution on the record date determined by the profit distribution implementation announcement for 2025. 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 2025 by the Company. The distribution plan shall be subject to consideration and approval by the Shareholders at the 2025 AGM.

(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 one Share (share)	0
Amount of dividend for every one Share (RMB) (tax inclusive)	0.32
Number of Shares converted for every one Share (share)	0
Amount of cash dividends (tax inclusive)(note)	608,131,576.96
Net profit attributable to the ordinary Shareholders of the listed company in the consolidated financial statements	3,082,367,791.68
Amount of cash dividend as a percentage of net profit attributable to ordinary Shareholders of the Company in the consolidated financial statements (%)	19.73
Amount of Shares repurchased in cash included in cash dividends	0
Total amount of dividends (tax inclusive)	608,131,576.96
Percentage of total dividend amount to net profit attributable to ordinary Shareholders of the listed company in the consolidated financial statements (%)	19.73

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 2025 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)	994,633,804.34
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)	994,633,804.34
Average net profit amount for the recent three accounting years (4)	1,883,547,026.42
Cash dividend ratio (%) for the recent three financial years (5) = (3)/(4)	52.81
Net profit attributable to ordinary Shareholders of the listed company in the consolidated financial statements for the recent accounting year	3,082,367,791.68
The undistributed profit at the end of the recent accounting year in the parent company's statements	2,002,468,460.16

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 30 December 2024, the Company convened the 33rd meeting of the eighth session of the Board of Directors to consider and approve, among others, 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”. 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 of Resolutions Passed at the 33rd Meeting of the Eighth Session of the Board of Directors of Chifeng Gold” and the “Announcement of Resolutions of the Employee Representative Meeting of Chifeng Gold” published on 31 December 2024 on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated media for information disclosure.

Summary of the Event

On 15 January 2025, the Company held its first extraordinary general meeting in 2025, at which the following proposals were considered and approved: 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”.

The holders of the Company’s Phase III Employee Stock Ownership Plan held their first meeting on 17 February 2025, and considered and approved the following proposals: the “Proposal on Establishing the Management Committee of the Phase III Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd.”, the “Proposal on Electing the Members of the Management Committee of the Phase III Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd.”, and the “Proposal on Authorizing the Management Committee of the Phase III Employee Stock Ownership Plan of Chifeng Jilong Gold Mining Co., Ltd. to Handle Relevant Matters of This Employee Stock Ownership Plan”.

Inquiry Index

The “Announcement of the Resolution of the First Extraordinary General Meeting of Chifeng Gold in 2025” published on 16 January 2025 on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated media for information disclosure.

The “Announcement of the First Meeting Resolution of the Phase III Employee Stock Ownership Plan of Chifeng Gold” published on 18 February 2025 on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated information media.

Summary of the Event

On 24 February 2025, the Company received the “Confirmation of Securities Transfer Registration” issued by China Securities Depository and Clearing Corporation Limited. The dedicated securities account of the Company’s Phase III Employee Stock Ownership Plan acquired, by way of non-trading transfer on 21 February 2025, 15,182,600 Shares from the Company’s repurchase dedicated securities account, representing 0.9125% of the Company’s current total share capital, and the transfer price was RMB14.50 per Share. Accordingly, the Company’s Phase III Employee Stock Ownership Plan has completed the Shares transfer. The lock-up period for the Shares is 12 months, from 25 February 2025 to 24 February 2026.

As of 1 April 2025, all the Company’s Shares held in the Phase I Employee Stock Ownership Plan have been sold through centralized competitive bidding.

Inquiry Index

The “Announcement of Chifeng Gold on the Completion of Shares Transfer for the Phase III Employee Stock Ownership Plan” published on 25 February 2025 on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated information media.

The “Announcement of Chifeng Gold on the Completion of the Sale of Shares under the Phase I Employee Stock Ownership Plan” published on 2 April 2025 on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated information media.

Summary of the Event

On 24 February 2026, the lock-up period of the Company's Phase III Employee Stock Ownership Plan expired.

Inquiry Index

The "Warning Announcement on the Expiration of the Lock-up Period of the Phase III Employee Stock Ownership Plan of Chifeng Gold" published on 25 February 2026 on the website of the Shanghai Stock Exchange (www.sse.com.cn) and designated information media.

CHANGES IN SHARE CAPITAL

During the Reporting Period, the changes in the Company's total number of Shares and structure of the share capital were as follows:

Upon approval by the 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 options) were listed and traded on the Main Board of the Hong Kong Stock Exchange on 10 March 2025. The over-allotment option described in the Prospectus has been fully exercised by the overall coordinators (for themselves and on behalf of the international underwriters) on 4 April 2025 in respect of an aggregate of 30,847,800 H Shares. The total share capital of the Company increased from 1,663,911,378 A Shares to 1,900,411,178 Shares (comprising 1,663,911,378 A Shares and 236,499,800 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 an aggregate of 15,182,600 repurchased 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 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.

As of April 1, 2025, all the Company's shares held under the Phase I Employee Stock Ownership Plan have been sold out through centralized competitive bidding.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including treasury shares) for the year ended 31 December 2025.

Save as disclosed above, the Company did not hold any other treasury shares as at 31 December 2025.

CORPORATE GOVERNANCE

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

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 expired on 4 January 2025. To ensure the continuity and stability of the Board’s operations, and in light of the fact that the nomination process for the new session of the Board had not been finalized by 4 January 2025, the re-election of the Board and the establishment of the specialized committees of the Board have been postponed to 31 October 2025. As at the date of this announcement, the re-election of the ninth session of the Board of the Company and the establishment of the specialized committees of the Board have been successfully completed.

Save as disclosed above, the Board confirmed that during the year ended 31 December 2025, the Company has adopted and complied with the code provisions of the Corporate Governance Code and has followed most of its recommended best practices.

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

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 2025 H Shares annual report.

SECURITIES TRANSACTIONS BY DIRECTORS

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 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 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 2025 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 2025

The financial information in the 2025 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

Pursuant to the resolution passed at the Board meeting held on 20 March 2026, the 2025 Profit Distribution Plan the Company was as follows: the Company proposes to distribute a cash dividend of RMB0.32 (tax inclusive) per Share to all Shareholders who are eligible for distribution on the record date determined by the profit distribution implementation announcement for 2025. The actual amount of cash dividend to be distributed will be determined according to the number of Shares on the record date. The above plan shall be subject to consideration and approval at the 2025 AGM.

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

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

As of 31 December 2025, the details of the use of the proceeds in accordance with the planned purposes and proportions set out in the Prospectus are as follows:

Use of proceeds	Percentage (%)	As of 31 December 2025				Estimated timeline for using unutilized proceeds
		Planned net proceeds (Ten thousands HKD)	Planned net proceeds (Ten thousands RMB)	Proceeds used (Ten thousands RMB)	Unutilized Proceeds (Ten thousands RMB)	
Exploration and development for the domestic mines	30	92,986.71	83,987.46	14,691.00	69,296.46	Before 31 December 2027
Exploration and development for the overseas mines	20	61,991.14	55,991.64	25,219.33	30,772.31	
Acquisitions of projects	40	123,982.29	111,983.28	–	111,983.28	
General corporate purposes	10	<u>30,995.57</u>	<u>27,995.82</u>	<u>27,995.82</u>	<u>–</u>	
Total	100	<u><u>309,955.71</u></u>	<u><u>279,958.20</u></u>	<u><u>67,906.15</u></u>	<u><u>212,052.05</u></u>	

Note: The amount in RMB is converted from HKD to RMB based on the exchange rate as of 31 December 2025.

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 2025 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.

“2025 AGM”	the 2025 annual general meeting or the adjournment thereof to be convened and held by the Company
“2025 Profit Distribution Plan”	the profit distribution plan of paying cash dividend of RMB0.32 (tax inclusive) per Share as the final dividend for the year ended 31 December 2025 to the Shareholders as proposed by the Board, which is subject to consideration and approval at the 2025 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 operating costs 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 Basic Standards and the Specific Standards of 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
“Chixia Mining”	Chixia Mining (Laos) Co., Ltd (赤廈礦業老撾有限公司), a company registered in Laos, a subsidiary of Chixia Laos with 90% of shares owned by Chixia Laos
“CIRE Mining”	China Investment Rare Earth Mining Co., Ltd, a company registered in Laos with limited liability, a 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
“g/t”	gram(s) per metric tonne – metal concentration
“Guangyuan Environmental Protection”	Hefei Guangyuan Environmental Protection Technology Co., Ltd. (合肥廣源環保技術有限公司), a wholly owned subsidiary of Guangyuan Technology
“Guangyuan Technology”	Anhui Guangyuan Technology Development Co., Ltd. (安徽廣源科技發展有限公司), a private limited liability company established under the PRC laws and a direct non-wholly subsidiary of the Company
“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\$” or “HKD”	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), a private limited liability company established under the PRC Laws and a wholly owned subsidiary of Jilong Mining
“Indicated Mineral Resources”	that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit
“Inferred Mineral Resources”	that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes

“Jilong Mining”	Chifeng Jilong Mining Co. Ltd. (赤峰吉隆礦業有限責任公司), a private limited liability company established under the PRC laws and a direct wholly owned subsidiary of the Company
“Jintai Mining”	Eryuan Jintai Mining Development Co., Ltd. (洱源錦泰礦業開發有限責任公司), a private limited liability company established under the PRC laws and a direct non-wholly owned subsidiary of Xinhenghe Mining
“JORC”	the Joint Ore Reserves Committee formed by the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia
“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 owned by CIREX Mining in Laos

“Mineral Reserve(s)”	the economically mineable part derived from a Measured and/or Indicated Mineral Resource, including diluting materials and allowances for losses which might occur when the material is mined or extracted and is defined by studies at the appropriate pre-feasibility or feasibility level with application of Modifying Factors and providing reasonable justification for extraction a rare earth mine project operated by CIRE Mining in Laos
“Mineral Resource(s)”	A concentration or occurrence of solid material of economic interest in or on the Earth’s crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into inferred, indicated and measured categories
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Hong Kong Listing Rules
“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 2025

“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)
“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
“%”	percent
“pp”	percentage points

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

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

Beijing, the PRC, 20 March 2026

As at the date of this announcement, the executive Directors are Mr. Wang Jianhua, Mr. Gao Bo, Ms. Yang Yi-fang, Mr. Lyu Xiaozhao and Mr. Zhao Qiang, the non-executive Director is Mr. Zhang Xudong, and the independent non-executive Directors are Dr. Wong Yet Ping Ambrose, Mr. Hu Nailian, Dr. Li Houmin and Dr. Jiang Qi.