

2024

INTERIM REPORT

洛陽樂川鉬業集團股份有限公司

CMOC Group Limited*

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

CMOC



**Cherishing Natural Resources
Responsible Mining for A Better World**

Stock Code:
603993.SH | 03993.HK

* For identification purposes only

IMPORTANT NOTICE

- I. **The Board of Directors, the Supervisory Committee, Directors, Supervisors and senior management of the Company undertake that the information in this interim report is true, accurate and complete and contains no false record, misleading statement or material omission, and assume individual and joint legal liabilities for the information contained herein.**
- II. **All Directors of the Company have attended the meeting of the Board. The audit and risk committee and the Supervisory Committee have reviewed the financial statements of the Company for the six months ended 30 June 2024 and considered that the statements complied with relevant accounting standards and that the Company has made appropriate and relevant disclosures.**
- III. **This interim report has not been audited.**
- IV. **Yuan Honglin, the person in charge of the Company, Li Guojun, the person in charge of accounting affairs, and Xu Bin, the person responsible for accounting institution (accounting executive), hereby warrant and guarantee that the financial report contained in the interim report is true, accurate and complete.**
- V. **The proposal of profit distribution or capital conversion from capital reserve for the reporting period approved by resolutions of the Board**

Nil

VI. Risk statement with respect to the forward-looking statements

Forward-looking statements including future plans and development strategies contained in this report, other than statements of historical facts, are subject to various variables and uncertainties. The Company's actual results or developments in the future may differ materially from those indicated by these forward-looking statements. The Company made the forward-looking statements in this report on 23 August 2024 and undertakes no obligation or responsibility to update these statements, therefore, they do not constitute the Company's substantive undertakings to investors. Investors and relevant parties are advised to maintain sufficient risk awareness in this regard and shall understand the difference between plans or estimates and undertakings.

Investors are advised to beware of investment risks.

IMPORTANT NOTICE (CONTINUED)

VII. Any appropriation of funds of the Company by any controlling shareholders or other related parties for non-operating purposes

No

VIII. Any provision of external guarantees in violation of the prescribed decision-making procedures

No

IX. Whether more than half of the Directors could not guarantee the authenticity, accuracy and integrity of the interim report disclosed by the Company

No

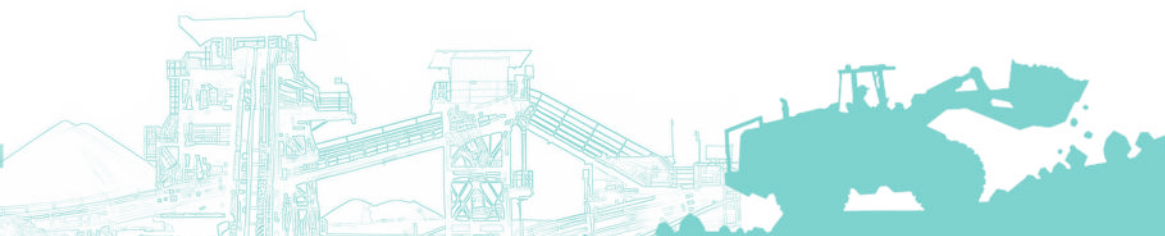
X. Warning on major risks

Please refer to paragraph under “Possible Risks” in “Management Discussion and Analysis” in this report for details.

XI. Other

The Company has the right to interpret and supplement the information disclosed in this report with reference to laws and regulations of jurisdictions where our projects locate, applicable international mining standards and international laws as well as agreements entered into by parties thereto.

This report is prepared in both Chinese and English, the Chinese version prevail in any case of inconsistency between the two versions.



CONTENTS

SECTION I REPORT SUMMARY	4	SECTION VI MAJOR EVENTS	67
SECTION II DEFINITIONS	12	SECTION VII CHANGES IN SHARES AND SHAREHOLDERS	73
SECTION III COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS	14	SECTION VIII INFORMATION ON BONDS	80
SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS	18	SECTION IX FINANCIAL STATEMENTS	92
SECTION V CORPORATE GOVERNANCE	53		

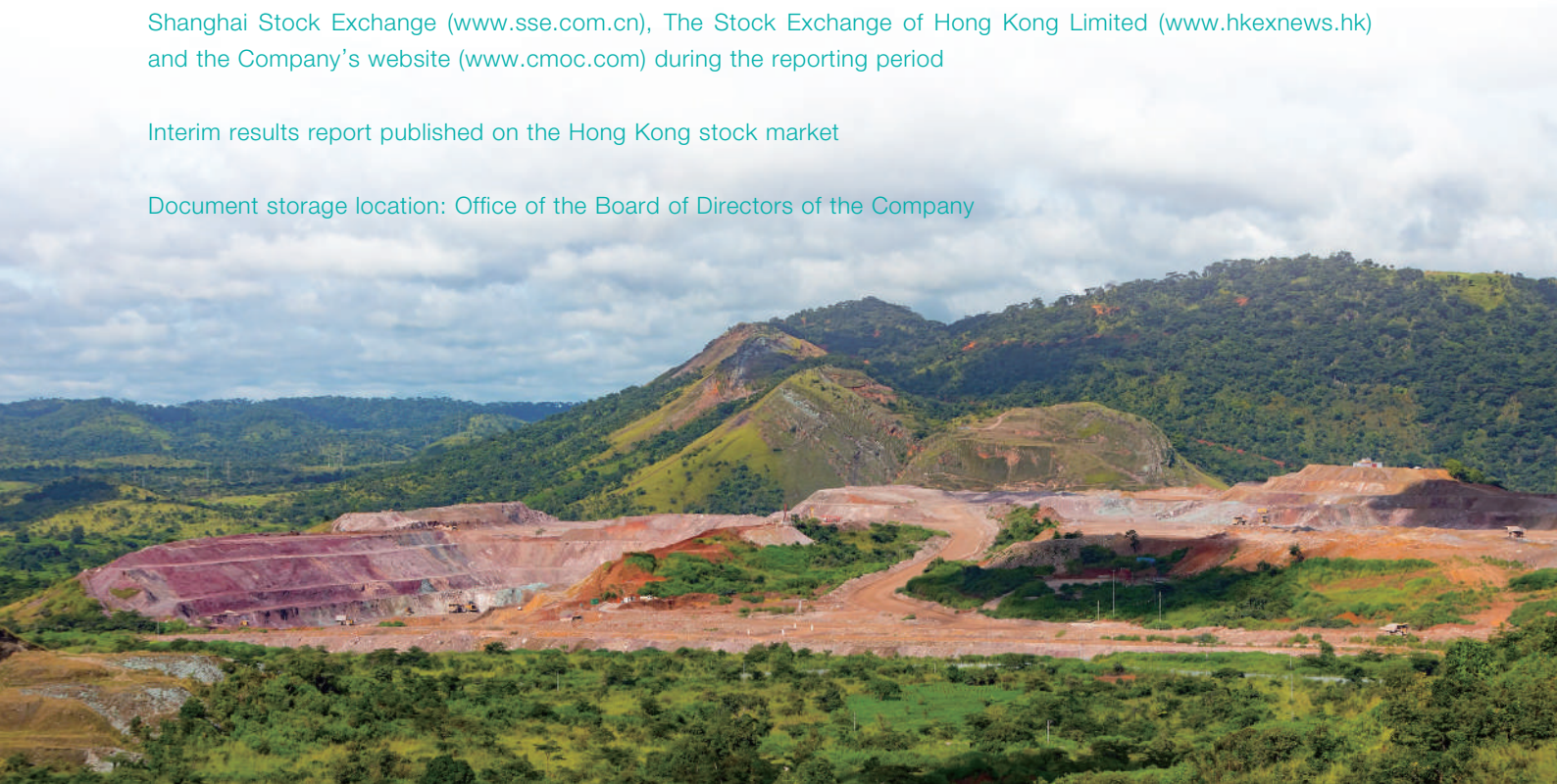
Index of Documents for Inspection

Financial statements signed and sealed by the Company's legal representative, the person responsible for accounting affairs and the person responsible for accounting institutions

Original documents and manuscripts of announcements of the Company publicly disclosed on the websites of Shanghai Stock Exchange (www.sse.com.cn), The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company's website (www.cmoc.com) during the reporting period

Interim results report published on the Hong Kong stock market

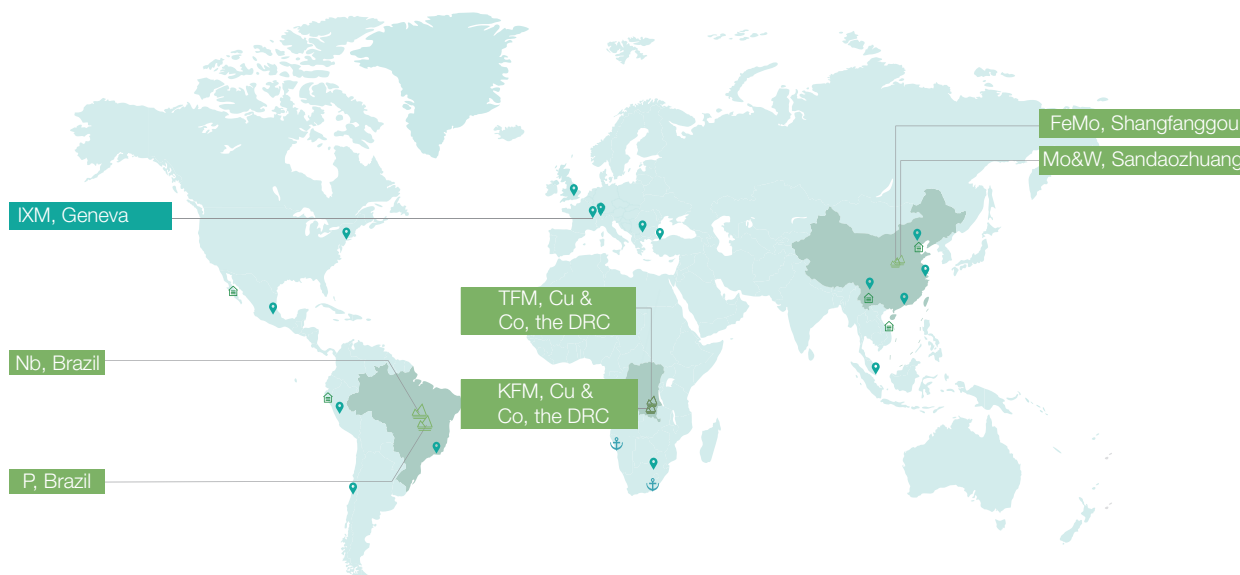
Document storage location: Office of the Board of Directors of the Company



SECTION I REPORT SUMMARY

BASIC INFORMATION OF THE COMPANY

The Company engages in the non-ferrous metal industry, mainly the mining and processing business, which includes mining, beneficiation and smelting of base and rare metals, and mineral trading business. With its main business located over Asia, Africa, South America and Europe, the Company is a leading producer of copper, cobalt, molybdenum, tungsten and niobium in the world. It is also a leading producer of phosphate fertilizer in Brazil. In terms of trading business, the Company is one of the leading metal traders in the world. The Company ranks 145 in 2024 Fortune China 500, 621 in 2024 Forbes Global 2000 and 24 in PwC Top 40 Mining Companies in 2024.



Rank 145 in 2024 Fortune China 500



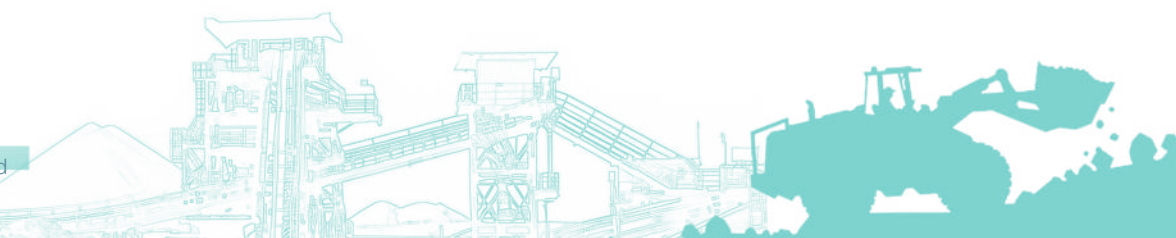
Rank 621 in 2024 Forbes Global 2000



Rank 24 in PwC Top 40 Mining Companies



TFM is the first mine in Africa awarded The Copper Mark certificate



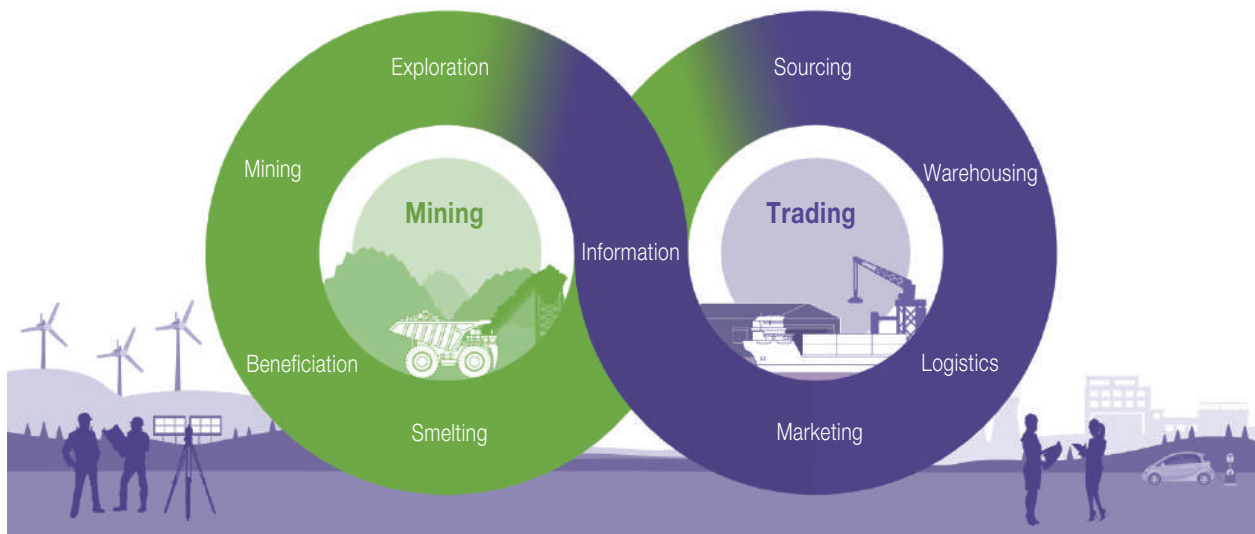
SECTION I REPORT SUMMARY (CONTINUED)

BUSINESS MODEL

The Company adopts a “**mining + trading**” development model.

Mining business segment comprises world-class resources and a diversified product portfolio of new energy metals of copper and cobalt, strategic metals of molybdenum, tungsten, and niobium, and phosphate fertilizer. It extends along the four circuits of **exploration – mining – beneficiation – smelting** underpinned by well-developed production processes and sound people, technology, and management framework.

Trading business segment relies mainly on IXM with its global metal trading network. It is highly integrated with the mining business with its five functions including resources **sourcing – warehousing – logistics – marketing – information**, moving commodities through its business network across over 80 countries in Asia, Europe, South America and North America.



- Leveraging its outstanding strength in conducting research and capturing market intelligence, IXM facilitates the Company in formulating practicable and **effective product strategies** and the supporting operating mechanism, so as to optimize allocation of books for the mining sector and regions and targeted customers for the sales of products. IXM has strong trading and financing capabilities, localized professionals, global marketing network, and solid partnership base, which all contribute to success in its marketing results and **consolidation of its market position and brand influence**.
- Through forward-looking strategic layout, development and production of TFM mixed ore projects and other large-size projects, the Company has grown into a global mining company, and IXM has also grown by leaps and bounds in recent years to **become one of the most important traders of copper and cobalt in the world**. Mining products of the Company are mainly sold through IXM, while IXM could equip the mining business with most up-to-date market intelligence to support its mine planning, potential M&A opportunities, and exploration and development.
- The Company’s global mining business units and IXM are committed to promoting responsible production practices along the metal value chain, thereby **facilitating the transformation to green energy**. As of the date of this Report, IXM has announced to form a partnership with The Copper Mark as TFM was awarded The Copper Mark certificate.

SECTION I REPORT SUMMARY (CONTINUED)

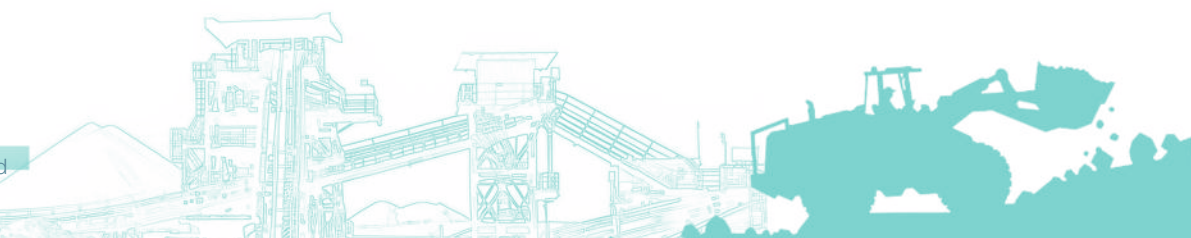
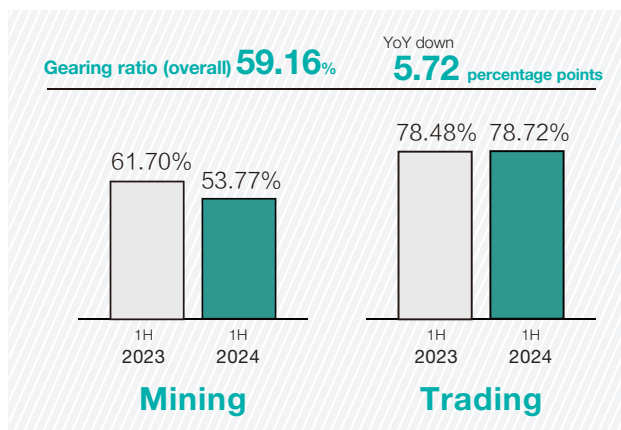
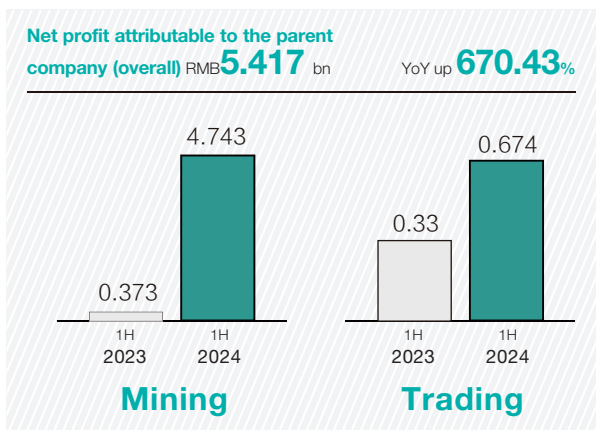
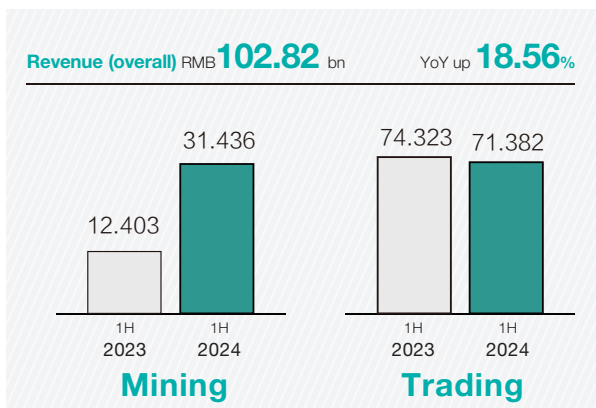
CMOC continued to deliver **revenue with profitability and profit underpinned by strong cash flow** in 1H2024

Record high revenue: RMB**102.82** billion, up **18.56%** YoY

Record high net profit attributable to the parent company: RMB**5.417** billion, up **670.43%** YoY

Robust operating cash flow: RMB**10.779** billion, up **23.02%** YoY

Total assets **continued to grow**: RMB**185.880** billion, up **7.46%** over YE2023

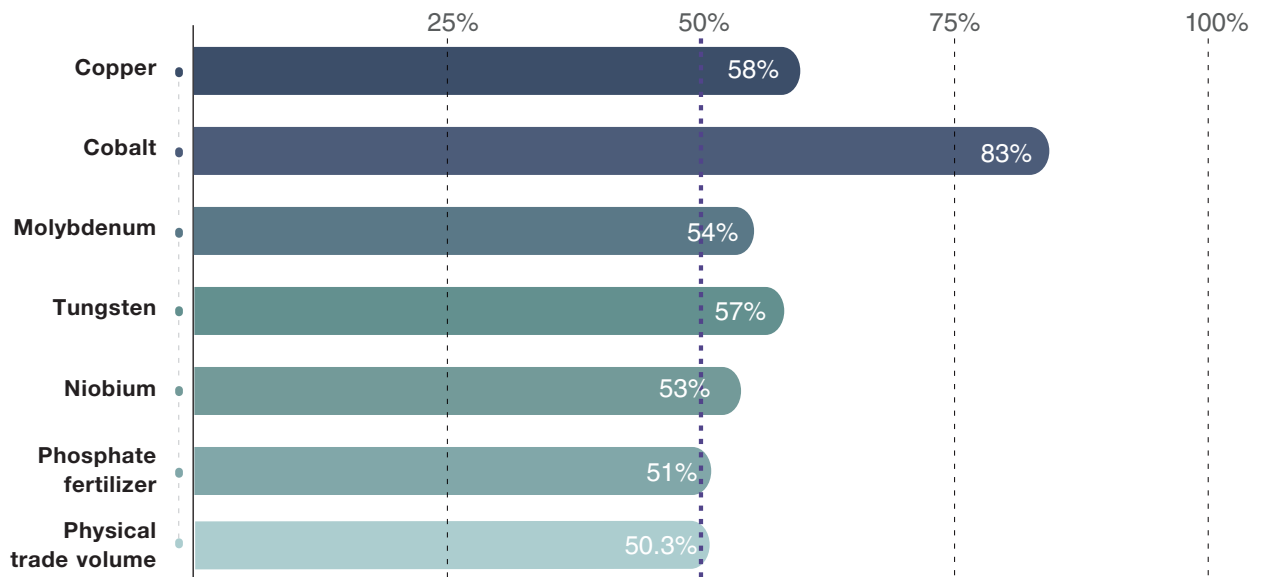


SECTION I REPORT SUMMARY (CONTINUED)

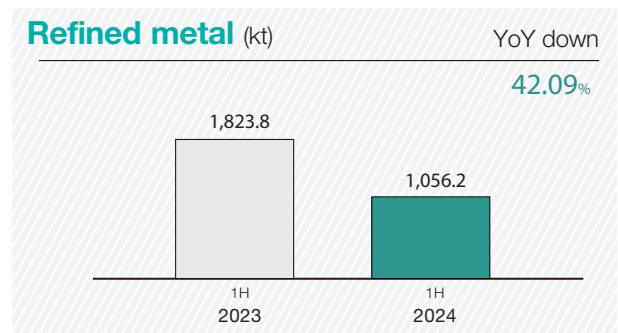
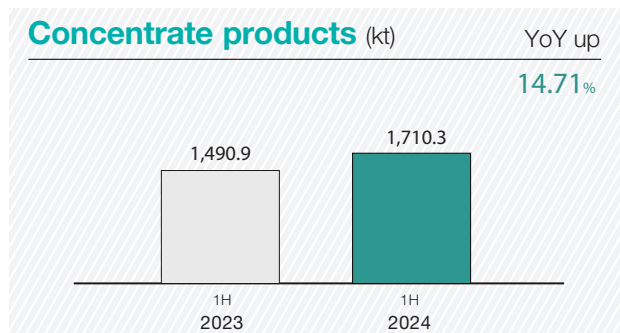
MINING AND TRADING BUSINESS REVIEW

In 1H2024, production volumes of all products **exceeded respective medians of full year guidance** while all mines operated in a highly efficient manner with major products including copper, cobalt and niobium **booming in terms of production and sales**. Trading business also **recorded stronger performance**.

Progress of completion of production target (based on median of guidance)



PHYSICAL TRADE VOLUME



SECTION I REPORT SUMMARY (CONTINUED)

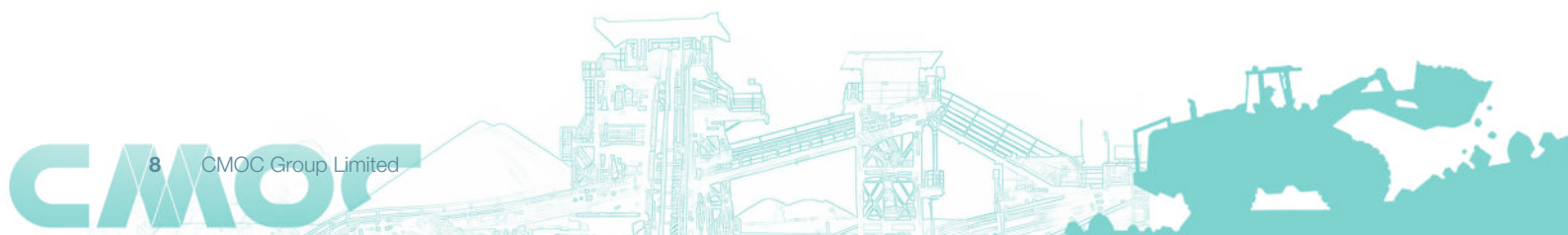
Copper and Cobalt in the DRC

The Company operates two world-class mines, TFM and KFM, in the DRC. TFM has **five production lines**. The **annual copper and cobalt** production capacity of TFM is at **450,000 tonnes and 37,000 tonnes** respectively. With ongoing efforts of tapping potential and enhancing efficiency, the annual copper and cobalt production capacity of KFM exceeds **150,000 tonnes and 50,000 tonnes** respectively. During the first half of 2024, the **operating revenue** of copper and cobalt in the DRC was **RMB24.368 billion representing a year-on-year growth of 444.78%**; **the gross profit was RMB12.316 billion**.



HIGHLIGHTS OF OPERATION IN 1H2024:

- The targets of production and quality for TFM mixed ore project were achieved as scheduled, consolidating TFM's position as the fifth largest copper mine in the world
- TFM and KFM maintained a fast-paced production mode with output exceeded their targets in the first half of the year, achieving record-breaking monthly output
- TFM and KFM have achieved significant results of cost reduction and efficiency improvement. Through process adjustment and technological innovation, the recovery rate of copper and cobalt has been greatly improved
- TFM became the first mine in Africa and the first Chinese-owned mine in the world to be awarded The Copper Mark certificate



SECTION I REPORT SUMMARY (CONTINUED)

Molybdenum and Tungsten in China

The Company operates two molybdenum mines in China, namely Sandaozhuang Mine and Shangfanggou Mine. Despite the continuous decline in grade and the correction of molybdenum price in the first half of the year, the China business unit overcame difficulties, improved management efficiency and exerted its technical strength, and the performance remained stable. In the first half of 2024, China business unit achieved **an operating revenue of RMB3.881 billion and a gross profit of RMB1.553 billion**.



HIGHLIGHTS OF OPERATION IN 1H2024:

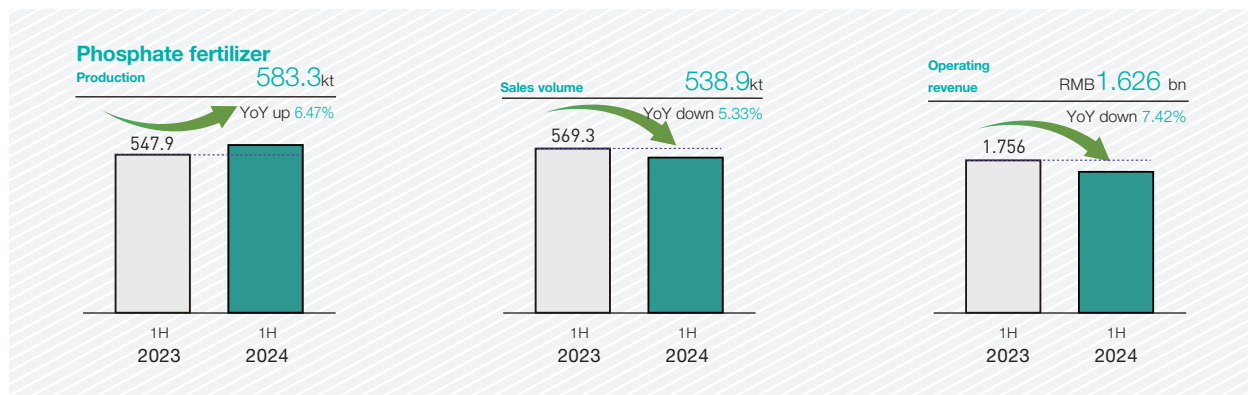
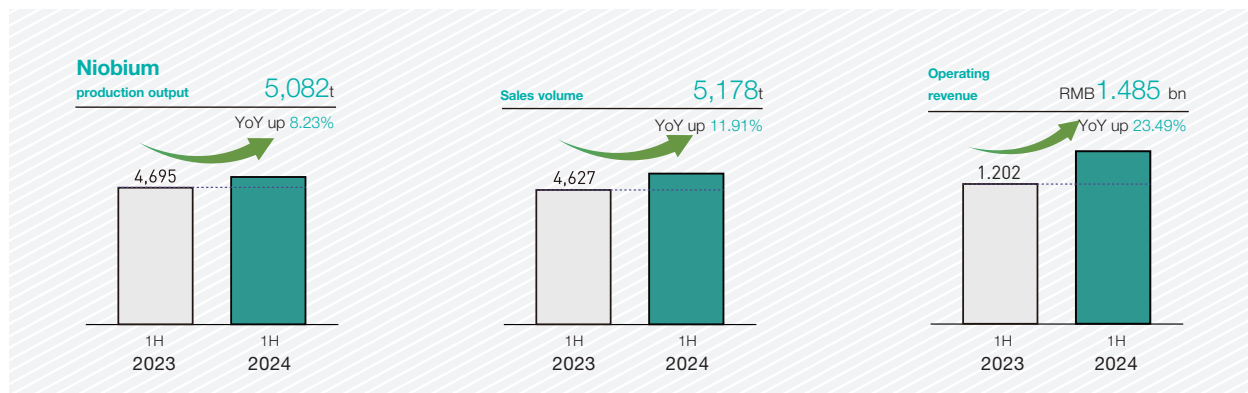
- Made a breakthrough in tungsten recovery rate in Sandaozhuang Mine and molybdenum recovery rate in Shangfanggou Mine
- Accelerated work to expand mining benches and make technical upgrades at Shangfanggou, increasing mining area by 3,000 m²



SECTION I REPORT SUMMARY (CONTINUED)

Niobium and Phosphate Mine in Brazil

The Company has 2 high-quality mines in Brazil operated by CMOC Brazil, a wholly-owned subsidiary of the Company. CMOC Brazil was recognized as the eighth largest mining company in Brazil by Valor 1000. In the first half of the year, CMOC Brazil achieved significant results in cost reduction and efficiency improvement and management reform, with **the output of niobium reaching a record high**, and achieved an **operating revenue of RMB3.112 billion, up by 5.14% year-on-year, and gross profit of RMB826 million**.



HIGHLIGHTS OF OPERATION IN 1H2024:

- CMOC Brazil achieved remarkable results in production and operation, laying the foundation for achieving higher targets throughout the year
- The HSE indicators performance remained robust, the costs decreased significantly year-on-year, and its operating cash flow was higher than that of the same period of last year. The effect of cost reduction is gradually showing and demonstrating a good momentum

SECTION I REPORT SUMMARY (CONTINUED)

IXM

IXM is primarily engaged in the trading of commodities (copper concentrate, lead concentrate, zinc concentrate, refined metals, etc.). Over the years, IXM has accumulated rich experience in the metal trading industry. CMOC is one of the very few mining companies that owns a **world-class metal trader**.

• Combination of Spot and Futures Trading

In the upward cycle of the spot market, profits from the spot trading side under the business model that combines futures and spot trading offset losses from the futures business side, while in the downturn of the spot market, profits from the futures business side under the business model that combines futures and spot trading offset losses from the spot business side. This business model reduces the risk of industry cyclicity and price fluctuations, and creates stable and sustainable profits the Company.

• Risk Control

The trading business is exposed to multiple risks such as price fluctuations, foreign exchange, counterparty credit and liquidity risks. Through an integrated risk management framework, IXM fulfills its strategic goals in governance and ensures sustainable long-term value creation. IXM actively manages price and foreign exchange risks, and strictly monitors the credit of counterparties to ensure sufficient cash to mitigate liquidity risks.

IXM makes a corresponding provision for its unrealized gains and accounts receivables that are deemed at risk. IXM will continuously update risk register with advice from all key functional departments and updates are discussed with the executive management team. The Company conducts periodic assessments of various functions and processes with a focus on the corresponding policies, implementation, and monitoring controls in place.



IXM's Physical Trade Volume of Major Products

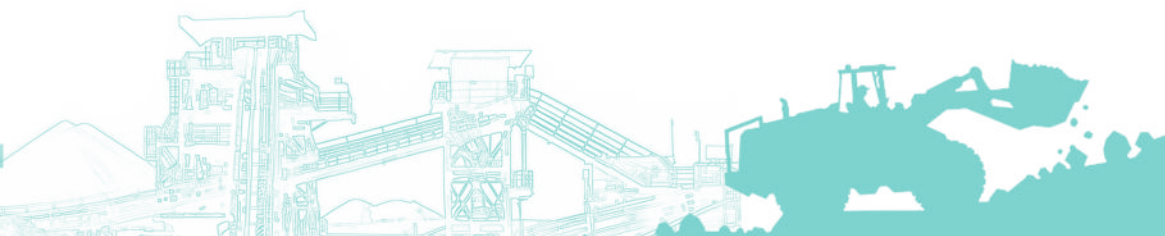
Products (Concentrate + refined metal)	1H2024 (ten thousand tonnes)	1H2023 (ten thousand tonnes)	YoY change
Copper	162.8	126.2	29%
Lead and zinc	53	64.3	-18%
Aluminum	57	130.3	-56%
Nickel	27.9	10.6	163%

SECTION II DEFINITIONS

In this report, unless the context otherwise requires, the following terms and expressions shall have the meanings set forth below:

DEFINITION OF COMMON TERMS

“APT”	ammonium paratungstate
“Board”, “Director(s)”	the board of Directors and the Director(s) of the Company
“CATL”	Contemporary Amperex Technology Co., Limited
“CFC”	Cathay Fortune Corporation, the controlling shareholder of the Company
“CMOC Brasil”	CMOC Brasil Mineração Indústria e Participações Ltda
“CMOC Limited”	a wholly-owned subsidiary of the Company
“CMOC”, “Company”, “Group”	洛陽樂川鋁業集團股份有限公司(CMOC Group Limited*)
“Donggebi Molybdenum Mine”	a large-scale molybdenum mine located in Donggebi, China, which is owned by a controlled subsidiary of the Company
“Fuchuan Mining”	Luoyang Fuchuan Mining Co., Ltd., a holding subsidiary of Luoyang Huanyu Molybdenum Co., Ltd.
“Gécamines”	La Générale des Carrières et des Mines S.A.
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Huayue Nickel Cobalt”	PT. Huayue Nickel Cobalt (Indonesia) Co., Limited, an associate company of the Company
“IXM”	generally refers to IXM Holding S.A., its subsidiaries and affiliates
“KFM”	CMOC KISANFU MINING SARL
“KFM Copper” and “Cobalt Mine”	Kisanfu Copper and Cobalt Mine Area located in Congo (DRC)
“LMG”	Luoyang Mining Group Co., Ltd., the second largest shareholder of the Company



SECTION II DEFINITIONS (CONTINUED)

“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
“Niobium Mine in Brazil”	the Boa Vista niobium mine located in the Catalão mining area in Brazil, which is owned by CMOC Brasil
“Phosphate Mine in Brazil”	the Chapadão phosphate mine located in the Catalão mining area in Brazil, which is owned by CMOC Brasil
“Sandaozhuang Molybdenum” and “Tungsten Mine”	located in Luanchuan County, Henan Province, China, the major operating molybdenum and tungsten mine of the Company at present
“SFO”	the Securities and Futures Ordinance (Chapter 571 of The Laws of Hong Kong)
“Shangfanggou Molybdenum Mine”	located in Luanchuan County, Henan Province, China, which is owned by a controlled subsidiary of Luoyang Huanyu Molybdenum Co., Ltd., a joint venture of the Company
“Sichuan CATL”	Sichuan Contemporary Ampere Technology Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisory Committee”, “Supervisor(s)”	the supervisory committee and the supervisor(s) of the Company
“TFM”	Tenke Fungurume Mining S.A.(DRC)
“TFM Copper” and “Cobalt Mine”	Tenke Fungurume Copper and Cobalt Mine Area located in Congo (DRC)
“Yulu Mining”	Luoyang Yulu Mining Co., Ltd., an associate company of the Company

SECTION III COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS

I. COMPANY INFORMATION

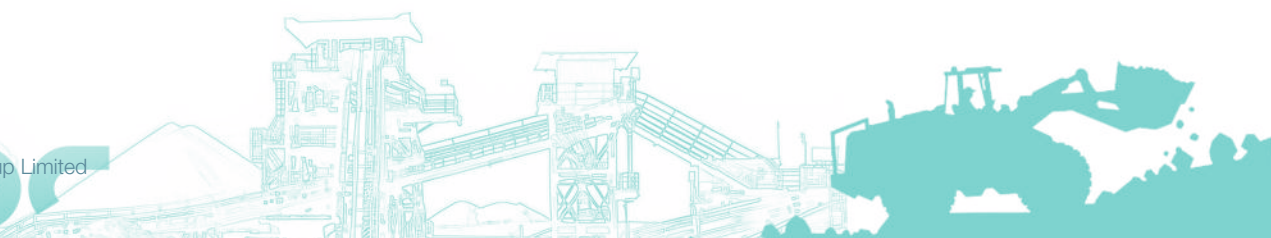
Chinese name of the Company	洛陽樂川鋁業集團股份有限公司
Abbreviation of Chinese name of the Company	洛陽鋁業
English name of the Company	CMOC Group Limited
Abbreviation of English name of the Company	CMOC
Legal representative of the Company	Yuan Honglin

II. CONTACT

	Secretary to the Board, joint company secretary	Joint company secretary	Securities affairs representatives
Name	Xu Hui	Ng Sau Mei	Gao Fei
Address	North of Yihe, Huamei Shan Road, Chengdong New District, Luanchuan County, Luoyang City, Henan Province, the PRC	31/F, Tower Two, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong	North of Yihe, Huamei Shan Road, Chengdong New District, Luanchuan County, Luoyang City, Henan Province, the PRC
Tel. No.	0379-68603993	852-35898647	0379-68603993
Fax	0379-68658017	852-35898359	0379-68658017
Email	603993@cmoc.com	Jojo.Ng@tmf-group.com	603993@cmoc.com

III. BASIC INFORMATION

Registered address and office address of the Company	North of Yihe, Huamei Shan Road, Chengdong New District, Luanchuan County, Luoyang City, Henan Province, the PRC
Postal code of the Company	471500
Company's website	www.cmoc.com
Email	603993@cmoc.com



SECTION III COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS (CONTINUED)

IV. CHANGES IN INFORMATION DISCLOSURE AND LOCATION OF DOCUMENTS FOR INSPECTION

Newspapers designated by the Company for information disclosure	Securities Times (www.stcn.com) Securities Daily (www.zqrb.cn) China Securities Journal (www.cs.com.cn) Shanghai Securities News (www.cnstock.com)
Websites for publication of the interim report	Shanghai Stock Exchange (www.sse.com.cn) The Stock Exchange of Hong Kong Limited (www.hkex.com.hk)
Location of the interim report of the Company for inspection	The office of the Board of the Company

V. SHARES OF THE COMPANY

Type of shares	Stock exchange for listing	Stock name	Stock code
A Shares	Shanghai Stock Exchange	洛陽鋁業	603993
H Shares	The Stock Exchange of Hong Kong Limited	洛陽鋁業	03993

VI. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS OF THE COMPANY

(I) Major Accounting Data

Unit: Yuan Currency: RMB

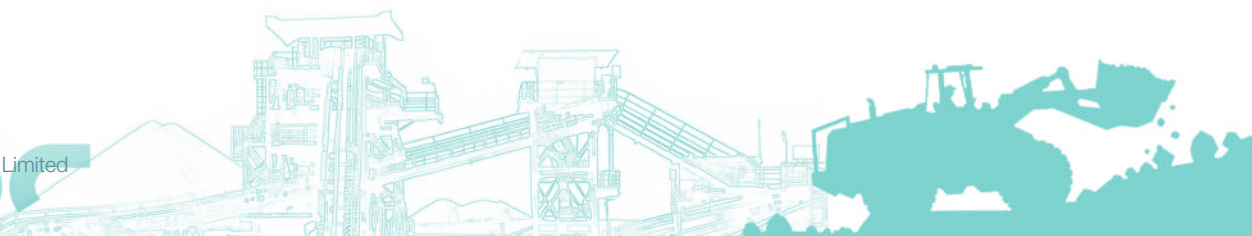
Major accounting data	During the reporting period (from January to June)	Same period last year	Increase/decrease for the reporting period as compared with the same period last year (%)
Operating revenue	102,818,431,688.56	86,726,255,654.19	18.56
Net profit attributable to shareholders of the listed company	5,417,259,340.41	703,144,213.69	670.43
Net profit after deduction of non-recurring profits or losses attributable to shareholders of the listed company	5,625,355,302.75	219,977,157.83	2,457.25
Net cash flow from operating activities	10,779,292,189.63	8,761,937,139.74	23.02

SECTION III COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS (CONTINUED)

	At the end of the reporting period	At the end of last year	Increase/decrease for the reporting period as compared with the same period last year (%)
Net assets attributable to shareholders of the listed company	61,999,616,341.39	59,540,269,707.03	4.13
Total assets	185,879,882,077.20	172,974,530,702.61	7.46

(II) Major Financial Indicators

Major financial indicators	During the reporting period (from January to June)	Same period last year	Increase/decrease for the reporting period as compared with the same period last year (%)
Basic earnings per share (RMB Yuan per Share)	0.25	0.03	733.33
Diluted earnings per share (RMB Yuan per Share)	0.25	0.03	733.33
Basic earnings per share after deduction of non-recurring profits or losses (RMB Yuan per Share)	0.26	0.01	2,500.00
Weighted average return on net assets (%)	8.82	1.32	increased by 7.50 percentage points
Weighted average return on net assets after deduction of non-recurring profits or losses (%)	9.16	0.41	increased by 8.75 percentage points



SECTION III COMPANY PROFILE AND MAJOR FINANCIAL INDICATORS (CONTINUED)

VII. ITEMS AND AMOUNTS OF NON-RECURRING PROFITS OR LOSSES

Unit: Yuan Currency: RMB

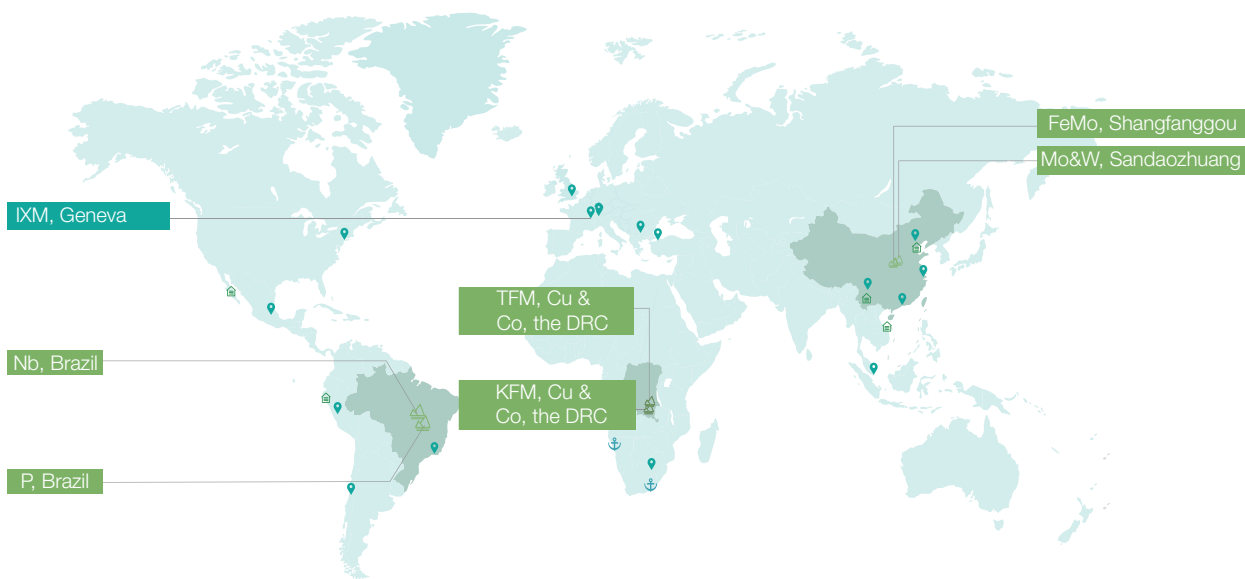
Non-recurring profits or losses items	Amounts
Profits or losses from disposal of non-current assets, including write-offs of provision for asset impairment	14,838,948.47
Government grants included in profits or losses for the current period, except for those closely relevant to the Company's normal business and in compliance with national policies and regulations and granted continuously according to certain standardized amounts or quotas	26,137,269.34
Profits or losses of changes in fair value arising from financial assets and financial liabilities held by non-financial institutions, and profits or losses arising from disposal of financial assets and financial liabilities, except for effective hedging activities associated with normal business operations of the Company	-265,702,216.05
Capital utilization fees received from non-financial institutions included in profits or losses for the current period	12,144,341.22
Other non-operating income and expenses other than the above	6,728,331.00
Other profits or losses items that satisfy the definition of non-recurring profits or losses	12,524,555.11
Less: Income tax effects	14,729,627.65
Effects attributable to minority interests (after tax)	37,563.78
Total	-208,095,962.34

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS

I. DESCRIPTIONS OF THE INDUSTRY AND MAIN BUSINESS OF THE COMPANY DURING THE REPORTING PERIOD

(i) Main Business

The Company engages in the non-ferrous metal industry, mainly the mining and processing business, which includes mining, beneficiation, smelting and refining of base and rare metals, and metal trading business. With its main business located over Asia, Africa, South America and Europe, the Company is a leading producer of copper, cobalt, molybdenum, tungsten and niobium in the world. It is also a leading producer of phosphate fertilizer in Brazil. In terms of trading business, the Company is one of the leading metal traders in the world. The Company ranks 145 in 2024 Fortune China 500, 621 in 2024 Forbes Global 2000 and 24 in PwC Top 40 Mining Companies in 2024.



Rank 145 in 2024
Fortune China 500



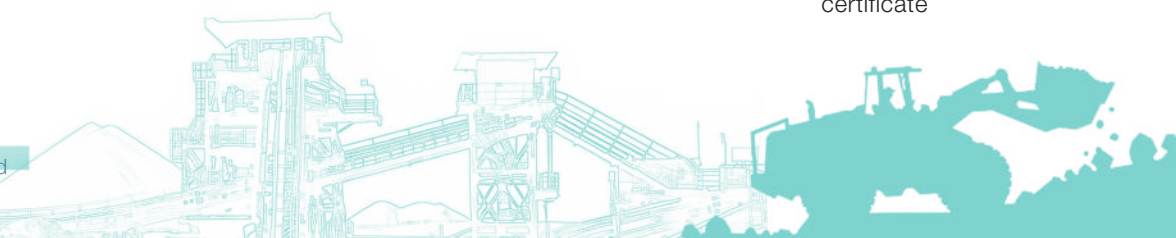
Rank 621 in 2024
Forbes Global 2000



Rank 24 in PwC Top 40
Mining Companies



TFM is the first mine
in Africa awarded
The Copper Mark
certificate



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

II. CORE COMPETITIVENESS DURING THE REPORTING PERIOD

(I) Robust corporate and governance structure

CMOC is one of the mining companies in China that conducted the most in-depth and successful governance structure reforms. Since 2004, the Company has undergone three ownership reforms from state-owned system to mixed ownership, then to a structure with private companies as its major shareholders. Such structure has high flexibility in adapting to needs of growth as an international player. The two biggest shareholders of the Company are very strong including CFC providing strategic and corporate culture guidance and CATL sharing market and industry resources. They are strategically aligned and tactically coordinated to ensure sustainable long-term growth of the Company. Though with a major shareholder in its ownership structure, the Company is operated independently and is highly efficient and effective in decision-making and operations, underpinned by a simple and transparent corporate culture. The Company has laid a solid foundation for building stronger business presence in the global resources sector by setting up a globally integrated governance structure and a professional and international management and technical team.

(II) World-class mineral resources and unique product portfolio

The competition in the mining industry is essentially a competition between cost and price, with the decisive factor being resource endowment. The Company's mines are all world-class resources, among which, TFM in the DRC is one of the world's largest copper and cobalt mines, KFM is the world's largest cobalt mine, niobium mine in Brazil is the world's second largest niobium producer, and Sandaozhuang Molybdenum and Tungsten Mine in China is one of the world's largest molybdenum mines.

The Company's resource varieties cover base and specialty metals, all are critical to energy transformation and industrial upgrading. The Company also has footprint in agriculture given its phosphate asset in Brazil. The Company is a leading player in new energy metals with its important assets of copper and cobalt and a leader in many other areas with its unique and scarce product portfolio including molybdenum, tungsten, niobium and phosphate. The unique and diversified product portfolio is beneficial for the Company to resist cyclical fluctuations, enhance the ability to resist risks, and capture the gains brought by different cyclicity.

(III) Proven track record of “counter-cyclical M&As and low-cost development”

Given the cyclicity of the mining industry, it is essential to seize the right cyclical window when planning for expansion. Based on its deep understanding of the industry and experience, the Company has developed the ability to engage in “counter-cyclical merger and acquisition and low-cost development”. The Company has successfully acquired world-class mines at the bottom of the cycle to realize its inorganic growth. The mines owned by the Company all feature open pit mining, large reserves, and high grade, hence the strong competitiveness of the Company in development cost.

The conversion from reserves to production of world-class mines at low cost is the baseline for the Company's organic growth. The Company has extended its “low cost and lean production” capability formed at China business unit through long-term experience to global business units and built world-class copper and cobalt mine projects at the leading speed in the industry. It also continues to carry out cost reduction and efficiency activities in all operating units, and adopted advanced modern mining technology, process, and equipment to consolidate its low-cost operating advantage through centralized procurement, technology improvement, and management reform, further validated the ability to engage in “counter-cyclical merger and acquisition and low-cost development” of the Company.

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(IV) A modern business model of “Mining + Trading”

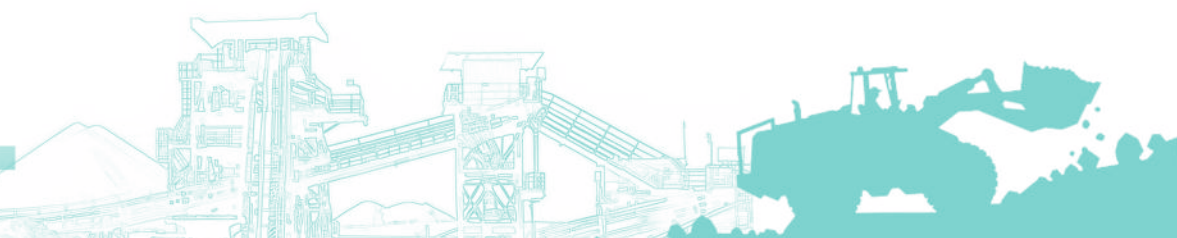
CMOC is the only Chinese mining company that has a world-class metal trading platform. IXM, a wholly-owned subsidiary, is a leading metal trader in the world. The global metal trading network of IXM and its members covers more than 80 countries, and has built a global logistics and warehousing system. IXM leverages its outstanding research capabilities and market intelligence gathering abilities to assist the Company in developing practical and effective product sales strategies and supporting operational mechanisms. Relying on its strong trading and financing capabilities, as well as its sales network and solid partner base in multiple countries around the world, it optimized the Company’s allocation of mining orders, optimized product sales regions and customer targets, and consolidated market position of products and brand influence. Through the modern mining model combining “Mining + Trading”, the Company achieves the extension of the mine industry chain, which is beneficial for the Company to expand its layout in the global resource field and enhance its position and influence in the industry.

(V) World-leading ESG management system and performance

One of the core competitiveness of a mining company is to achieve a balance between mine development and environmental and ecological protection and promote sustainable development. CMOC is one of the earliest Chinese mining companies to introduce international ESG standards and systems and establish a world-leading ESG management framework fully in compliance with international standards. Through the three-tier governance structure of the Board – Executive Management – Operation Management, the strong environmental, occupational health and safety, human resources, and community development teams at each business units ensure the implementation of the Group’s approach and policies and the integration of the ESG concepts into the entire process of the Company’s development. Meanwhile, the Company formulated the long-term vision and short-term KPIs for climate change and biodiversity and drew up a roadmap for carbon neutrality to contribute to global green sustainable development and the “net zero” goal. The Company’s ESG performance maintains a world-leading position among mining peers in MSCI ESG rating.

(VI) Advanced technical strength and strong innovative capability

The mineral resources are subject to constraints. People are the biggest variable in revitalizing resources, and innovation is one of the driving forces for business development. The Company has a strong technological research and development team, with industry-leading technical advantages in the comprehensive recovery of byproducts and in intelligent mines. With the advanced comprehensive recovery technology of byproducts, the Company recovered byproduct resources such as scheelite, copper, iron, fluorite, and rhenium from molybdenum tailings, pioneering in the recovery of such low-grade byproducts in the world. The Company has created the first intelligent mine in China through the application of 5G technology and unmanned driving, realizing unmanned mining and unmanned driving intelligent scheduling through remote operation. It is equipped with pure electric trucks in intelligent driving mode, realizing zero-emission, stronger safety, and over 40% increase in productivity. The essence of technology innovation in the mining industry is integrated innovation. With the aim to maximize economic and social benefits, the Company made multiple success cases in R&D based on openness and cooperation which not only generated significant benefits, but also contributed to growth of the industry as a whole.



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

III. OPERATION DISCUSSION AND ANALYSIS

(I) Operation Review

(1) *Record high operating results and robust liquidity position*

In the first half of the year, the operating revenue was RMB102.8 billion, representing a year-on-year growth of 19%; net profit attributable to the parent was RMB5.4 billion, representing a year-on-year increase of 670%, reaching a new record high level. The operating net cash flow was RMB10.8 billion. The cash and cash equivalents were RMB30.9 billion. The Company maintained strong liquidity position. IXM achieved net profit attributable to the parent of RMB664 million.

(2) *A major source of global incremental copper supply as production of key products continue to grow*

The Company recorded increasing production volumes of key products. Copper and cobalt production doubled. Copper production reached 313.8kt, up approximately 101% year-on-year, contributing significant increment to global copper supply. Cobalt production was 54.0kt, up 178% year-on-year, which became a major source of global incremental copper supply in 2024. Niobium half-year production for the first time exceeded 5,000t, up around 8% year-on-year. Phosphate fertilizer production was 583.3kt, up about 6% year-on-year. Molybdenum and tungsten productions were 7,349t and 4,020t, respectively.

(3) *Ranking among world top copper producers as two world-class projects reaching full production and designed targets*

KFM, one of a few high-grade copper and cobalt mines in the world, has maintained high production since its completion, It is the largest cobalt producer in the world. TFM mixed ore project achieved full production in the first quarter and achieved designed targets in the second quarter. As its five production lines were completed, TFM became the fifth largest copper mine and second largest cobalt mine in the world with an annual production capacity of 450kt of copper and 37kt of cobalt.

(4) *Management upgrades continued to take effect, with remarkable results in cost reduction and efficiency improvement*

TFM overcame difficulties to fulfil more than half of its tasks for the current period, and its east zone commenced production and achieved target, laying a solid foundation for optimizing processes and increasing production in the second half of the year. KFM achieved a significant increase in recovery rate, a significant increase in output and a steady decline in costs through process adjustments and technological innovations.

CMOC China made new progress in comprehensive recovery of materials, further improved its lean management level, and achieved better operating results. CMOC Brazil achieved initial results in cost reduction, efficiency improvement and management upgrades, while its output reached a new high, costs dropped significantly year-on-year, representing a strong momentum of growth. IXM's sales plan was achieved as scheduled.

(5) *Breakthrough in new projects, gaining momentum for a new round of growth*

The Company signed Nzilo II hydropower station agreement in an effort to speed up development of power generation projects for purpose of supporting stable power supply for future expansion. The preliminary work for the development of the west zone of TFM was carried out in an orderly manner, and the KFM Phase II exploration work made positive progress.

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(6) *ESG performance received re-affirmed recognition, maintaining the industry leadership position*

TFM obtained the Copper Mark certification, a widely recognized ESG standard in the global copper industry, it became the first mine in Africa and the first Chinese-owned mine in the world to obtain the Copper Mark certification. Subsequent to 2023, the Company maintained its AA rating in the latest MSCI ESG rating, ranking top 19% among global non-ferrous peers. The Company was selected for the first time by the “FTSE4Good Index Series”, and was selected for the second consecutive year by S&P Global for the “Sustainable Development Yearbook (China Edition) 2024”, demonstrating the Company’s outstanding performance in the field of sustainable development.

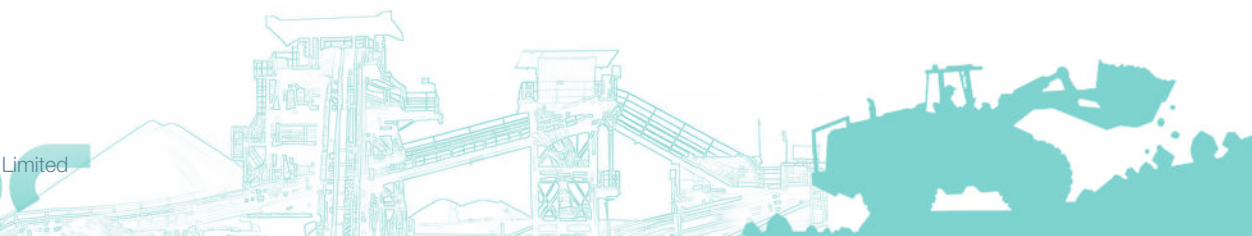
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(II) *Business Review*

Production Volume of Major Products

Major products	Unit	Production guidance and physical trading volume guidance, 2024	Production volume of the first half of 2024
Copper metal	tonne	520,000-570,000	313,788
Cobalt metal	tonne	60,000-70,000	54,024
Molybdenum metal	tonne	12,000-15,000	7,349
Tungsten metal	tonne	6,500-7,500	4,020
Niobium metal	tonne	9,000-10,000	5,082
Phosphate fertilizer	10 kt	105-125	58.33
Physical trade volume	10 kt	500-600	276.65

Note: Production volume of tungsten metal did not include Yulu Mining.



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(III) Market Review

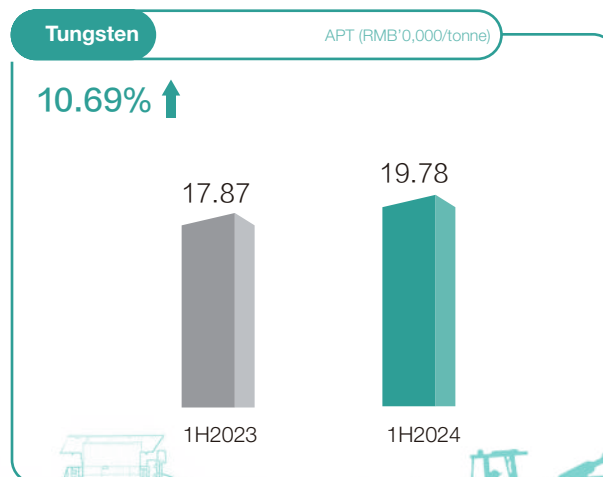
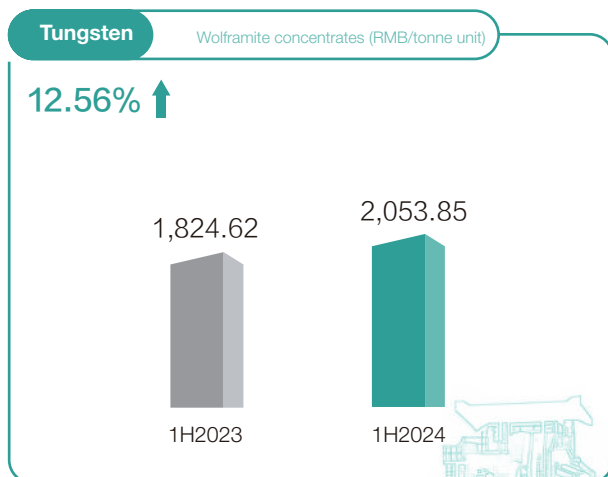
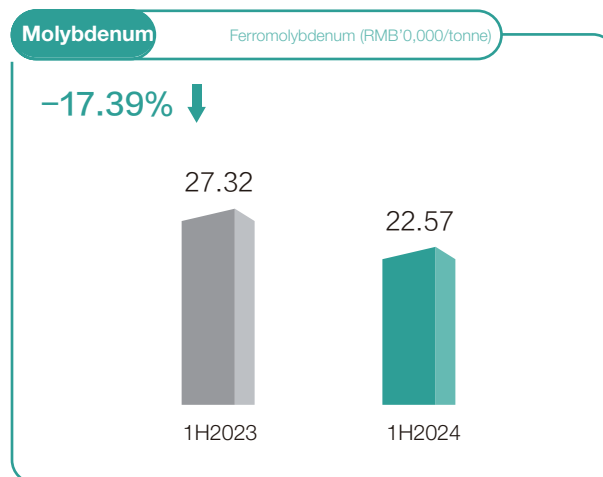
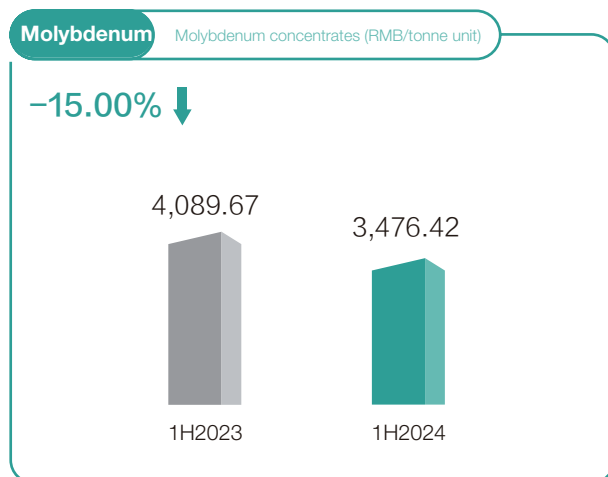
1. Market Price of Major Products

Domestic market price of relevant products of the Company

Products		First half of 2024	First half of 2023	Change YoY (%)
Molybdenum	Molybdenum concentrates (RMB/metric tonne unit)	3,476.42	4,089.67	-15.00
	Ferromolybdenum (RMB'0,000/tonne)	22.57	27.32	-17.39
Tungsten	Wolframite concentrates (RMB/metric tonne unit)	2,053.85	1,824.62	12.56
	APT (RMB'0,000/tonne)	19.78	17.87	10.69

Note: The data is from the average prices quoted on the website of Comelan (product standard: 47.5% for molybdenum concentrate, 60% for ferromolybdenum, grade I for wolframite concentrates, APT GB-0)

Domestic market price of relevant products of the Company

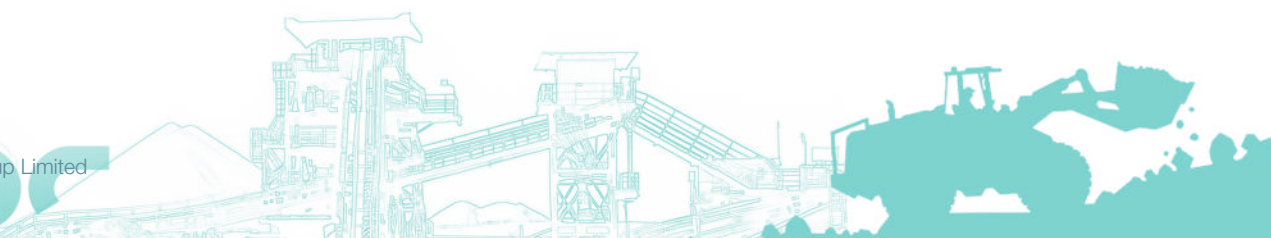


SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

International market price of relevant products of the Company

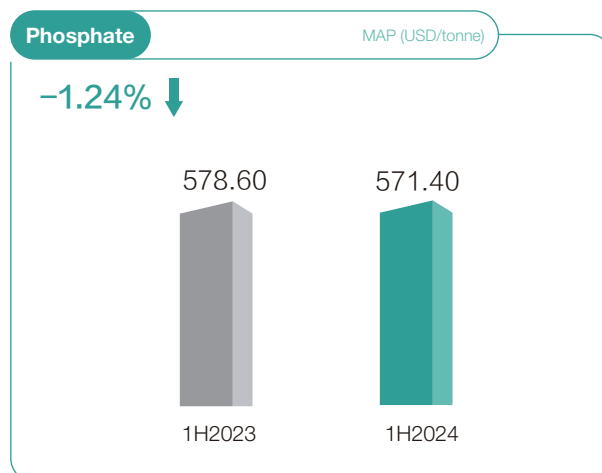
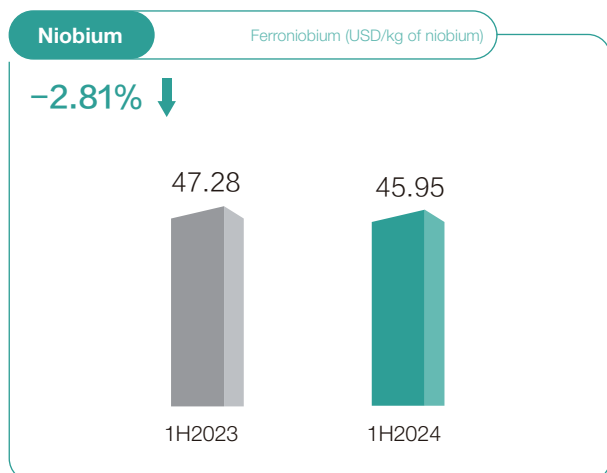
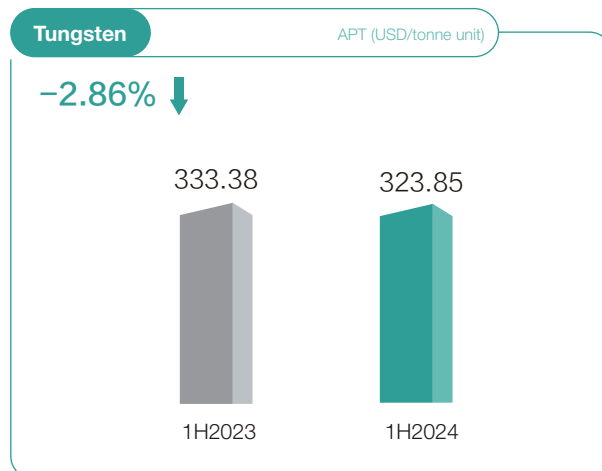
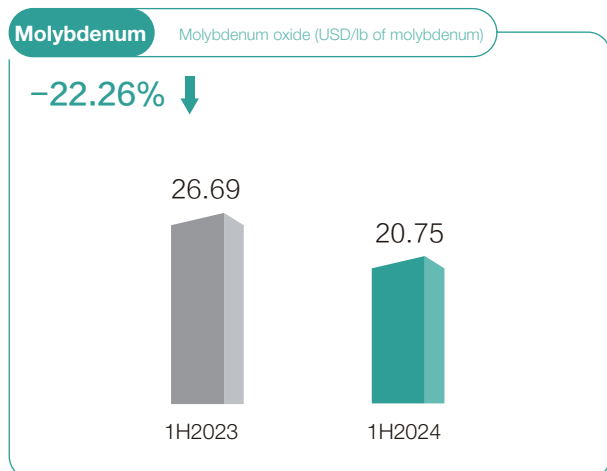
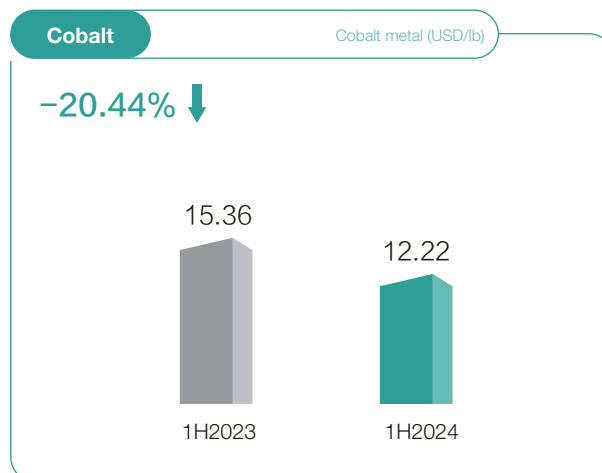
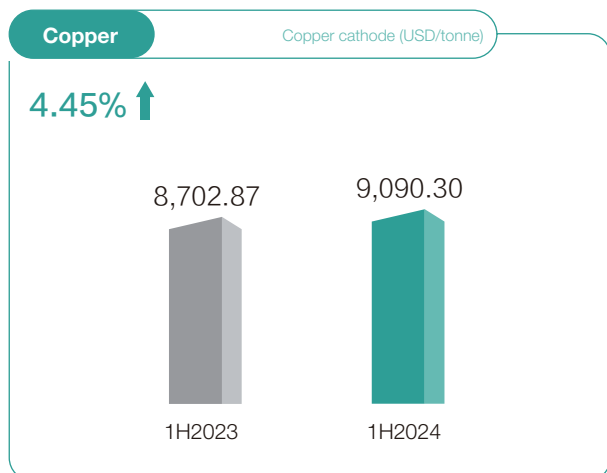
Products		First half of 2024	First half of 2023	Change YoY (%)
Copper	Copper cathode (USD/tonne)	9,090.30	8,702.87	4.45
Cobalt	Cobalt metal (USD/lb)	12.22	15.36	-20.44
Molybdenum	Molybdenum oxide (USD/lb of molybdenum)	20.75	26.69	-22.26
Tungsten	APT (USD/tonne unit)	323.85	333.38	-2.86
Niobium	Ferroniobium (USD/kg of niobium)	45.95	47.28	-2.81
Phosphate	MAP (USD/tonne)	571.40	578.60	-1.24

Note: The price information of copper is from the spot average price on LME (London Metal Exchange); cobalt price is the average price of standard grade cobalt (low-end) on the MB (Metal Bulletin); phosphate fertilizer price is from Argus Media; ferroniobium price is from the Asian Metal.



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

International market price of relevant products of the Company



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

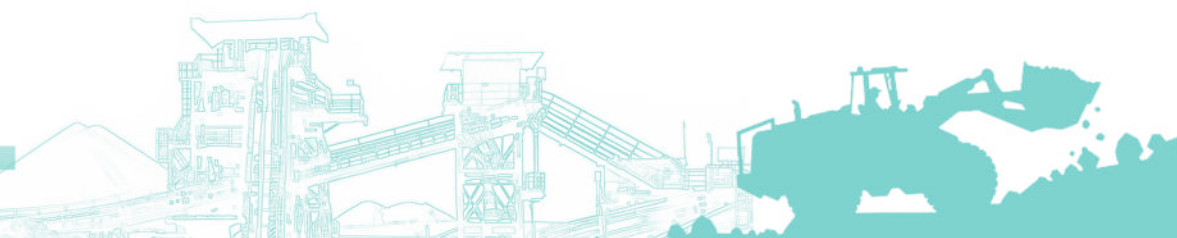
IV. CONDITIONS OF THE INDUSTRY WHERE THE COMPANY OPERATES DURING THE REPORTING PERIOD

(1) Copper industry

In the first half of 2024, the average LME spot price of copper was US\$9,090.30/tonne, representing a year-on-year increase of 4.45%. In the first five months of 2024, as investors' sentiment was stimulated by tight supply from the mines, expectations of reduced production of refined copper, sanctions on Russian metals, and expectations of interest rate cuts, the price of copper experienced significant growth, with LME spot price of copper hitting a historic high of approximately US\$11,000/tonne in May. Since late May, as traditional copper consumption in China entered the off-season and the production reduction of refined copper was less than expected due to loose supply of scrap copper, coupled with the improvement in the supply shortage situation from the mines, the price of copper dropped significantly from the high level by more than 10%.

(2) Cobalt industry

In the first half of 2024, the low range average price of MB standard grade cobalt was USD12.22/lb, representing a year-on-year decrease of 20.44%. Domestic supply of cobalt in January to June 2024 amounted to approximately 124kt, representing a year-on-year increase of 50.3%, mainly due to the substantial import of cobalt raw materials in the first half of year. On the demand side, the domestic cobalt consumption reached nearly 68kt from January to June 2024, representing a year-on-year increase of 31.2%. In the first quarter, cobalt prices remained relatively stable due to the recovery of the new energy industry; in the second quarter, despite the increased expectations of SRB stockpiling, cobalt prices did not meet expectations due to insufficient operating rates in the downstream industry chain. As of the end of June, the growth rate of domestic cobalt-related product inventories had significantly slowed, with current inventories primarily concentrated in various stages of the industry chain, mainly in raw materials and metal cobalt. According to statistics, battery materials account for 67% of global cobalt consumption, followed by superalloys (10%) and hard alloys (5%). According to Antaike, from January to June 2024, China's output of ternary precursors reached 398kt, representing a year-on-year increase of 7.6%. The recovery in 3C consumables and ternary battery terminal consumption, as well as maintaining stable growth in the new energy industry.



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(3) Molybdenum industry

In the first half of 2024, the average price of ferromolybdenum was approximately RMB225,700/tonne, which, although down 17.39% year-on-year, remained at the second-highest level in its historical cycle. According to Antaike statistics, the global supply of molybdenum metal in the first half of 2024 was 146.0kt, while the demand for molybdenum metal was 145.6kt; of which domestic supply of molybdenum metal was 64.9 kt, and the demand of molybdenum metal was 66.5kt. In the first half of 2024, bidding volume of ferromolybdenum of domestic steel plants in the first half was 72.652kt, representing a year-on-year increase of 25.4%. Increase in demand was, on one hand, due to shrinkage in demand for particular months; and, on the other hand, reflected an annual increase in demand for steel containing molybdenum as a medium- to high-end steel variety under the backdrop of national initiative for high-quality development, particularly in high-end stainless steel containing molybdenum, special steel and high speed steel.

(4) Tungsten industry

In the first half of 2024, the average price of APT was RMB197,800/tonne, representing a year-on-year increase of 10.69%. According to the statistics from the domestic websites of Comelan and Mudu-MolyChina, the domestic output of tungsten concentrates was approximately 60.724 standard kt during the first half of 2024, representing a year-on-year increase of 11.38%, APT was approximately 57.340kt, representing a year-on-year decrease of 6.33%. From January to June 2024, due to factors such as mine production cuts for maintenance, stricter environmental regulations and the strategic importance of resources, the supply side was relatively tight, its price rose to new record high and increased by nearly 30% during the year. Subsequently, the impact of environmental protection factors was gradually waning, the supply of tungsten was gradually relaxed, and prices fell from highs, but the increase during the year was still significant.

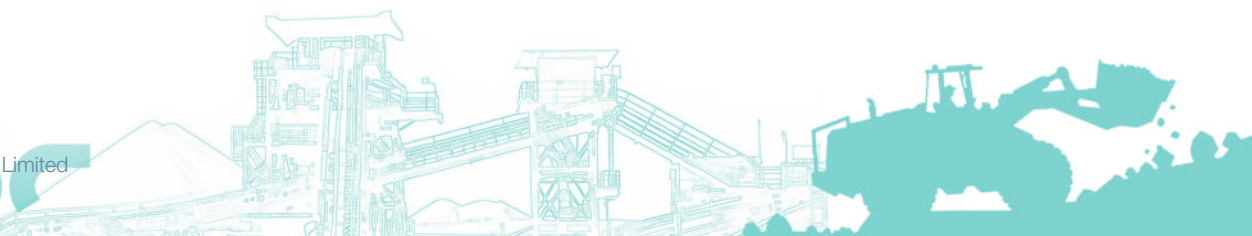
SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(5) Niobium industry

In the first half of 2024, the average ferroniobium price was USD45.95/kg, representing a year-on-year decrease of 2.8%. In the first half of 2024, the steel industry generally has not recovered yet, demand is relatively sluggish, and international prices slightly decreased; although the demand for ferroniobium for construction steel is lower than expected, however, driven by favorable policies such as national subsidies for home appliances and new energy vehicles, special steel has strong demand for niobium, making domestic prices relatively stable.

(6) Phosphate industry

In the first half of 2024, the average price of MAP (monoammonium phosphate) CFR Brazil was USD571.4/tonne, basically in line with the same period of last year. The Company's phosphate fertilizer products are produced locally in Brazil and sold within the local market. On the demand side, due to the year-on-year decline in Brazil's soybean harvest and the drop in grain prices, domestic demand for phosphate fertilizers in Brazil decreased by 13.2% year-on-year from January to April. From May to June, demand remained flat year-on-year. On the supply side, there has been no significant increase in phosphate fertilizer imports to the port, and the stalemate between supply and demand has caused phosphate fertilizer prices to remain weak but stable. In May, due to the control of supply by Russian and Moroccan producers, China's MAP demand was suddenly released and prices continued to rise. Major market participants began to become active, and phosphate fertilizer prices entered an upward period.



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

V. MARKET OUTLOOK OF MAJOR PRODUCTS

(1) Copper market

In 2024, the global monetary environment shifts from tight to ease, the domestic economy gradually recovers. With the consolidation of the economic bottom and the gradual recovery of the real estate market, the demand in the traditional copper sector will continue to increase. At the same time, the new copper demand brought by the global re-industrialization process will also increase significantly, including key areas such as energy transformation, AI computing power expansion and power grid investment. The financial and industrial attributes of copper will resonate, and copper prices will be under strong support.

(2) Cobalt market

In the second half of 2024, the growth rate of cobalt supply will gradually ease, and the previous market pressure will be effectively alleviated. Global cobalt resources are concentrated, and after the existing supply increment is released, it is expected that there will be no new resources for a long time. The main terminal demand for cobalt comes from new energy vehicle power batteries. In 2024, China's new energy vehicle penetration rate will exceed 50% for the first time, highlighting the strong downstream demand; the global new energy vehicle penetration rate will also have a trend of further expansion. The demand for cobalt from traditional fields such as aerospace and national defense applications will also maintain steady growth. Under the combined effect of supply and demand, the medium – and long-term cobalt price will be enhanced in a healthy and effective manner for a long run.

(3) Molybdenum market

In the second half of 2024, the fundamentals will continue to be in a tight balance. There will be no release of large-scale new production capacity on the molybdenum supply side. At the same time, large domestic molybdenum mines are facing varying degrees of decline in the grade of raw ore. New production capacities on the smelting and chemical sides may be put into use one after the other, which will further absorb raw materials. On the consumption side, under the national high-quality development requirements, the demand for high-end steel grades such as steel grades with molybdenum content is expected to return to a high level, and the strategic requirements for the overall upgrading of the manufacturing industry will also promote the overall upgrading of the iron and steel industry, and the demand of special steel will continue to increase. The fundamentals of molybdenum will remain in a tight balance, and prices will be more robust.

(4) Tungsten market

In the second half of 2024, the tungsten market is expected to remain in short supply. Emerging demand, especially the demand for cemented carbide and photovoltaic tungsten wire, will continue to grow, which is the major momentum for driving growth in market demand. The increase in global supply is limited, and the market supply will remain tight. Looking forward to the second half of 2024 and into the future, the tungsten market will continue to maintain a stable growth trend.

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(5) Niobium market

In the second half of 2024, iron and steel manufacturing industry in Europe is expected to continue recovering, emerging economies will boost global economic vitality, and the global steel demand will continue to grow. Under the influence of favorable policies such as subsidies for home appliances and new energy vehicles, consumption upgrades are expected to continue to drive demand for special steel, thereby making demand for niobium stronger. The supply-side structure is relatively stable and maintains a high level of concentration. Also, major niobium manufacturers have no plans for major expansion, which will support the long-term stable rise in niobium prices.

(6) Phosphate market

In the second half of 2024, the phosphate fertilizer market is expected to become more active, phosphate fertilizer prices will continue to be in the upward channel, and the major transaction price in the market will continue to move upward. The third quarter of 2024 is the traditional peak season for fertilizer sales in Brazil. Fertilizer prices are expected to continue to rise, with both production and sales booming. In the fourth quarter, as the planting season ends, fertilizer prices will be stable. Seasonal factors will affect the price of phosphate fertilizers in the short term, causing small fluctuations. At the same time, the supply is under control of major fertilizer producing areas around the world, and phosphate fertilizer prices are expected to remain strong.

VI. MAJOR OPERATIONS DURING THE REPORTING PERIOD

(I) Main businesses analysis

1 Analysis of changes in relevant items in the financial statements

Unit: Yuan Currency: RMB

Item	Amount for the current period	Amount for the corresponding period of last year	Change (%)
Operating revenue	102,818,431,688.56	86,726,255,654.19	18.56
Operating costs	83,923,963,903.94	83,004,032,078.26	1.11
Selling expenses	54,546,771.97	58,006,794.63	-5.96
Administrative expenses	1,165,601,995.25	1,210,292,744.70	-3.69
Financial expenses	1,747,564,589.41	1,370,089,054.49	27.55
Research and development expenses	137,205,701.11	107,688,998.44	27.41
Taxes and surcharges	1,990,327,973.37	859,225,589.65	131.64
Investment income	340,839,841.87	221,026,761.46	54.21
Gains from changes in fair value	-3,046,350,128.57	1,263,729,679.44	-341.06
Income tax expenses	4,822,725,205.20	1,011,601,350.12	376.74
Net cash flow from operating activities	10,779,292,189.63	8,761,937,139.74	23.02
Net cash flow from investing activities	-7,006,192,020.61	-8,594,656,967.42	18.48
Net cash flow from financing activities	982,556,136.16	211,127,744.34	365.38

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Reason for change in taxes and surcharges: a year-on-year increase in resource tax and mining right equity during the current period

Reason for change in investment income: a year-on-year increase in investment income recognized from associates during the current period

Reason for change in gains from changes in fair value: a year-on-year decrease in the fair value of derivatives of base metal trading business during the current period

Reason for changes in income tax expenses: a year-on-year increase in the income tax expenses of copper and cobalt business during the current period

Reasons for change in net cash flow from operating activities: a year-on-year increase in net inflows from operating activities of base metal trading business during the current period

Reasons for change in net cash flow from investing activities: a year-on-year decrease in expenditure on acquisition and construction of fixed assets of copper and cobalt business during the current period

Reasons for change in net cash flow from financing activities: a year-on-year decrease in loan deposits during the current period

In 2024, the Company implemented the goal of 'Refinement Year'. With the increase in the output of the Company's major products, cost optimisation and the enhancement of efficiency through technological transformation, the Company's profit and cash flow will be further strengthened. The Company's asset-liability structure has been continuously optimized, with strong solvency and steadily declining leverage ratio. Specifically: (1) the Company's net cash from operations exceeded capital expenditures in the past three years, especially the capital investment in the construction of our two major projects, TFM and KFM, with the copper and cobalt production doubled in a steady manner; (2) the Company's liability structure matches its cash flow capacity, and sufficient liquidity to repay its own borrowings; (3) the Company manages liquidity and credit risks in a coordinated manner, and maintaining sufficient liquidity to cope with various risks and fund requirements for its future strategic development; (4) the Company has sufficient external credit facilities, and has diversified financing channels in both the domestic and overseas inter-bank market and the capital market. The Company implements high standard ESG concepts and has made a number of breakthroughs in sustainable financing and green financing. As at the end of the reporting period, the Company had a balance of RMB34.9 billion in monetary funds, and more than RMB170 billion in credit facilities provided by over 90 financial institutions around the world, of which more than 70% of the credit limit unused; and (5) while improving working capital management and cash balance management this year, the trade segment continued to increase the financing quota that can support various types of trade business, optimized capital costs, and improved capital utilization efficiency. At the same time, it used more rigorous and effective liquidity risk management tools to ensure that funding capabilities are not only sufficient to cover the liquidity challenges brought about by complex market changes, but also to support various business expansion needs.

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

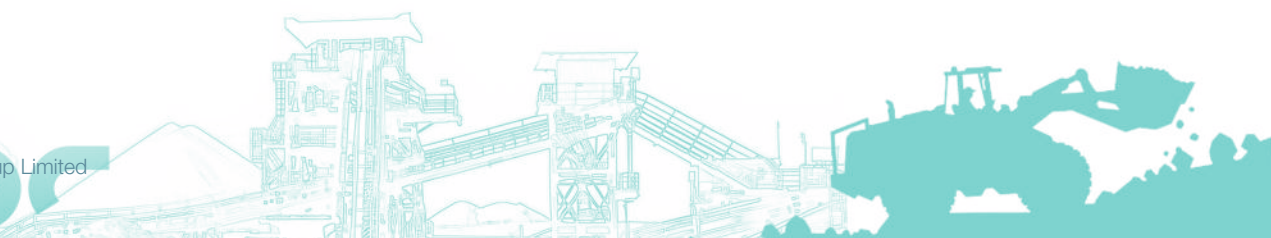
2 Revenue and cost analysis

Major business by industries, products and regions

Unit: Yuan Currency: RMB

Major business by industries

Industries	Operating income	Operating cost	Gross profit margin (%)	Increase/decrease in operating income compared with the same period last year (%)	Increase/decrease in operating cost compared with the same period last year (%)	Increase/decrease in gross profit margin compared with the same period last year
Mining and processing	31,360,674,885.93	16,664,954,779.50	46.86	156.85	86.54	Increased by 20.03 percentage points
Mineral trading (Note)	92,973,054,221.70	88,363,646,508.96	4.96	20.09	15.67	Increased by 3.63 percentage points
Others	312,644.39	288,903.27	7.59	216.09	214.07	Increased by 0.59 percentage point
Internal transactions offset	-21,591,398,065.73	-21,179,146,020.78				



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Major business by products

Products	Operating income	Operating cost	Gross profit margin (%)	Increase/decrease in operating income compared with the same period last year (%)	Increase/decrease in operating cost compared with the same period last year (%)	Increase/decrease in gross profit margin compared with the same period last year
Mining and processing						
Copper	20,026,496,526.26	9,541,050,123.12	52.36	368.88	214.92	Increased by 23.29 percentage points
Cobalt	4,341,653,076.92	2,510,610,230.52	42.17	1,541.59	6,190.54	Increased by 155.42 percentage points
Molybdenum	3,001,811,721.36	1,986,314,609.98	33.83	-20.29	-24.68	Increased by 3.85 percentage points
Tungsten	879,192,582.74	341,385,377.08	61.17	32.31	31.20	Increased by 0.33 percentage point
Niobium	1,485,491,178.15	953,909,665.43	35.78	23.49	21.89	Increased by 0.83 percentage point
Phosphorus	1,626,029,800.50	1,331,684,773.37	18.10	-7.42	-12.30	Increased by 4.56 percentage points
Mineral trading (Note)						
Mineral metal trading	22,866,312,117.88	21,653,444,099.76	5.30	8.67	4.66	Increased by 3.62 percentage points
Refined metal trading	70,106,742,103.82	66,710,202,409.20	4.84	24.35	19.76	Increased by 3.64 percentage points
Others	312,644.39	288,903.27	7.59	216.09	214.07	Increased by 0.59 percentage point
Internal transactions offset	-21,591,398,065.73	-21,179,146,020.78				

The year-on-year changes in TFM's copper and cobalt sales revenue, cost and gross margin were mainly attributable to: 1) the influence of the restriction on export during the same period in 2023; and 2) the long settlement cycle of cobalt products sold to customers, and the cobalt products sold in the end of 2022 were affected by the decline in the market cobalt price when they were settled in the first half of 2023.

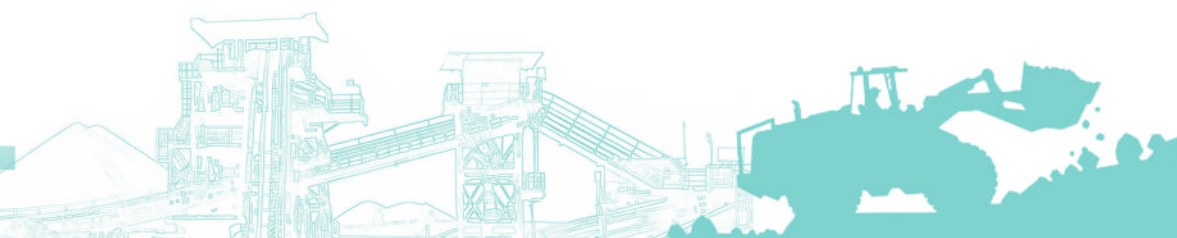
SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Major business by regions

By regions	Operating income	Operating cost	Gross profit margin (%)	Increase/decrease in operating income compared with the same period last year (%)	Increase/decrease in operating cost compared with the same period last year (%)	Increase/decrease in gross profit margin compared with the same period last year
Mining and processing						
China	3,881,004,304.10	2,327,699,987.06	40.02	-12.40	-19.66	Increased by 5.41 percentage points
Congo (DRC)	24,368,149,603.18	12,051,660,353.64	50.54	513.82	292.61	Increased by 27.86 percentage points
Brazil	3,111,520,978.65	2,285,594,438.80	26.54	5.14	-0.67	Increased by 4.30 percentage points
Mineral trading (Note)						
China	26,870,651,177.80	26,575,238,152.79	1.10	-4.12	-3.83	Decreased by 0.30 percentage point
Outside China	66,102,403,043.90	61,788,408,356.17	6.53	33.83	26.73	Increased by 5.24 percentage points
Others						
China	312,644.39	288,903.27	7.59	216.09	214.07	Increased by 0.59 percentage point
Internal transactions offset	-21,591,398,065.73	-21,179,146,020.78				

Note: While IXM conducts spot trading of non-ferrous metals, it also holds net-settled futures contracts of the same metals. Taking advantage of the strong correlation between spot trading and futures trading, through the business model that combines futures and spot trading, in the upward cycle of the spot market, profits from the spot trading side under the business model that combines futures and spot trading offset losses from the futures business side, while in the downturn of the spot market, profits from the futures business side under the business model that combines futures and spot trading offset losses from the spot business side. This business model reduces the risk of industry cyclicity and price fluctuations, and creates stable and sustainable profits for enterprises. In the international accounting standards, the operating costs from the futures and spot trading business models also include the profit or loss on the futures side.

The Group only included the corresponding cost of the spot commodities in accordance with the requirements of the Accounting Standards for Enterprises when calculating the operating cost of the metal trading; the profit and loss related to the futures business is reported in gains from changes in fair value. The gross profit margin for the period for IXM trading business under International Accounting Standards was 2.12%



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Production and sales volumes analysis

Major products	Unit	Production/ Purchase Volume	Sales Volume	Inventory Volume	Increase/ decrease in production/ purchase volume compared with the same period last year	Increase/ decrease in sales volume compared with the same period last year	Increase/ decrease in inventory volume compared with the end of last year
					(%)	(%)	(%)
Mining and processing (Note 1)							
Copper	tonne	313,788	311,806	141,751	100.74	510.53	1.42
Cobalt	tonne	54,024	50,921	40,215	178.22	3,441.73	8.36
Molybdenum	tonne	7,349	7,185	980	-12.39	-8.30	20.18
Tungsten	tonne	4,020	3,994	1,101	5.43	12.25	2.44
Niobium	tonne	5,082	5,178	735	8.23	11.91	-11.60
Phosphate fertilizer (Note 2)							
	tonne	583,338	538,932	133,233	6.47	-5.33	19.97
Mineral trading							
Concentrate metal							
products (Note 3)	tonne	1,628,207	1,710,308	270,110	0.39	14.71	-23.31
Refined metal							
products (Note 4)	tonne	894,619	1,056,238	285,222	-52.38	-42.09	-36.17

Note 1: The production volume of the mining and processing segment is based on the Company's self-produced mine data; the sales volume of copper and cobalt products is the actual external sales volume; the inventory volume is based on the Company's self-produced mine production data and the self-produced inventory volume held by the Group's internal trading platform.

Note 2: The production volume of phosphate fertilizers includes the final products for sale and the primary products for the next stage of reproduction, and the inventory volume only includes the final products.

Note 3: Primary products of metal minerals, mainly concentrates.

Note 4: Metal mineral smelting and chemical products.

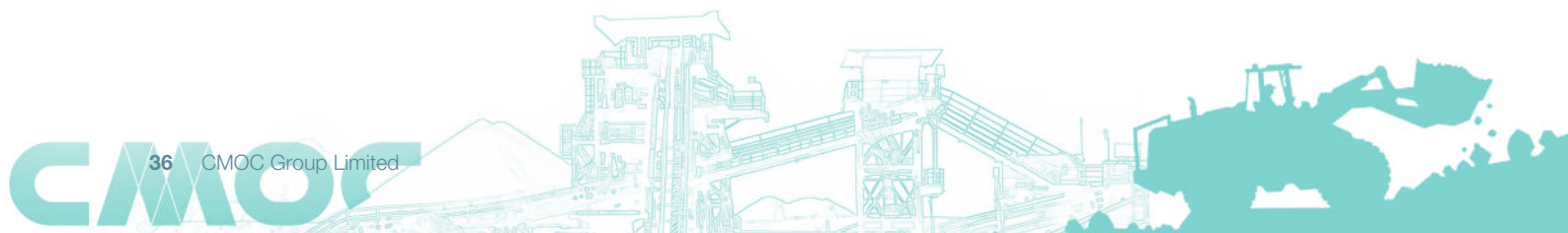
SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(II) Analysis of assets and liabilities

1. Assets and Liabilities

Unit: Yuan Currency: RMB

Item	Closing balance of the current period	Percentage of closing balance of the current period in total assets (%)	Closing balance of the corresponding period of last year	Percentage of closing balance of the corresponding period of last year in total assets (%)	Change in closing balance of the current period over the last year (%)	Explanatory notes
Trading financial assets	14,389,303,033.41	7.74	8,284,638,370.17	4.79	73.69	Increase in structured deposits with idle funds and increase in receivables designated as trading financial assets in base metal trading business during the current period
Derivative financial assets	1,362,778,560.34	0.73	2,213,551,710.77	1.28	-38.43	Decrease in the fair value of derivative financial assets of base metal trading business during the current period
Prepayments	1,870,422,498.57	1.01	1,181,770,447.66	0.68	58.27	Increase in prepayments for base metal trading business during the current period
Other current assets	4,839,336,255.21	2.60	3,084,006,776.18	1.78	56.92	Increase in deposits for base metal trading business during the current period
Construction in progress	5,492,091,576.97	2.95	10,621,107,850.33	6.14	-48.29	Projects under construction in the copper and cobalt business reclassified to fixed assets during the current period
Derivative financial liabilities	2,156,790,598.67	1.16	1,108,796,282.04	0.64	94.52	Decrease in fair value of derivatives in base metal trading business during the current period
Notes payable	431,461,785.74	0.23	1,142,025,881.71	0.66	-62.22	Payment of bills payable due for base metal trading business during the current period
Accounts payable	5,955,456,452.51	3.20	3,556,152,616.98	2.06	67.47	Increase in payment for copper and cobalt business during the current period
Taxes payable	4,131,645,903.06	2.22	2,118,205,384.20	1.22	95.05	Increase in corporate income tax payable for copper and cobalt business during the current period
Other payables	6,404,771,859.04	3.45	4,773,801,730.98	2.76	34.17	Listed company declared dividends for 2023 during the current period
Non-current liabilities due within one year	5,728,880,587.91	3.08	3,769,999,779.97	2.18	51.96	Increase in medium-term notes due within one year during the current period, reclassified into current liabilities



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

2. Overseas assets

(1) Asset structure

Overseas assets amounted to RMB168,078,770 thousand Yuan, accounting for 90.42% of total assets.

(2) Description on the high proportion of overseas assets

Unit: Thousand Yuan Currency: RMB

Overseas assets	Reason for occurrence	Operation model	Operating revenue for the reporting period	Net profit for the reporting period
Copper and cobalt business in the Congo (DRC)	consolidation of companies under different control	Self-operated	23,731,566	2,921,149
Niobium and phosphorus business in Brazil	consolidation of companies under different control	Self-operated	3,122,218	175,610
IXM metal trading business	consolidation of companies under different control	Self-operated	93,852,346	663,511

The Company's overseas assets are mainly copper-cobalt mines in the Congo (DRC), niobium-phosphate mines in Brazil and the metal trading segment with global operations.

3. Restrictions on major assets as at the end of the reporting period

Restrictions on major assets of the Group as at the end of the reporting period are set out in "1. Cash and bank balances", "2. Held-for-trading financial assets", "5. Financing with receivables", "8. Inventories", "9. Non-current assets due within one year", "10. Other current assets" and "21. Other non-current assets" in VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements.

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

4. *Other explanation*

(1) Capital structure

The Company maintains a sound capital structure and credit rating by issuing shares or borrowings to secure normal production and operation activities. The Group may make timely adjustments to its capital structure according to changes in the economic environment by borrowing new debts or issuing new shares.

As at 30 June 2024, the shareholders' equity of the Company amounted to approximately RMB75.915 billion, of which, the shareholders' equity attributable to the parent company amounted to approximately RMB62.00 billion. There was no change in the capital of the Company from January to June 2024.

As at 30 June 2024, the Company had 21,599,240,583 Shares in issue, including 17,665,772,583 A Shares and 3,933,468,000 H Shares.

For details of the Group's borrowings and issuance of bonds as at 30 June 2024, please refer to the items 22, 31, 33 and 34 in VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements.

(2) Financial instruments

The Company's major financial instruments include monetary funds, financial assets held for trading, derivative financial assets, accounts receivables, financing and accounts receivable, other receivables, non-current assets due within one year, other current assets, other equity instrument investments, other non-current financial assets, other non-current assets, financial liabilities held for trading, derivative financial liabilities, notes payable and accounts payable, other accounts payable, borrowings, other current liabilities, non-current liabilities due within one year, bonds payable and other non-current liabilities. Details of each financial instrument, please refer to VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements.

(3) Short-term borrowings

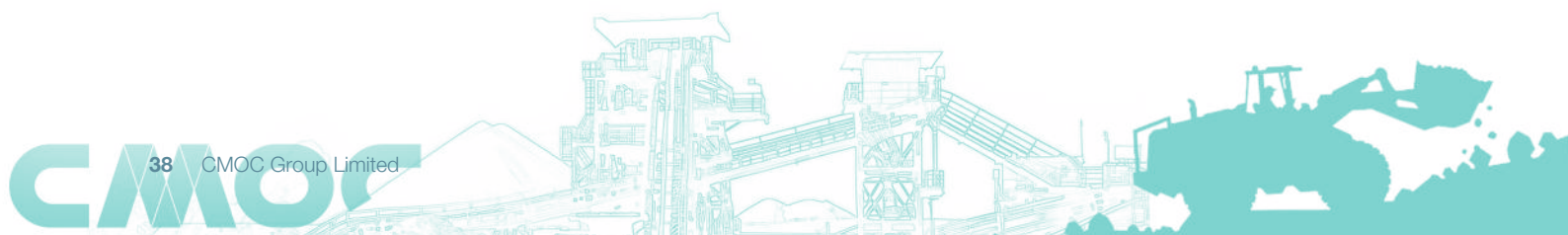
For details of short-term borrowings, please refer to item 22 in VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements.

(4) Long-term borrowings

For details of long-term borrowings, please refer to items 31 and 33 in VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements.

(5) Bonds payable

For details of the bonds payable, please refer to items 31 and 34 in VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements.



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(III) Investment Analysis

1. Overall analysis of external equity investment

(1) Material non-equity investments

Name of project	Amount of project	Progress of project	Investment during the reporting period	Total actual investment	Benefits of project
Mixed ore project of the TFM Copper and Cobalt Mine	USD2,510 million	The main process of the Congo (DRC) TFM mixed mine project has been fully completed and reached production capacity.	USD33 million	USD2,003 million	TFM has an annual production capacity of 450,000 tonnes of copper and 37,000 tonnes of cobalt
KFM Development Project (oxide and mixed ores) (phase I) in the DRC	USD1,826 million	The first phase of the KFM mining and smelting project has been completed and maintained full capacity.	USD67 million	USD1,271 million	KFM has an annual production capacity of 150,000 tonnes of copper and 50,000 tonnes of cobalt

Notes: 1. The mixed ore project of the TFM Copper and Cobalt Mine has been approved at the second extraordinary meeting of the sixth session of the Board of the Company.

2. The KFM Development Project (oxide and mixed ores) (phase I) in the DRC has been approved at the sixth extraordinary meeting of the sixth session of the Board of the Company.

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(2) Financial assets measured at fair value

Unit: Yuan Currency: RMB

Assets category	Opening balance	Gain or loss arising from the changes in fair value for the current period	Accumulated changes in fair value recorded in equity	Impairment provided for the current period	Purchase amount for the current period	Disposal/redemption amount for the current period	Investment gain for the current period	Other changes (Note 1)	Closing balance
Stocks	3,675,657.35	-703,134.16	-98,066,385.84	-	-	-	-	8,664.57	2,981,187.76
Private Equity	894,294,360.41	-9,348,808.09	-	-	-	-	-	5,539,734.96	890,485,287.28
Futures (Note 2)	179,698,720.43	53,990,365.54	-296,552,380.73	-	-	180,143,518.88	-	612,360.66	54,157,927.75
Currency Funds	21,168,198.07	-	-	-	-	-	-	-	21,168,198.07
Derivative instruments (Note 2)	-	12,765,611.80	-	-	-	-	-	-	12,765,611.80
Structured Deposits	502,249,297.87	33,546,630.02	-	-	3,027,705,560.48	-	-	-	3,563,501,488.37
Wealth management products	78,183,935.22	1,127,548.83	-	-	-	37,689,713.63	-	-	41,621,770.42
Equity in unlisted companies	126,967,367.69	-	-	-	-	-	-	754,466.15	127,721,833.84
Partnership shares	996,286,084.87	-96,008,675.71	-	-	50,000,000.00	-	305,937.38	418,778.15	950,696,187.31
Targeted asset management plan	1,117,850,742.64	1,887,345.29	-	-	-	-	-	6,966,087.02	1,126,704,174.95
Treasury bonds	4,928.00	-	-	-	-	-	-	-	4,928.00
Total	3,920,379,292.55	-2,743,116.48	-394,618,766.57	-	3,077,705,560.48	217,833,232.51	305,937.38	14,300,091.51	6,791,808,595.55

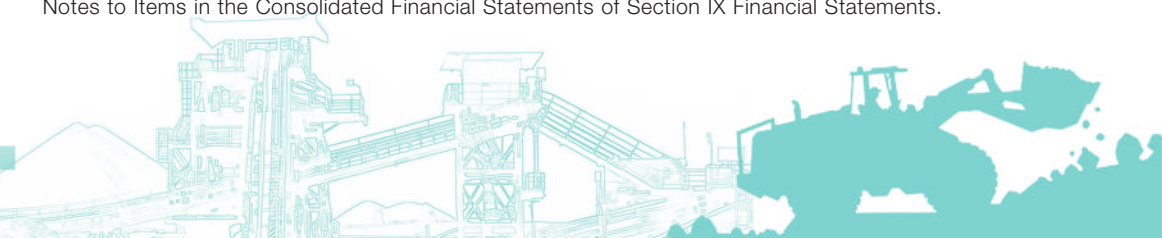
Note 1: Other changes refer to translation differences of financial statements denominated in foreign currencies.

Note 2: The Company engages in the business of mining and selling copper and cobalt products and is exposed to cash flow risk arising from changes in the price for the copper and cobalt products it expects to sell. The Company futures contracts to reduce the cash flow risk arising from changes in the commodity prices of the products expected to be sold. In accordance with the requirements of the Accounting Standards for Enterprises, the changes in fair value of the effective portions of hedging are included in other comprehensive income.

IXM engages in metal trading business that combines futures and spot trading. The trading of futures and derivatives is its primary business and does not belong to investment business.

Note 3: Accounts receivables arising in the metal trading business of IXM are measured at fair value. In accordance with the requirements of the Accounting Standards for Enterprises, such receivables are included in held-for-trading financial assets. Relevant businesses are primary businesses and do not belong to investment business. For details, please refer to "2. Held-for-trading financial assets" of VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements.

Note 4: Part of notes receivable are endorsed or discounted by the Company in accordance with the daily fund requirement. In accordance with the requirements of the Accounting Standards for Enterprises, relevant notes receivable are included in financing with receivables and does not belong to investment business. For details, please refer to "5. Financing with receivables" of VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements.



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Investment in securities

Unit: Yuan Currency: RMB

Securities type	Stock code	Stock abbreviation	Initial investment costs	Source of fund	Opening book value	Gain or loss arising from the changes in fair value for the current period	Accumulated changes in fair value recorded in equity	Other changes	Closing book value	Accounting item
Stock	ONCR	Oncorus	8,016,360.00	Internal funds	184,576.58	-	-	1,149.25	185,725.83	Other non-current financial assets
Stock	DM	Desktop Metal	9,686,973.33	Internal funds	1,557,466.61	-703,134.16	-	7,515.32	861,847.77	Other non-current financial assets
Stock	836012.NQ	eбайking.com	100,000,000.00	Internal funds	1,933,614.16	-	-98,066,385.84	-	1,933,614.16	Other equity instrument investments
Fund	000917	Harvest Express	9,714,945.42	Internal funds	10,621,440.96	-	-	-	10,621,440.96	Trading financial assets
Fund	003473	Tiantianli A	9,713,108.53	Internal funds	10,546,757.11	-	-	-	10,546,757.11	Trading financial assets
Total	/	/	137,131,387.28	/	24,843,855.42	-703,134.16	-98,066,385.84	8,664.57	24,149,385.83	/

Investment in derivatives

The Company uses the futures market to engage in risk management activities such as hedging of copper and cobalt products, etc. in order to respond to the cash flow risk caused by the changes of expected sales price of copper and cobalt products, etc.

IXM is mainly engaged in the trading of commodities (copper, lead, zinc concentrates, refined metals, etc.). In addition to spot trading of non-ferrous metals, IXM also holds net-settled futures contracts for the same types of metals. Leveraging the strong correlation between spot trading and futures trading, IXM reduces the risks brought by industry cyclicality and price fluctuations through the business model of futures and spot combination. IXM has a mature risk management and control system, and the risk prevention and control strategy is specifically implemented by the Risk Management and Macro Strategy Committee of IXM after being approved by the Company. IXM has set up a special risk management department to ensure that its risk control policies can be strictly implemented.

For details of the Company's investment in derivative products during the reporting period, please refer to "3. Derivative financial assets" and "24. Derivative financial liabilities" of VII. Notes to Items in the Consolidated Financial Statements of Section IX Financial Statements.

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(1) Investment in derivatives for the purpose of hedging during the reporting period

Unit: Yuan Currency: RMB

Types of investment in derivatives	Initial investment amount	Opening book value	Gain or loss arising from the changes in fair value for the current period	Accumulated changes in fair value recorded in equity	Purchase amount during the reporting period	Disposal amount during the reporting period	Closing book value	Percentage of closing book value to the net assets of the Company at the end of the reporting period (%)
Commodity futures	149,991,619.32	104,431,027.88	672,200,256.65	-247,871,211.98	-	396,008,441.38	132,751,631.17	0.17
Foreign exchange forwards	251,210,121.75	18,940,337.27	15,685.49	-	72,217,827.60	90,453,721.26	720,139.10	-
Total	401,201,741.07	123,371,365.15	672,215,952.14	-247,871,211.98	72,217,827.60	486,462,162.64	133,471,770.27	0.17

Description as to whether the Company's accounting policies and accounting principles for derivatives during the reporting period have changed significantly as compared to the previous reporting period
Description on the actual gain or loss of the reporting period

Description on the effects of hedging
Source of funds in respect of investment in derivatives
Risk analysis of derivatives position held during the reporting period and description of control measures (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)

The Company has conducted the accounting treatment of the proposed futures and derivatives trading business and have the relevant items reflected in the balance sheet and the income statement in accordance with the relevant regulations and guidelines published by the Ministry of Finance, such as the Chinese Accounting Standards for Business Enterprises (ASBE) No. 22 – Recognition and Measurement of Financial Instruments; ASBE No. 37 – Presentation of Financial Instruments; ASBE No. 39 – Fair Value Measurement; ASBE No. 24 – Hedge Accounting. There were no significant changes in accounting policies and accounting principles from the previous reporting period.
RMB424,344,740.17

See XI. 2. Hedge in Section IX Financial Statements

Self-owned funds

(1) Risk Analysis

Due to the nature of futures and derivatives trading, certain risks may still exist in the course of business, mainly as follows:

1. Market risk

Influenced by a variety of factors such as domestic and foreign economic policies and situations, fluctuations in exchange rate and interest rates, commodity market fluctuations, etc., when the market prices of the underlying transactions fluctuate significantly, the Company's capital security and risk hedging effect may be uncertain. The Company will exercise appropriate interventions timely according to the economic situation and changes in the financial market.

2. Liquidity risk

The purchase, sale and realisation of investment gains of the underlying transactions are affected by the price of the corresponding underlying factors, which shall be subject to the corresponding transaction settlement rules and agreements. There is a certain liquidity risk, compared with the monetary funds, when the Company fails to make up the full margin in time, it may be forced to close the position and suffer losses.

3. Credit risk

There is a risk that the underlying contracts will not be able to be performed upon expiry and result in defaults in carrying out futures and derivatives trading business. The Company will prudently select counterparties and underlying derivatives products and conduct futures and derivatives trading business with legally qualified financial institutions to minimize counterparty credit risk.

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

4. Operational Risk

The futures and derivatives trading business is highly specialized and complex. In the course of trading, there will be operational risk if the operators fail to comply with the prescribed procedures or fail to fully understand the information of the underlying transactions.

5. Legal Risk

Changes in relevant laws or violations of the relevant legal system by the counterparty may cause losses to the Company as a result of the failure of the normal execution of the underlying contracts.

(2) Risk control measures

1. System optimization: in strict accordance with the relevant provisions of Measures for the Administration of Derivative Commodity Transactions of the Company, and implementing decision-making, authorization, execution, risk control on the futures and derivatives trading business.

2. Professional team: a working group composed of relevant personnel of the Company is responsible for risk assessment before futures and derivatives trading, analyzing the effectiveness of hedging, the feasibility and necessity assessment of trading, the specific operation of carrying out transactions, and reporting the changes in risk assessment and proposing feasible contingency stop-loss measures timely when there are significant changes in the market.

3. Market analysis: before futures and derivative transactions, the Company conducts comparative analysis among multiple markets and multiple products, and selects the most suitable trading targets with strong liquidity and relatively controllable risks for the Company's business background.

4. Transaction control: fully understand the operating qualifications, execution team, transaction personnel involved and authorization system of financial institutions that handle futures and derivatives, and carefully select financial institutions with good credit and long-term business relationships with the Company. When necessary, professional institutions may be engaged to analyze and compare the trading modes and counterparties of futures and derivatives.

5. Risk plan: Risk response plan and decision-making mechanism are set up in advance. Specialized personnel are responsible for tracking changes in the fair value of futures and derivatives, assessing changes in the risk exposure of traded futures and derivatives timely, and reporting on a regular basis. In the event of severe market fluctuations or increased risk, the frequency of reporting should be increased to ensure that the risk plan can be activated and implemented in a timely manner.

6. Regular inspections: the internal and external audit departments of the Company conduct regular or irregular inspections on business-related transaction processes, approval procedures, record keeping and accounting information.

7. Regular disclosures: in strict accordance with the laws, regulations and the relevant provisions of the stock exchange to complete timely disclosure of information.

Foreign exchange forwards:

The Fed started to cut interest rates as early as March and was expected to lower the interest rates six times during the year. In the first half of the year, with the long-term resilience of the U.S. economic data and the stickiness of inflation, the market's expectation for the Fed's interest rate cut during the year decreased from six times at the beginning of the year to once in June; while the 10-year U.S. bond yield also rose from 3.8% at the beginning of the year up to 4.7%. Affected by the high interest spread and the general strength of the US dollar, the rate of USD/CNY returned to around 7.20 after a few trading days in the beginning of the year, and then to around 7.25 in late March. However, in the second quarter it fluctuated in a tight range due to the strong intervention of the central bank. All foreign exchange derivatives operated by the Company are simple forwards and swaps with good market liquidity and clear fair values, and we use valuation reports provided by banks to value foreign exchange derivatives.

Commodity futures (copper):

In the first half of 2024, the LME copper price fluctuated in a wide range of USD8,127 to USD11,104. At the beginning of the year, after a downward adjustment in February, the 3M copper price rose sharply to a historical high in March to May, and fell back to around USD9,700 in mid-to-late May, then followed by a narrow range of fluctuations. The commodity futures traded by the Company are mainly standardized futures contracts with good LME liquidity or swaps underlying LME futures contracts, which have clear fair values as they are clearly measured and priced with the statistical data are valued at real-time market prices.

This matter has been considered and approved by the fifteenth extraordinary meeting of the Board and the nineteenth meeting of the sixth session of the Supervisory Committee held on 20 January 2024.

Changes in market price or changes in fair value of invested derivatives or products during the reporting period, where specific methods adopted and relevant assumptions and parameters setting for analyzing the fair value of derivatives shall be disclosed

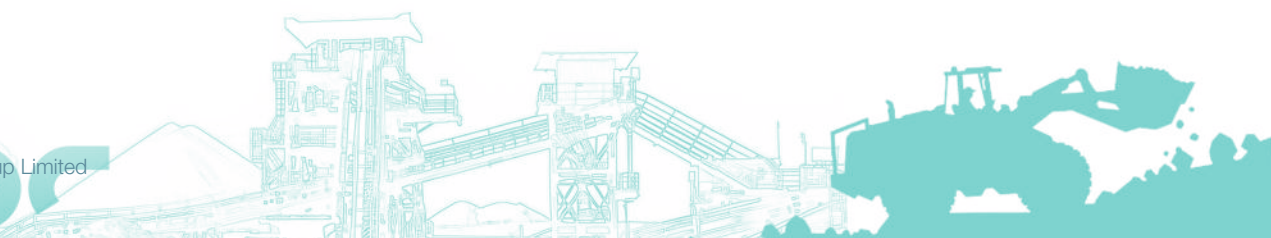
Disclosure date of the board's announcement on approval of investment in derivatives

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(IV) ANALYSIS OF MAJOR SUBSIDIARIES AND ASSOCIATES

Unit: Thousand Yuan Currency: RMB

Company name	Major business	Shareholding method	Interests held	Operating income	Total assets	Net assets
TF Holdings Limited	Copper and cobalt mine assets/business	indirect	80.00%	14,450,266	74,383,095	41,698,489
KFM Holding Limited	Copper and cobalt mine assets/business	indirect	71.25%	9,281,300	20,200,853	9,405,531
CMOC Brasil	Niobium and phosphate mine assets/business	indirect	100.00%	3,122,218	13,072,100	8,670,038
IXM	Trading business	indirect	100.00%	93,852,346	39,470,868	8,363,279



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

VII. OTHER DISCLOSURES

(I) Possible risks

I. MINING BUSINESS

1. Exposure to Risks Related to Price Fluctuations of Principal Products

The profit of the Company primarily generates from the Company's principal products, including copper, cobalt, molybdenum, tungsten, niobium and phosphate. Significant fluctuations in the prices of related mineral products in future may put great pressure on the Company's operating results. The Company consolidates the competitiveness of low cost and improves the production capacity, production volume and efficiency of the projects in production through the continuous cost reduction and efficiency improvement and technological upgrading. Meanwhile, the Company strengthens the market research, and uses the financial derivative instruments in a reasonable and prudent manner to mitigate the risk of price fluctuations.

2. Exposure to Risks Related to Geopolitics and Policy

The business of the Company covers various countries and regions around the world. As there are major discrepancies in state politics, economy development level and social structures among different countries, changes in national policies may have impacts on the operation of the Company. The Company identifies the macro environment and the mining regulations of countries or regions where the mines operate to adhere to legal and compliant operations, while keeping a positive and constructive relationship with the stakeholders to ensure the orderly production and operation.

3. Exposure to Risks Related to Interest Rate

The interest rate risk exposure of the Company comes from changes in bank borrowing rates. The risk of changes in cash flows of financial instruments arising from a change in interest rate is mainly related to bank borrowings with floating rates. Combined with market judgment, the Company has flexibly adopted interest rate swaps to hedge against interest rate fluctuations on US\$-denominated loans, therefore coping with interest rate hikes risks resulting from higher United States interest rates.

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

4. Exposure to Risks Related to Exchange Rate

The exchange rate risk exposure of the Company is primarily arising from assets and liabilities held in foreign currencies other than the function currency, and is mainly associated with US\$, HK\$, EUR, CAD, RMB, BRL, GBP and CDF. All principal business operations of domestic subsidiaries are denominated and settled in RMB; the niobium and phosphates businesses of the Group in Brazil are mainly denominated and settled in US\$ and BRL; and the copper and cobalt businesses of the Group in the DRC are mainly denominated and settled in US\$ and CDF. The overall exposure of the Group to changes in exchange rates is not significant. The exchange rate risks arising from assets and liabilities with balances denominated in foreign currencies may affect the operating results of the Company. The Company pays close attention to the effect of the changes in exchange rates on the exchange rate risks of the Group, and makes use of financial instruments, such as forward foreign exchange contracts to hedge against foreign exchange rate risk in due course.

5. Exposure to Risks Related to Safety and Environmental Protection and Natural Disasters

The Company engages in the mining business and mineral resources processing. In the production process, there may be accidents related to safety and environmental protection, as well as natural disasters such as rainstorms, drought and earthquake, which may damage the tailing storage facilities and slag discharge fields. The Company prevents and controls safety risks by formulating and improving safety system, intensifying accountability in relation to safety and environmental protection, investing more in production safety and environmental protection and strongly promoting standardized safety management.

II. TRADING BUSINESS

Trading companies use multiple financial instruments and subject to multiple risks, including price fluctuations, foreign currency, counterparty credit and liquidity risks. An integrated risk management framework is an instrumental part of IXM's governance strategy and objective to achieve sustainable long-term value creation. In addition to managing price and foreign currency risk, IXM implemented a strong monitoring of counterparty credit and ensured the availability of sufficient cash in order to reduce its liquidity risk. In accordance with IXM's risk policy, the Company makes a corresponding provision for its unrealized gains and receivables with counterparties that are deemed at risk. IXM will continuously update risk register with contributions from all key functional departments and updates are discussed with the executive management team. The Company conducts periodic assessments of various functions and processes with a focus on the corresponding policies, implementation, and monitoring controls in place.

1. Market Risk

Market risk is the risk that the fair value or future cash flows of assets and liabilities held by IXM will fluctuate due to changes in market variables such as spot and future commodity prices, relative price spreads and volatilities, interest and foreign exchange rates. Market risk exposure is classified into either trading or non-trading activities. Market risk for trading activities is managed by diversifying risks, controlling position natures, sizes and maturities, performing stress testing, monitoring risk limits under the supervision of its risk committee. Risk limits are based on a daily measure of market risk exposure referred to as value at risk (VaR). The VaR is a model-based estimate grounded upon various assumptions with a confidence level of 95%. The VaR model undergoes regular backtesting to test the validity of its underlying assumptions. To complement the use of VaR, various other controls are applied, like metal concentration limits, nominal volume limits in some illiquid markets, and frequent stress testing of portfolios.

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

2. Liquidity Risk

Liquidity risk arises in the general funding of the IXM's commodity trading activities and in the management of positions. It includes both the risk of being unable to fund IXM's portfolio of assets at appropriate maturities and rates, and the risk of being unable to liquidate a position in a timely manner at a reasonable price. Management of the liquidity profile is designed to ensure that IXM has access to the funds necessary to cover maturing liabilities in a timely manner. Sources of funds include interest-bearing and non-interest-bearing deposits, bank notes, trading account liabilities, repurchase agreements, long term debt, borrowing arrangements and financial advances from related parties.

3. Credit Risk

IXM is engaged in the business of trading a diversified portfolio of commodities. Accordingly, a substantial portion of the group's lending exposure (trade receivables and prepayments) alongside (current and potential future) counterparty MtM exposure is with companies across several different industries within the commodity sector. IXM has implemented risk management procedures to monitor its risk exposures and to minimize counterparty risk. These procedures include initial credit and limit approvals, credit insurance, bank discounting, margin requirements, netting arrangements, letters of credit, other guarantees, and covenants. The credit quality of financial and other current assets is assessed by reference to credit ratings, historical information about counterparty default rates, risk mitigation tools in place, existing market conditions, market-based ("systematic") risk factors and loan-specific ("idiosyncratic") risk factors. The rating methodology incorporates several financial metrics, specific financial ratio equivalencies for each credit rating, ESG metrics, operational and industry risk metrics, parent/group support and country risk.

4. Compliance Risk

IXM fully recognizes the importance of business ethics and sustainable development in accessing resources, markets, and financing. IXM is committed to full compliance with applicable laws and regulations in all jurisdictions where we operate. To this effect, IXM has established a comprehensive compliance program tailored to the specific requirements of our industry. It includes policies, procedures, and internal controls which are regularly reviewed to ensure adherence to legal and regulatory obligations. We monitor and stay abreast of changes in laws, regulations, and industry standards that affect our business operations.

For details of other "Possible Risks" of the Company, please refer to the contents disclosed in relevant sections of the Company's previous periodic reports.

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(II) Other disclosures

I. PRIORITIES OF THE COMPANY FOR THE SECOND HALF OF 2024

1. Uphold “Refinement Year” as the leading principle for all kinds of work

Under the general policy of “improving quality, reducing costs, and enhancing efficiency”, factors including operation, cost, innovation, ESG and talent will be enhanced comprehensively. Informatization will be further constructed to realize governance and control of various global business segments with informatization tools; long-term incentive policies will be implemented to retain core and backbone talents; the system of Chief Audit Executive will be improved to strengthen the construction of a supervision mechanism of integrity.

2. Further strengthen management sector and improve profitability

Copper and cobalt segment: TFM continued to optimize the process, improve technical indicators, and further reduce costs and increase efficiency; KFM will strengthen refined management, plan ore blending and mining work in advance according to changes in ore grade to maintain stable production. TFM and KFM continued to push forward the registration of the LME copper trademark.

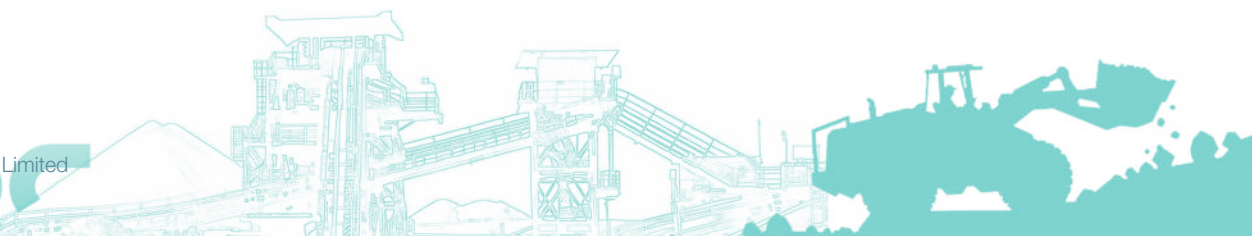
Molybdenum and tungsten segment: The expansion of Shangfanggou and synergistic mining of Sandaozhuang will be accelerated; the industrial experiment of APT technological transformation will be accelerated to increase the output of ammonium molybdate tetrahydrate; the industrial experiment of sulphur processing of tailings will continue to proceed so as to facilitate new achievements in the work of comprehensive recovery of tailings.

Niobium and phosphate segment: We will vigorously promote China-led and self-operated constructions, in particular, the formation of a major repair and technological transformation team to consolidate the results of cost reduction and efficiency improvement; technological research on niobium recovery rate will be implemented.

IXM: We will clarify the sales strategy for cobalt market, formulate effective product sales plan and supporting mechanism to complete the sales task in a comprehensive manner; the achievements of structural reform will be consolidated, the organizational structure and product line structure will be optimized, and the construction of informatization will be accelerated.

3. Accelerate the development of new projects

The Company will make effort to advance the Nziloll project and development of the Pumpi mining pit in the west zone of TFM and sulfide ores of KFM. by relying on the existing layout of the Company, focus will be put on new energy metals and other advantageous metals, in particular those resources which are related to the new energy industry and scarce resources in domestic market, high-quality projects will be gathered actively on reserve for implementing counter-cyclical mergers and acquisitions in a timely manner.



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

4. Consolidate the ESG leading position in global industries

By implementing the carbon neutrality plan and fulfilling the commitments of the United Nations Global Compact continuously, we will maintain the position of a world-class ESG mining company; by refining the ESG management system, strengthening the strategic guidance in the environmental field and introducing a new management system, we will establish evaluation standards with CMOC characteristics; by releasing medium and long-term strategies with social impact and collaborating joint forces of social investments on key strategies, we will create a unique ESG brand of CMOC.

II. EXPLORATION, DEVELOPMENT AND MINING ACTIVITIES DURING THE REPORTING PERIOD

(1) Exploration

① Copper and Cobalt Mines in the DRC

TFM Copper and Cobalt Mine: During the reporting period, TFM Copper and Cobalt Mine conducted peripheral prospecting and deep geological exploration with significant results. It mainly includes the detailed geological survey of the Big Pumpi copper-cobalt mine, the deep geological exploration of the TENK mine and the FGME88 mine, and completed 6,200 meters of diamond drilling, which increased the resource level and achieved the expected exploration effect; in addition, geological mapping and geological survey of approximately 2 square kilometers were completed in the northern Kyaundji area, providing a theoretical basis for subsequent geological prospecting. At the same time, soil geochemical sampling of about 10 square kilometers was carried out in the vicinity on the northern part of Pumpi Mine to examine the geological distribution characteristics of the mineralized abnormal area. The information obtained would provide a basis for the determination of the target area and the direction of future peripheral prospecting.

KFM Copper and Cobalt Mine: During the reporting period, the main work was to conduct supplementary exploration and peripheral geological prospecting for deep sulfide ores, with a designed engineering volume of 18,512 meters and 50 drill holes. By now, 19 drilling holes have been completed with a total footage of 6,017 meters. The exploration for deep sulfide ores has good results, and certain progress has been made in peripheral prospecting.

② Niobium and Phosphate Mines in Brazil

Niobium Mine: In order to reduce the loss and dilution and upgrade the resources, a total of 257 RC holes were constructed during the reporting period, with a total footage of 11,123 meters; at the same time, geotechnical exploration and hydrogeological exploration were carried out at the same time, 15 DDH holes were constructed with a total footage of 1,980 meters. In the brownfield geophysical survey project of the Catalan Phase II, 1,251 RTK survey points, 1,234 gravimetric survey points, 3,778 gamma spectrum survey points and 3,941 magnetic survey points have been completed to date.

Phosphate Mine: During the reporting period, 26 DDH holes were constructed in the Chapadao mining area, with a total footage of 2,252 meters.

③ Mines in the PRC

Sandaozhuang Molybdenum and Tungsten Mine: During the reporting period, deep geological exploration was carried out within the mining area, and the construction of 7 drilling holes have been completed with a total footage of 2,478 meters. Goaf detection was carried out in the northern and southern areas of the mine pit, and 27 goaf detection holes have been constructed with a total footage of 1,223 meters.

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Shangfanggou Molybdenum Mine: During the reporting period, deep geological exploration was carried out within the mining area, and 3 drill holes were constructed with a total footage of 1,662 meters. In order to upgrade the resources and improve the conservation of secondary ore, 47 production prospecting holes were constructed in the mine pit with a total footage of 5,222 meters. In order to ensure production safety, goaf detection was carried out, and 23 goaf detection holes were constructed with a total footage of 1,932 meters.

(2) Development

① Copper and Cobalt Mines in the DRC

TFM Copper and Cobalt Mine: During the reporting period, we completed the extension and clearing of multiple spoil dumps, completed the construction of 7.6 kilometers of ore transportation roads, added a permanent ramp and a temporary ramp to shorten the distance of ore and rock transportation, completed the construction of 1,520 cubic meters of drainage ditches for the railway relocation project, and cleared 119,000 square meters of safety platforms and slopes, completed the production and transportation of 14,000 cubic meters of washed sand, coarse aggregate, ballast and other materials, completed the construction of 11 drainage wells, totaling 1,895 meters, and we were responsible for the management of surface water around the communities within the mining area, a total of 242 meters of surface water control embankments and road pavements were built, and 30 meters of drainage culverts were constructed.

KFM Copper and Cobalt Mine: During the reporting period, the mine drainage adopted a joint drainage model based on the mining pit and supplemented by drainage wells: the mining pit was equipped with primary and secondary drainage pumping stations for relay drainage; 5 drainage wells were constructed mainly for groundwater supply and runoff channels in the mining area to ensure the smooth implementation of mining and stripping operations. The slopes of the open-pit mine were monitored in real time jointly by three methods, namely manual, GNSS and radar; the slope monitoring radar arrived and was installed at the site this year. The 1,230-meter horizontal secondary pumping station and the 1,185-meter horizontal water collection pool have been constructed and installed, and the water level dropping speed has been increased to create construction conditions for mining and stripping. Temporary transportation roads have been added to optimize the ore and waste rock transportation system to save mining and stripping production costs.

② Niobium and Phosphate Mines in Brazil

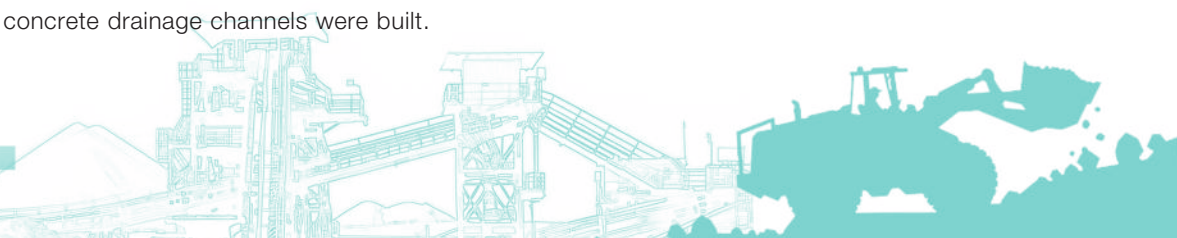
Niobium Mine: During the reporting period, we organized the processing of certificates and the entry of construction units for the Northeast spoil dump project, the mine expansion project and the mine bottom drainage pumping system project; and made progress in the construction of BVFR and BVO crushing drainage systems.

Phosphate Mine: During the reporting period, the construction of No. 3A spoil dump started, and the modification and optimization of the plan was completed in accordance with the requirements of local environmental department.

③ Mines in China

Sandaozhuang Molybdenum and Tungsten Mine: During the reporting period, in accordance with the national green mine construction requirements, the ecological restoration work was further strengthened, with an ecological restoration area of 7,600 square meters in the mining area and 30,700 square meters in the dumping area; the main construction of the resettlement housing for the newly built small slag dump has been completed and the safety facility design has been approved.

Shangfanggou Molybdenum Mine: During the reporting period, in accordance with the national green mine construction requirements, the ecological restoration work was further strengthened, 24,500 cubic meters of soil covering, 959 trees were planted, 2,405 square meters of grass and landscaping vegetation were planted; 1,300 square meters of roads were hardened; and 1,900 meters of concrete drainage channels were built.



SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(3) Mining Activities

Domestic mining activities (in 10 kt)

Mining volume of Sandaozhuang Molybdenum and Tungsten Mine	951.3
Mining volume of Shangfanggou Molybdenum Mine	251.8

Overseas mining activities (in 10 kt)

Mining volume of TFM Copper and Cobalt Mine in the DRC	1,024.0
Mining volume of KFM Copper and Cobalt Mine in the DRC	242.5
Mining volume of Niobium Mine in Brazil	175.8
Mining volume of Phosphate Mine in Brazil	269.9

(4) Costs of Exploration, Development and Mining

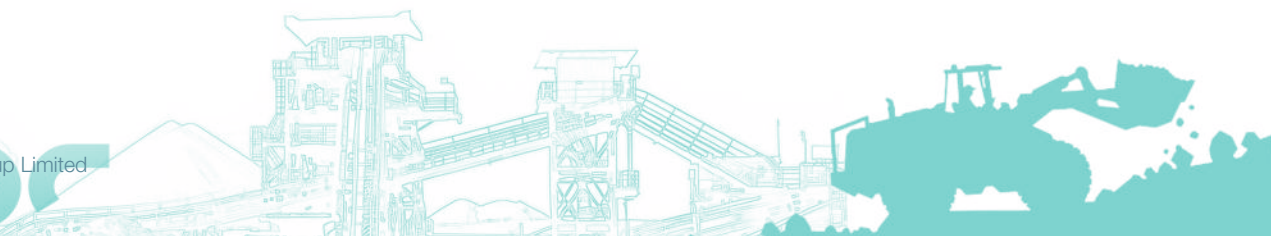
Project	Cost of mining	Cost of exploration	Cost of development
	Domestic Mines (RMB'0,000)		
Sandaozhuang Molybdenum and Tungsten Mine	22,580.28	142.57	2,650.49
Shangfanggou Molybdenum Mine	12,748.27	277.36	368.26
	Overseas Mines (USD million)		
TFM Copper and Cobalt Mine in the DRC	395.57	3.53	2.69
KFM Copper and Cobalt Mine in the DRC	279.58	0.00	0.00
Niobium Mine in Brazil	16.73	1.51	1.02
Phosphate Mine in Brazil	5.56	0.50	0.21

SECTION IV MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

(5) Cost of Ore Raw Materials

Unit: 000 Yuan Currency: RMB

Type and source of ore raw materials	Total cost of raw materials	Percentage (%)	Increase/decrease of total cost of raw materials as compared to the corresponding period of last year (%)
Owned mines	3,939,800.72	92.76	26.27
External procurement	307,420.78	7.24	22.21
Total	4,247,221.50	100.00	25.97



SECTION V CORPORATE GOVERNANCE

I. BRIEF INTRODUCTION TO THE GENERAL MEETINGS

Session	Date of meeting	Index of website designated for publication of the resolutions	Date of disclosure	Resolutions approved at the meeting
2023 annual general meeting	7 June 2024	Websites of the Shanghai Stock Exchange (www.sse.com.cn) and The Stock Exchange of Hong Kong Limited (www.hkex.com.hk)	8 June 2024	All resolutions have been approved and there is no rejected resolution.

II. THE CHANGES IN THE COMPANY'S DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

Name	Position held	Change
Wang Gerry Yougui	Independent non-executive director	Resigned
Yan Ye	Independent non-executive director	Resigned
Li Shuhua	Independent non-executive director	Resigned
Xu Wenhui	Supervisor	Resigned
Wang Kaiguo	Independent non-executive director	Elected
Gu Hongyu	Independent non-executive director	Elected
Cheng Gordon	Independent non-executive director	Elected
Li Hongwei	Supervisor	Elected

Save as disclosed above, there is no change in information of the Directors, Supervisors and senior management which is required to be disclosed pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules as of the date of this report.

SECTION V CORPORATE GOVERNANCE (CONTINUED)

Explanations on Changes in the Company's Directors, Supervisors and Senior Management

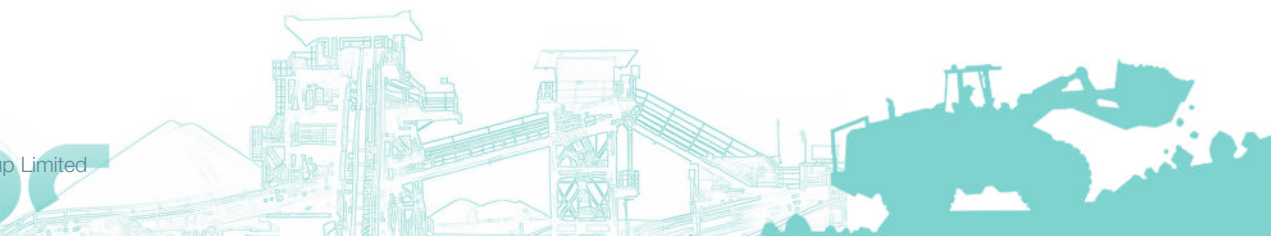
1. On 31 May 2024, the Company convened an employee representatives' meeting, which approved the Resolution on the Nomination of Li Hongwei as the Candidate for the Employee Representative Supervisor of CMOC, which elected Mr. Li Hongwei as an employee representative Supervisor of the Company. On the same day, Mr. Xu Wenhui resigned as an employee representative Supervisor of the Company due to personal work adjustments.
2. On 7 June 2024, the Company convened the 2023 annual general meeting. The term of office of the independent non-executive Directors of the sixth session of the Board, Mr. Wang Gerry Yougui, Ms. Yan Ye and Mr. Li Shuhua, has expired. The meeting approved the Resolution on Election of the Independent Non-executive Directors of the Seventh Session of the Board of the Company, which Mr. Wang Kaiguo, Ms. Gu Hongyu and Mr. Cheng Gordon were elected as the independent non-executive Directors of the Company.

Please refer to the relevant announcements of the Company published on the websites of the Shanghai Stock Exchange and the Stock Exchange for details.

III. PROPOSAL OF PROFIT DISTRIBUTION OR CAPITALIZATION FROM CAPITAL RESERVE

Proposal of profit distribution and capitalization from capital reserve to share capital for the first half of the year

Nil



SECTION V CORPORATE GOVERNANCE (CONTINUED)

IV. INFORMATION ON THE COMPANY'S EQUITY INCENTIVE SCHEME, EMPLOYEE SHARE OWNERSHIP PLAN OR OTHER EMPLOYEE INCENTIVE MEASURES AND THEIR IMPACTS

- (I) Relevant Equity Incentive Events Disclosed in Ad Hoc Announcements with no Progress or Change in Subsequent Implementation

Description	Index for enquiry
<p>The 2021 First Phase of Employee Share Ownership Plan of the Company (Draft) was considered and approved at the 2020 annual general meeting of the Company and the source of shares under the 2021 First Phase of Employee Share Ownership Plan is the 48,513,287 A-share ordinary shares of the Company in the Company's dedicated repurchase account and the repurchase price of the shares obtained is RMB2 per share. The 48,513,287 shares of the Company held in the Company's dedicated repurchase securities account have been transferred to the dedicated securities account of the Company for the 2021 First Phase of Employee Share Ownership Plan through non-trading transfer on 17 June 2021. The abovementioned shares accounted for 0.22% of the Company's total share capital with an actual subscription amount of RMB97,026,574. On 10 June 2022, the Company convened the second holders' meeting of the 2021 First Phase of Employee Share Ownership Plan, the fifth extraordinary meeting of the sixth session of board of directors and the ninth meeting of the sixth session of board of supervisors, which considered and approved the Proposal on Adjusting the 2021 First Phase of Employee Share Ownership Plan of CMOC Group Limited, the Proposal on Amending the 2021 Phase I Employee Stock Ownership Plan of CMOC Group Limited and the Proposal on Amending the Management Measures for the 2021 First Phase of Employee Share Ownership Plan of CMOC Group Limited and approved to amend and implement the employee share ownership plan. On 22 September 2022, the 2021 First Phase of Employee Share Ownership Plan assigned relevant interests to relevant incentive recipients with the appraisal conditions during the first tranche of interest allocation period satisfied. On 1 December 2023, the 2021 First Phase of Employee Share Ownership Plan assigned relevant interests to relevant incentive recipients with the appraisal conditions during the corresponding interest allocation period in 2022 satisfied.</p>	<p>Please refer to the relevant announcements of the Company published on the websites of the Shanghai Stock Exchange and the Stock Exchange for details.</p>

SECTION V CORPORATE GOVERNANCE (CONTINUED)

1. Purpose of the Employee Share Ownership Plan

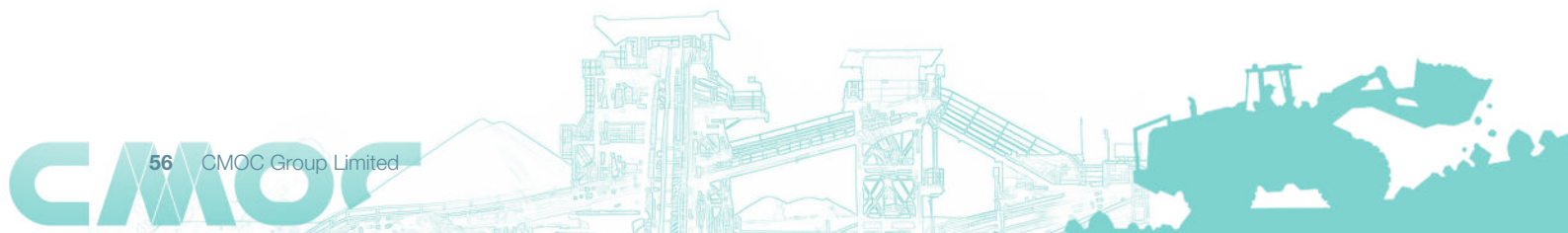
In recent years, the Company has continuously upgraded its management and organizational structure and is vigorously expanding its talent echelon in response to the challenges from the continuous development and growth of CMOC. To realize the Company's medium and long-term development strategic plan, establish and improve the benefit sharing mechanism of employees and shareholders, the Company will gradually launch employee share ownership plans or equity incentive plans that are in line with the Company's actual situation.

2. Basis for determination of holders and allocation of the First Phase of Employee Share Ownership Plan

The participants in the Employee Share Ownership Plan are Directors (excluding independent non-executive Directors), senior management and other core staff of the Company (including subsidiaries of the Company). All participants are required to enter into labor contracts or engagement agreements with the Company or its subsidiaries during the valid term of the Employee Share Ownership Plan.

The total funds under the Employee Share Ownership Plan upon its establishment shall not be more than RMB97,026,574, divided into "units" for subscription and each unit is equal to RMB1.00. The cap of units of the Employee Share Ownership Plan is 97,026,574.

Holder	Position	Maximum number of shares subscribed (unit)	Proportion of shares subscribed to the total shares under the Employee Share Ownership Plan
Sun Ruiwen	CEO	36,000,000	37.10%
Yuan Honglin	Chairman of the Board	16,026,574	16.52%
Li Chaochun	Vice chairman of the Board, Chief Investment Officer	15,000,000	15.46%
Zhou Jun	Vice President of Operations	15,000,000	15.46%
Liu Dajun	Assistant to CEO	15,000,000	15.46%
Total		97,026,574	100.00%



SECTION V CORPORATE GOVERNANCE (CONTINUED)

3. *Source of Funds, Source of Shares, Size and Purchase Price of the Employee Share Ownership Plan*

- 1) **Source of Funds:** The sources of the funds for the Company's employees to participate in the Employee Share Ownership Plan include their legitimate salary, self-raised funds and other sources as permitted under relevant laws and regulations.
- 2) **Source of Shares:** The source of target shares under the Employee Share Ownership Plan is ordinary A Shares of CMOC repurchased through the Company's designated repurchase account.
- 3) **Size of the Employee Share Ownership Plan:** The number of shares held under the Employee Share Ownership Plan will not exceed 48,513,287 Shares, accounting for approximately 0.22% of the total share capital of the Company of 21,599.24 million shares as of the date of announcement of the Employee Share Ownership Plan.

Subscription Price: The subscription price of the shares to be obtained by the participants under the Employee Share Ownership Plan is RMB2 per share, no less than 50% of the actual cost of the Company's repurchase.

4. *Term, Lock-Up Period and Allocation of the Employee Share Ownership Plan*

1) Term

The term of the Employee Share Ownership Plan is 60 months, commencing from the date when the Employee Share Ownership Plan was considered and approved at the shareholders' general meeting of the Company and the Company announced the registration of the last tranche of the target shares under the Employee Share Ownership Plan. The Employee Share Ownership Plan will be automatically terminated if it is not extended upon expiry.

2) Lock-up Period

The lock-up period of the target shares under the Employee Share Ownership Plan is 12 months, commencing from the date when the Company announced the registration of the last tranche of the target shares under the Employee Share Ownership Plan, during which the target shares under the Employee Share Ownership Plan shall not be traded. The shares derived from the distribution of dividends and the transfer of capital reserves of the Company shall also be subject to the lock-up arrangements. After the expiry of the lock-up period, the management committee or its authorized institution shall sell the target shares under the Employee Share Ownership Plan according to the authorization of the holders' meeting when appropriate.

SECTION V CORPORATE GOVERNANCE (CONTINUED)

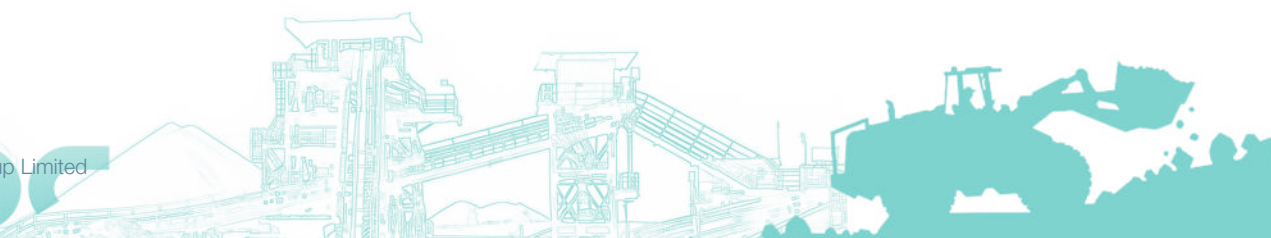
3) Allocation

Upon the expiry of the lock-up period, shares held under the Employee Share Ownership Plan will be allocated to the holders in three tranches according to the performance appraisal results. Allocation proportion of each tranche is as follows:

The first tranche of interest allocation period: 12 months after the date when the Employee Share Ownership Plan was considered and approved at the shareholders' general meeting of the Company and the Company announced the registration of the last tranche of the target shares under the Employee Share Ownership Plan, the distribution will be made in cash for 30% of the total amount of the target shares held under the Employee Share Ownership Plan;

The second tranche of interest allocation period: 24 months after the date when the Employee Share Ownership Plan was considered and approved at the shareholders' general meeting of the Company and the Company announced the registration of the last tranche of the target shares under the Employee Share Ownership Plan, the distribution will be made in cash for 30% of the total amount of the target shares held under the Employee Share Ownership Plan;

The third tranche of interest allocation period: 36 months after the date when the Employee Share Ownership Plan was considered and approved at the shareholders' general meeting of the Company and the Company announced the registration of the last tranche of the target shares under the Employee Share Ownership Plan, the distribution will be made in cash for 40% of the total amount of the target shares held under the Employee Share Ownership Plan.



SECTION V CORPORATE GOVERNANCE (CONTINUED)

4) Performance Appraisal Indicators

Performance appraisal indicators for the Company: During the implementation period of the Employee Share Ownership Plan, the Company will conduct an appraisal in each fiscal year, and the performance appraisal objectives are as follows:

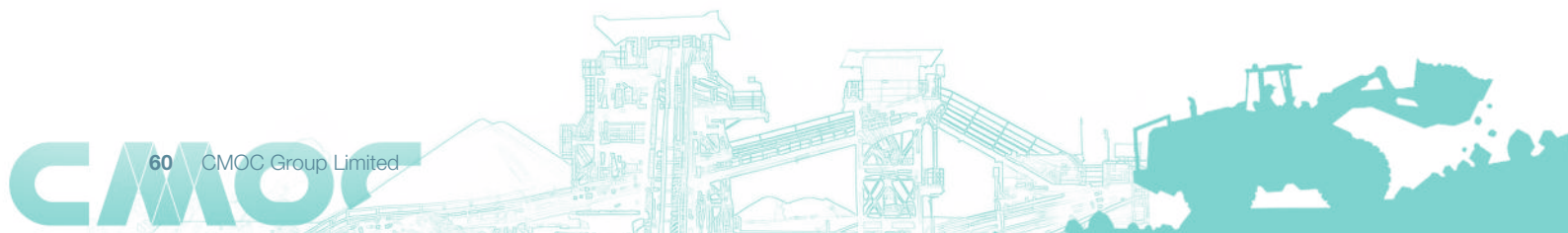
Interest Allocation Period	Performance appraisal objectives
First tranche of interest allocation period	(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2021 shall not be more than 60%;
	(2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2021 shall not be less than 12%.
Second tranche of interest allocation period	(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2022 shall not be more than 60%;
	(2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2022 shall not be less than 12%.
Third tranche of interest allocation period	(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2023 shall not be more than 60%;
	(2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2023 shall not be less than 12%.

Note 1: The asset-liability ratio is calculated based on the amount after deducting monetary capital, which includes RMI (high liquidity trade inventory) of IXM; the return on equity ratio is the weighted average return on equity ratio, and the incentive cost arising from the implementation of the Employee Share Ownership Plan is not considered in the calculation; during the term of the Employee Share Ownership Plan, if there are changes in the total assets and net assets caused by the Company's follow-on offerings, allotment of Shares, issuance of convertible bonds, etc., the changes in the total assets and net assets caused by such events and the corresponding revenue shall be excluded from the appraisal results.

SECTION V CORPORATE GOVERNANCE (CONTINUED)

Note 2: According to the requirements under Item 2 of Clause (III) of Section VI under the Measures, as Mr. Zhou Jun, a new incentive recipient under the Employee Share Ownership Plan, acquired the relevant shares and corresponding interests held by Ms. Wu Yiming, a previous incentive recipient, by way of transfer, the appraisal years for Mr. Zhou Jun are 2022 to 2024 as follows:

Interest Allocation Period	Performance appraisal objectives
First tranche of interest allocation period	<ol style="list-style-type: none">(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2022 shall not be more than 60%;(2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2022 shall not be less than 12%.
Second tranche of interest allocation period	<ol style="list-style-type: none">(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2023 shall not be more than 60%;(2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2023 shall not be less than 12%.
Third tranche of interest allocation period	<ol style="list-style-type: none">(1) The asset-liability ratio (excluding monetary funds (including RMI)) at the end of 2024 shall not be more than 60%;(2) Based on the performance in 2020, the compound annual growth rate of return on equity in 2024 shall not be less than 12%.



SECTION V CORPORATE GOVERNANCE (CONTINUED)

5. *Completion of Interest Allocation during the First Tranche of Interest Allocation Period of the First Phase of Employee Share Ownership Plan*

According to the Audit Report (De Shi Bao (Shen) Zi (22) No. 01472) issued by Deloitte Touche Tohmatsu Certified Public Accountants LLP, the Company's performance appraisal for the first tranche of interest allocation period of the 2021 First Phase of Employee Share Ownership Plan has been accomplished. Except for one resigned incentive recipient in the Company's 2021 First Phase of Employee Share Ownership Plan, the personal performance of other incentive recipients in the first tranche of interest allocation period was confirmed to be qualified after the assessment by the Company's human resources department, i.e. the personal unlocking factor for the current tranche is 100%, and the specific unlocking units are as follows:

No.	Holders	Positions	Amount of units
1	Sun Ruiwen	CEO	10,800,000
2	Yuan Honglin	Chairman of the Board	4,807,972
3	Li Chaochun	Vice chairman of the Board, Chief Investment Officer	4,500,000
4	Liu Dajun	Assistant to CEO	4,500,000
Total			24,607,972

Approximately 12,303,900 Shares of the Company (representing 0.057% of the total share capital of the Company in aggregate) corresponding to 24,607,972 units unlocked during the first tranche of interest allocation period under the Employee Share Ownership Plan have been transferred to the person acting in concert designated by the relevant incentive recipients by way of block trades from 20 September 2022 to 22 September 2022. As of 22 September 2022, the allocation has been completed.

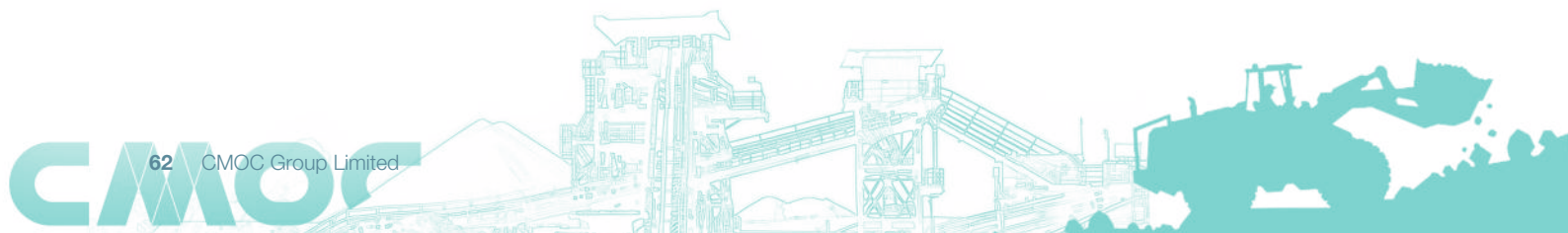
SECTION V CORPORATE GOVERNANCE (CONTINUED)

6. *Satisfaction of the performance appraisal conditions during the corresponding allocation period in 2022 under the First Phase of Employee Share Ownership Plan*

On 9 June 2023, the performance appraisal conditions during the corresponding interest allocation period in 2022 under the 2021 First Phase of Employee Share Ownership Plan of the Company were satisfied. According to the “2021 First Phase of Employee Share Ownership Plan (Amended)” of the Company, the management committee of the Employee Share Ownership Plan has assigned the units and corresponding interests unlocked during the corresponding interest allocation period in 2022 to the incentive recipients. The specific unlocking units are as follows:

No.	Holders	Positions	Amount of units
1	Sun Ruiwen	CEO	10,800,000
2	Yuan Honglin	Chairman of the Board	4,807,972
3	Li Chaochun	Vice chairman of the Board, Chief Investment Officer	4,500,000
4	Liu Dajun	Assistant to CEO	4,500,000
5	Zhou Jun	Vice President	4,500,000
Total			29,107,972

Approximately 14,553,986 Shares of the Company (representing 0.067% of the total share capital of the Company in aggregate) corresponding to 29,107,972 units unlocked during the corresponding interest allocation period in 2022 under the Employee Share Ownership Plan have been transferred to the accounts designated by incentive recipients by way of targeted block trades on 1 December 2023. As of 1 December 2023, the allocation has been completed.



SECTION V CORPORATE GOVERNANCE (CONTINUED)

7. Details of shares granted under Employee Share Ownership Plan

Under the Hong Kong Listing Rules, changes in the shares under the Employee Share Ownership Plan for the six months ended 30 June 2024 are as follows:

Unit: A Share/Share

Participant	Date of grant	Number of shares not yet vested as of 1 January 2024 ⁽¹⁾	Number of shares granted during the six months ended 30 June 2024	Number of shares vested during the six months ended 30 June 2024	Number of shares cancelled during the six months ended 30 June 2024	Number of shares lapsed during the six months ended 30 June 2024	Number of shares repurchased during the six months ended 30 June 2024	Number of shares not yet vested as of 30 June 2024 ⁽²⁾	Subscription price ⁽³⁾ (RMB/share)
Directors and chief executives									
Sun Ruiwen	21 May 2021	7,200,000	-	-	-	-	-	7,200,000	2
Yuan Honglin	21 May 2021	3,205,315	-	-	-	-	-	3,205,315	2
Li Chaochun	21 May 2021	3,000,000	-	-	-	-	-	3,000,000	2
Other holders									
	21 May 2021	3,000,000	-	-	-	-	-	3,000,000	2
	10 June 2022	5,250,000	-	-	-	-	-	5,250,000	2
Total	-	21,655,315	-	-	-	-	-	21,655,315	-

Notes:

- (1) Among the shares not yet vested as of 1 January 2024, please refer to “4. Term, Lock-Up Period and Allocation of the Employee Share Ownership Plan – 3) Allocation” in this section for the vesting period of shares granted on 21 May 2021, and “4. Term, Lock-Up Period and Allocation of the Employee Share Ownership Plan – 4) Performance Appraisal Indicators” in this section for the vesting period of shares granted on 10 June 2022.
- (2) Among the shares not yet vested as of 30 June 2024, please refer to “4. Term, Lock-Up Period and Allocation of the Employee Share Ownership Plan – 3) Allocation” in this section for the vesting period of shares granted on 21 May 2021, and “4. Term, Lock-Up Period and Allocation of the Employee Share Ownership Plan – 4) Performance Appraisal Indicators” in this section for the vesting period of shares granted on 10 June 2022.
- (3) Including the subscription price of shares not yet vested as of 1 January 2024 and shares not yet vested as of 30 June 2024.

Save as disclosed above, the Company has not granted relevant shares to (i) other Directors; (ii) five highest paid individuals for the six months ended 30 June 2024 (other than the Directors); or (iii) other persons.

At the beginning and end of the reporting period, no other shares were granted under the Employee Share Ownership Plan.

SECTION V CORPORATE GOVERNANCE (CONTINUED)

V. OTHER EXPLANATIONS

(I) Securities transactions conducted by Directors, Supervisors and employees

The Company has adopted the Model Code as set out in Appendix C3 to the Hong Kong Listing Rules as the code of conduct for trading in securities by its own Directors and Supervisors. After specific enquiry made on all Directors and Supervisors, all Directors and Supervisors have confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 June 2024.

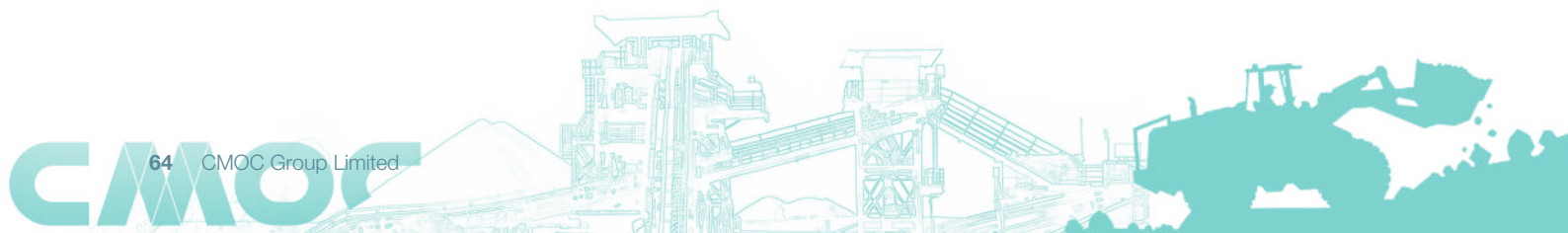
(II) Corporate governance

The Group is committed to achieving high standard of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. During the six months ended 30 June 2024, the Company complied with all applicable code provisions under the Corporate Governance Code set out in Appendix C1 to the Hong Kong Listing Rules.

(III) Information on staff of the parent company and major subsidiaries as at the end of the reporting period

1. *Information of staff*

Category of professional composition	Number of professionals in the first half of 2024
Production staff	7,392
Sales and other supporting personnel	1,856
Technical staff	1,071
Finance staff	351
Administrative staff	1,368
Total	12,038



SECTION V CORPORATE GOVERNANCE (CONTINUED)

2. *Remuneration Policy*

The remuneration policy for the employees of the Company principally consists of a broadbanding salary system, based on employees' positions and responsibilities and their quantified performance evaluation. The employees' remuneration is evaluated in line with the Company's operating results and employees' performance in order to provide a consistent, fair and equitable remuneration system for all employees. The employees of the Company domiciled in China have participated in the social insurance contribution plans introduced by China's local governments. In accordance with the laws and regulations regarding the national and local labour and social welfare in China, the Company is required to pay on behalf of its employees a monthly social insurance premium covering pension insurance, health insurance, unemployment insurance, work injury insurance and housing provident fund. Pursuant to current applicable local regulations in China, the percentages of certain insurances are as follows: the pension insurance, health insurance, unemployment insurance, work injury insurance and the contribution to housing provident fund of our Chinese employees represent 16%, 7.5%-10%, 0.5%-0.7%, 0.16%-1.43% and 12% of his or her total basic monthly salary respectively.

The overseas employees of the Company participate in pension and healthcare plans under the requirement of the laws in the countries where they reside. In the DRC, the Company pays a monthly social insurance contribution of 13%, and undertakes all medical treatment for employees and their families. At the same time, in line with the local situation in the DRC, in order to stabilise the workforce, an employee career development plan has been established, such as a promotion of outstanding employees at a rate of 5% of the number of employees every year; according to the demand for positions, some outstanding employees from labour service companies have been recruited and employed to strengthen the workforce; a loyalty award has been set up, such as a loyalty bonus for employees who have worked for five years, construction materials for building their own houses after 10 years of service, a school subsidy for employees' children to help their children's education, and a retirement subsidy for employees upon retirement. In Brazil, the Company makes monthly contribution of 37% to social insurance and the Length-of-Service Guarantee Fund for employees. Employees enjoy vacation allowances (double pay during annual leave) after one year of service, and the Company provides medical support and dental insurance for employees and their families, as well as employee childcare allowance, annual physical examination, meal subsidies in addition to working meals, employee loyalty awards, and a retirement subsidy for employees upon retirement.

The Company conducts measures such as monthly and annual assessments, implements production and construction task assessments, and labour competition assessments, implements "wage-performance linkage", and encourages employees to "work more and get more" and "get paid based on workload".

SECTION V CORPORATE GOVERNANCE (CONTINUED)

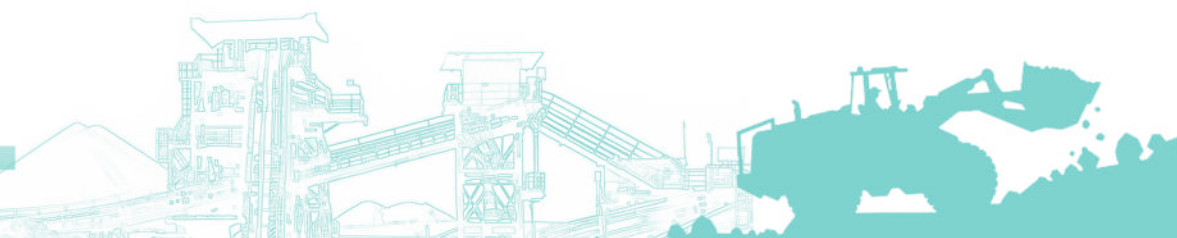
3. *Training plan*

The Company's employees training plan is designed primarily to cater for the Company's strategic development needs, enhance the level of management personnel and improve the business skills and education level of the employees, and improve the overall quality and safety awareness of the employee team through training. The Company organizes and implements diversified talent training activities based on the different human resources and structures of each sector by adapting to local conditions and teaching according to individual's aptitude.

In order to better support employee development, incentivize talents and improve organizational effectiveness, the Company has implemented L.D.P. "Backbone" and "Top" leadership training programs that are customized for middle-to-high managers and senior managers. These programs are expected to equip managers at headquarters with better leadership insight through workshops and communication to strengthen strategic consensus and collaboration. At the same time, through the construction of talent pool, the Company strives to promote the selection and training of grassroots management personnel. The Company also provides mentor allowances to promote more efficient, orderly and solid development of talent training. In addition, hierarchical professional training has been implemented for management and technical talents, covering aspects such as lean management and structural thinking.

According to the safety production needs of the mining area, the Company enables employees to understand the Company's management model and system through relevant training courses, which enhance employees' awareness of safety risk prevention to avoid safety risks, and improves employees' skills in relation to working safety in specific positions. The training contents include safety training on entry and special operation, aiming to enhance employees' awareness of safety risk prevention and solidarity and assistance, enhance employees' awareness of safety risk prevention and operational skills of special work types, and deepen employees' understanding of the Company's corporate culture, management model and rules and regulations such that they can quickly integrate into the Company's working environment.

Through the above training programs, the Company not only enhances the management capability of the management personnel and the business skills of the employees, but also strengthens the employees' capabilities in ESG and HSE, laying a solid foundation for the sustainable development of the Company.



SECTION VI MAJOR EVENTS

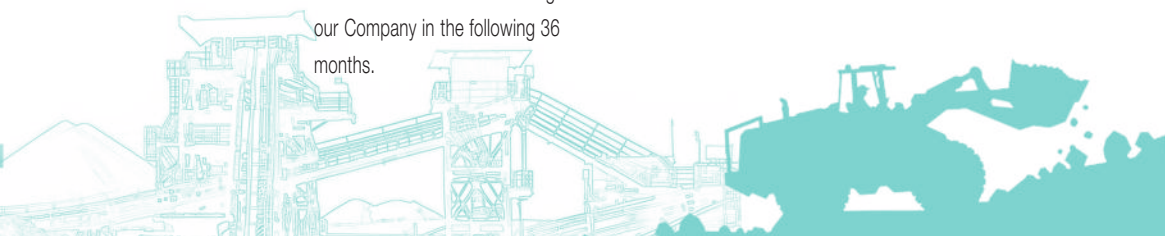
I. PERFORMANCE OF UNDERTAKINGS

(I) Undertakings made by relevant parties such as de facto controller, shareholders, related parties and acquirers of the Company as well as the Company during the reporting period or subsisting to the reporting period are as follows:

Background of undertakings	Type of undertakings	Undertaking party	Contents of undertakings	Date and duration of undertakings	Whether there is a deadline for performance	Whether timely and strictly performed
Undertakings made in the acquisition report and the report on changes in equity	Resolving competition among peers in the industry	Yu Yong	According to the acquisition report disclosed in January 2014, Mr. Yu Yong has become the de facto controller and he has promised to adopt various effective measures to avoid competition with our Company.	2014/1/23; effective in long term	No	Yes
Undertakings made in the acquisition report and the report on changes in equity	Resolving competition among peers in the industry	CFC	According to the acquisition report disclosed in January 2014, CFC has become a controlling shareholder and it has promised to adopt various effective measures to avoid competition with our Company.	2014/1/23; effective in long term	No	Yes
Undertakings made in the acquisition report and the report on changes in equity	Dealing with related party transactions	Yu Yong	According to the acquisition report disclosed in January 2014, Mr. Yu Yong has become the de facto controller and he has promised to adopt various effective measures to deal with related party transactions.	2014/1/23; effective in long term	No	Yes
Undertakings made in the acquisition report and the report on changes in equity	Dealing with related party transactions	CFC	According to the acquisition report disclosed in January 2014, CFC has become a controlling shareholder and it has promised to adopt various effective measures to deal with related party transactions.	2014/1/23; effective in long term	No	Yes
Undertakings made in the acquisition report and the report on changes in equity	Others	Yu Yong	According to the acquisition report disclosed in January 2014, Mr. Yu Yong has become the de facto controller and he has promised to ensure the operational independence of CMOC.	2014/1/23; effective in long term	No	Yes

SECTION VI MAJOR EVENTS (CONTINUED)

Background of undertakings	Type of undertakings	Undertaking party	Contents of undertakings	Date and duration of undertakings	Whether there is a deadline for performance	Whether timely and strictly performed
Undertakings made in the acquisition report and the report on changes in equity	Others	CFC	According to the acquisition report disclosed in January 2014, CFC has become a controlling shareholder and it has promised to ensure the operational independence of CMOC.	2014/1/23; effective in long term	No	Yes
Undertakings made in connection with the IPO	Resolving competition among peers in the industry	CFC	When CMOC intended to list our A shares in 2011, CFC, as a shareholder which held over 5% of the equity, has promised to adopt various effective measures to avoid competition with our Company in the same industry.	2011/1/30; effective in long term	No	Yes
	Resolving competition among peers in the industry	LMG	When CMOC intended to list our A shares in 2011, LMG as a controlling shareholder has promised to adopt various effective measures to avoid competition with our Company in the same industry.	2011/5/18; effective in long term	No	Yes
Other undertakings	Others	CATL	According to a transaction notification letter dated 30 September 2022 from Sichuan CATL, a holding subsidiary of CATL, CATL has no intention to seek a controlling interest in our Company and has no plan to further increase its shareholding in our Company in the following 36 months.	2022/9/30; 36 months	Yes	Yes
	Others	Sichuan CATL	According to a transaction notification letter dated 30 September 2022 from Sichuan CATL, it has no intention to seek a controlling interest in our Company and has no plan to further increase its shareholding in our Company in the following 36 months.	2022/9/30; 36 months	Yes	Yes



SECTION VI MAJOR EVENTS (CONTINUED)

Background of undertakings	Type of undertakings	Undertaking party	Contents of undertakings	Date and duration of undertakings	Whether there is a deadline for performance	Whether timely and strictly performed
	Others	Sichuan CATL	According to the acquisition report disclosed on 31 October 2022, Sichuan CATL shall fulfill its obligation to abstain from voting on any transactions that may be involved a related party. If such related party transaction occurs, it will comply with legal procedures.	2022/10/31 effective in long term	No	Yes
	Cash dividends	CMOC	According to the announcement giving emphasis on quality improvement, efficiency enhancement and focusing on returns disclosed on 4 June 2024, our Company has promised to pay cash dividends which account for over 40% of net profit attributable to the parent company as shown in the consolidated statements for three consecutive years from 2024 to 2026.	2024/6/4; 36 months	Yes	Yes

SECTION VI MAJOR EVENTS (CONTINUED)

II. MATERIAL LITIGATION AND ARBITRATION

(I) Litigation and arbitration not disclosed in any ad hoc announcement or with subsequent developments

On 30 December 2008, Luanchuan Chengling Molybdenum Co., Ltd. (“Chengling Molybdenum”) filed a litigation against the Company with the Higher People’s Court of Henan Province, alleging that the Company built a 10 kt beneficiation plant on its main mining zone, directly encroaching 2,083 tonnes of molybdenum metal of Chengling Molybdenum’s mining zone, which was calculated based on its first phase project, resulting in a decrease in profits for Chengling Molybdenum of RMB130 million. At the same time, Chengling Molybdenum alleged that, during the construction of the beneficiation plant, the Company directly discharged the tailings from the test run into Chengling Molybdenum’s tunnels, burying all the tunnels and mining facilities of Chengling Molybdenum, resulting in a direct economic loss of RMB5.1723 million. Therefore, Chengling Molybdenum requested the Company to bear corresponding infringement liability and make a compensation of RMB135.1723 million. Later, the Higher People’s Court of Henan Province referred the case to the Intermediate People’s Court of Luoyang for trial.

On 25 January 2019, the Intermediate People’s Court of Luoyang held a court hearing on the Chengling case, and issued the Civil Judgment of (2018) Yu 03 Min Chu No. 920 on 11 April 2019, which rejected the request of Chengling Molybdenum. Both Chengling Molybdenum and the Company were dissatisfied and appealed to the Higher People’s Court of Henan Province. On 10 October 2020, the Higher People’s Court of Henan Province issued the Civil Final Judgment of (2019) Yu Min Zhong No. 856, ordering that the Company shall compensate Chengling Molybdenum for various losses totaling RMB2 million and rejected other requests of Chengling Molybdenum. The Company has executed the effective final judgment.

On 21 May 2021, Chengling Molybdenum applied to the Supreme People’s Court for a retrial, and the Supreme People’s Court issued the Civil Ruling Paper of (2021) Zui Gao Fa Min Shen No. 1145, rejecting the retrial application of Chengling Molybdenum.

On 21 June 2023, the Company received a notice from the People’s Procuratorate of Henan Province (“Henan Procuratorate”) stating that Chengling Molybdenum was dissatisfied with the Civil Final Judgment (2019) Yu Min Zhong No. 856 issued by the Higher People’s Court of Henan Province and applied for supervision from the Henan Procuratorate in May 2023. The Henan Procuratorate found that the application met the acceptance criteria and decided to accept the case.

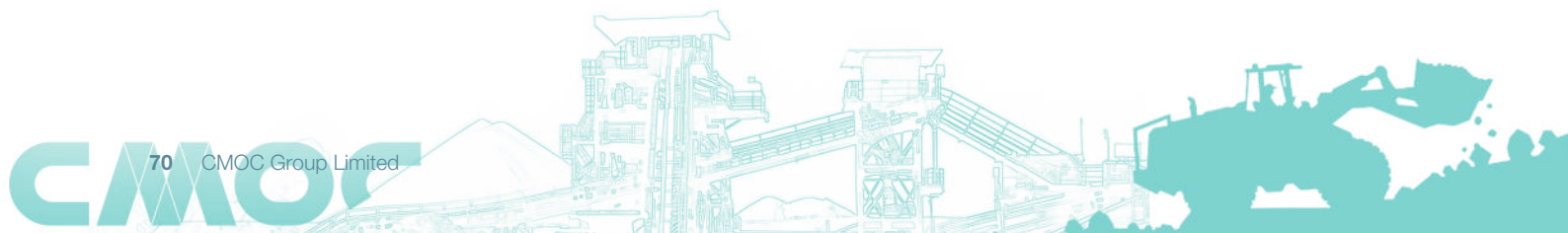
On 28 May 2024, the People’s Procuratorate of Henan Province issued the Decision Letter on Not Supporting Supervision Application of Yu Jian Min Jian [2023] No. 543, deciding not to support Chengling Molybdenum’s supervision application.

(II) Other explanations

The Company is subject to some lawsuits, claims and liability claims in daily business activities. Based on facts, information and professional advices from qualified lawyers, the management believes that the outcome of such litigation and arbitration will not have a material adverse effect on the financial position, operating performance or cash flows of relevant business.

III. INTEGRITY OF THE COMPANY AND ITS CONTROLLING SHAREHOLDERS AND DE FACTO CONTROLLERS DURING THE REPORTING PERIOD

During the reporting period, the controlling shareholders and de facto controller of the Company did not have any failures to perform the obligations as determined by the effective legal documents of a court, nor debts of a relatively large amount that were due but not settled.



SECTION VI MAJOR EVENTS (CONTINUED)

IV. MAJOR CONTRACTS AND THEIR PERFORMANCE

1 Major Guarantees Performed and Outstanding during the Reporting Period

Unit: 000 Yuan Currency: RMB

Guarantor	Relationship between the guarantor and the listed company	Guaranteed party	Guaranteed amount	Date of guarantee signing agreement	Commencement date of guarantee	Expiry date of guarantee	Types of guarantee	Collateral	Whether the guarantee has been fulfilled and completed	Whether the guarantee is overdue	With counter guarantee or not	Whether the guarantee is provided to the related parties	Related parties' relationship	Guarantees provided by the Company to external parties (excluding guarantee granted to its subsidiaries)	
														Whether the guarantee has been fulfilled and completed	Whether the guarantee is overdue
The Company	Headquarters of Fuchuan Mining the Company	Fuchuan Mining	200,000.00	2023/11/13	2023/11/13	2027/11/13	Joint liability guarantee	Nil	No	No	Yes	Yes	Other		
The Company	Headquarters of Fuchuan Mining the Company	Fuchuan Mining	200,000.00	2022/12/2	2022/12/2	2027/12/1	Joint liability guarantee	Nil	No	No	Yes	Yes	Other		
The Company	Headquarters of Fuchuan Mining the Company	Fuchuan Mining	160,000.00	2023/3/31	2023/3/31	2029/3/30	Joint liability guarantee	Nil	No	No	Yes	Yes	Other		
The Company	Headquarters of Fuchuan Mining the Company	Fuchuan Mining	100,000.00	2023/5/26	2023/5/26	2026/5/29	Joint liability guarantee	Nil	No	No	Yes	Yes	Other		
The Company	Headquarters of Fuchuan Mining the Company	Fuchuan Mining	100,000.00	2023/5/29	2023/5/29	2027/5/31	Joint liability guarantee	Nil	No	No	Yes	Yes	Other		
The Company	Headquarters of Huayue Nickel the Company	Huayue Nickel Cobalt	1,679,074.08	2021/9/30	2021/9/30	2032/3/21	Joint liability guarantee	Equity pledge	No	No	No	No	N/A		
Total amount of guarantee provided during the reporting period (excluding guarantee provided to its subsidiaries)															
Total balance of guarantee at the end of the reporting period (A) (excluding guarantee provided to its subsidiaries)														2,040,116.51	
Total amount of guarantee provided to its subsidiaries during the reporting period															
Total balance of guarantee provided to its subsidiaries at the end of the reporting period (B)														9,790,830.60	
Total guaranteed amount (A+B)														26,284,473.92	
Percentage of the total guaranteed amount to net assets of the Company (%)														28,324,590.43	45.69
Among which:															
Guaranteed amount provided to the shareholders, the de facto controller and its connected parties (C)														792,000.00	
Guaranteed amount directly or indirectly provided on liabilities to guaranteed targets with gearing ratio of over 70% (D)														5,398,946.97	
Portion of the total amount of guarantee in excess of 50% of net assets (E)														-	
Total of the above three guaranteed amounts (C+D+E)														5,398,946.97	
Explanation on the possible joint repayment liability under the unexpired guarantee															
Description on guarantee															Nil

C represents that the Company provides guarantee to Fuchuan Mining, a subsidiary of its joint venture;
D represents that the Company or its subsidiaries provides guarantee to enterprises with a gearing ratio of over 70%;
The guarantee provided by the Company to Fuchuan Mining satisfies both C and D, for which the aggregate guaranteed amount will calculate only once.

SECTION VI MAJOR EVENTS (CONTINUED)

2 Other Major Contracts

Unit: 000 Yuan Currency: RMB

Trustee	Type of entrusted wealth management	Amount of entrusted wealth management	Principal entrusted wealth management				Usage of funds	Payment methods of remuneration	Annualized rate of return	Statutory procedure or not
			Commencement date of entrusted wealth management	Expiry date of entrusted wealth management	Capital source	Capital source				
NEW CHINA CAPITAL MANAGEMENT	Asset management plan	1,126,704.17	2017/9/8	Without fixed maturity	Internal funds	Portfolio investment	Due payment	-	Yes	
Zhongyuan Bank	Closed-end wealth management products	40,000.00	2019/1/23	2026/1/24	Internal funds	Bond assets with fixed revenue	Floating revenue	4.39%	Yes	
Ping An Bank	Structured deposits	300,000.00	2024/4/17	2024/10/17	Internal funds	Wealth management funds from banks	Floating revenue	1.85%, 2.51% or 2.61%	Yes	
Ping An Bank	Structured deposits	900,000.00	2024/4/17	2024/10/17	Internal funds	Wealth management funds from banks	Floating revenue	1.85%, 2.51% or 2.61%	Yes	
Guangfa Bank	Structured deposits	1,000,000.00	2024/4/26	2024/10/23	Internal funds	Wealth management funds from banks	Floating revenue	1.6% or 2.53%	Yes	
Shanghai Pudong Development Bank	Structured deposits	750,000.00	2024/5/9	2024/10/18	Internal funds	Wealth management funds from banks	Floating revenue	1.2%, 2.5% or 2.7%	Yes	
Industrial Bank	Structured deposits	600,000.00	2024/6/20	2024/12/20	Internal funds	Wealth management funds from banks	Floating revenue	1.8% or 2.2%	Yes	
Total		4,716,704.17								

Note: As of the reporting date, the principal and income of expired entrusted wealth management and structured deposits have been recovered.

SECTION VII CHANGES IN SHARES AND SHAREHOLDERS

I. CHANGES IN SHARE CAPITAL

(I) Table of Changes in Shares

1. Table of changes in Shares

During the reporting period, there is no change in the total number of Shares and share capital structure of the Company.

II. SHAREHOLDERS

(I) Total Number of Shareholders:

Total number of holders of ordinary Shares as at the end of the reporting period 199,699

(II) Table on the Shareholdings of the Top Ten Shareholders and the Top Ten Shareholders with Tradable Shares (or Shareholders Not Subject to Selling Restrictions) as at the End of the Reporting Period

Unit: 10,000 Shares

Shareholding of the top ten shareholders (excluding lending shares through refinancing)

Name of shareholders (full name)	Changes during the reporting period	Closing number of Shares held	Percentage (%)	Number of Shares held subject to selling restrictions	Pledge, mark or frozen		Nature of shareholders
					Status of Shares	Number	
Cathay Fortune Corporation	0	533,322.00	24.69	0	Nil	0	Domestic non-state-owned legal person
Luoyang Mining Group Co., Ltd.	0	532,978.04	24.68	0	Nil	0	Domestic non-state-owned legal person
HKSCC NOMINEES LIMITED	147.89	359,904.77	16.66	0	Nil	0	Overseas legal person
Hong Kong Securities Clearing Company Limited	15,084.24	79,194.54	3.67	0	Nil	0	Overseas legal person
China Securities – China CITIC Financial Asset Management Co., Ltd. – China Securities – Pioneer Single Asset Management Plan	-9,867.45	25,703.53	1.19	0	Nil	0	Unknown
China State-owned Enterprise Structure Adjustment Fund Co., Ltd.	-750.00	17,398.26	0.81	0	Nil	0	State-owned legal person
Industrial and Commercial Bank of China Co., Ltd. – Huatai-PB CSI 300 ETF	3,095.35	8,315.39	0.38	0	Nil	0	Unknown
Ningbo Shanshan Venture Capital Co., Ltd.	-7,107.50	7,892.50	0.37	0	Nil	0	Domestic non-state-owned legal person
Taiping Life Insurance Co., Ltd.	5,457.00	6,122.00	0.28	0	Nil	0	State-owned legal person
China Construction Bank Co., Ltd. – E Fund CSI 300 Traded Open-End Index Initiated Securities Investment Fund	3,638.20	5,552.30	0.26	0	Nil	0	Unknown

SECTION VII CHANGES IN SHARES AND SHAREHOLDERS (CONTINUED)

Shareholding of the top ten shareholders not subject to selling restrictions (excluding lending shares for securities financing)

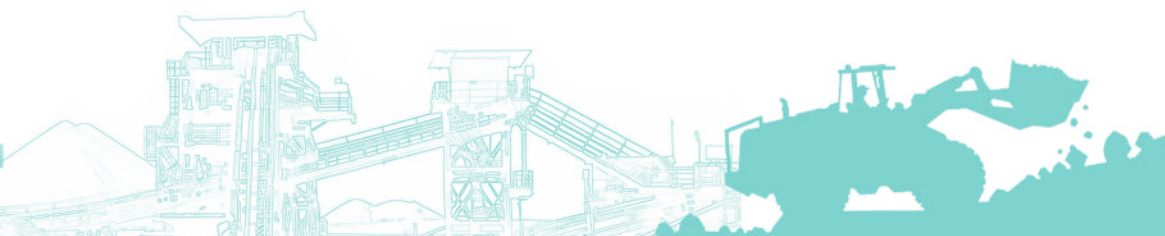
Name of shareholders	Number of tradable Shares held not subject to selling restrictions		Types and number of Shares	Number
		Types		
Cathay Fortune Corporation	533,322.00		RMB-denominated ordinary shares	533,322.00
Luoyang Mining Group Co., Ltd.	532,978.04		RMB-denominated ordinary shares	532,978.04
HKSCC NOMINEES LIMITED	359,904.77		Overseas-listed foreign-invested shares	359,904.77
Hong Kong Securities Clearing Company Limited	79,194.54		RMB-denominated ordinary shares	79,194.54
China Securities – China CITIC Financial Asset Management Co., Ltd. – China Securities – Pioneer Single Asset Management Plan	25,703.53		RMB-denominated ordinary shares	25,703.53
China State-owned Enterprise Structure Adjustment Fund Co., Ltd.	17,398.26		RMB-denominated ordinary shares	17,398.26
Industrial and Commercial Bank of China – Huatai-PB CSI 300 ETF	8,315.39		RMB-denominated ordinary shares	8,315.39
Ningbo Shanshan Venture Capital Co., Ltd.	7,892.50		RMB-denominated ordinary shares	7,892.50
Taiping Life Insurance Co., Ltd.	6,122.00		RMB-denominated ordinary shares	6,122.00
China Construction Bank Co., Ltd. – E Fund CSI 300 Traded Open-End Index Initiated Securities Investment Fund	5,552.30		RMB-denominated ordinary shares	5,552.30

Explanation of the repurchase account of the top ten shareholders

The Company's repurchase account is not listed in the "Shareholding of the top ten shareholders". The number of Shares in the Company's repurchase account at the end of the reporting period was 204,930,407 Shares.

Explanation of the aforesaid shareholders' related relations or concerted action

Cathay Fortune International Company Limited (鴻商產業國際有限公司), a wholly-owned subsidiary of Cathay Fortune Corporation (鴻商產業控股集團有限公司) and Cathay Fortune Investment Limited (鴻商投資有限公司), an indirectly wholly-owned subsidiary of Cathay Fortune Corporation, hold 303,000,000 H shares of the Company, which were registered under HKSCC NOMINEES LIMITED. Cathay Fortune Corporation, which holds a total of 5,333,220,000 shares of the Company, accounting for 24.69% of the shareholding, is the largest controlling shareholder of the Company.



SECTION VII CHANGES IN SHARES AND SHAREHOLDERS (CONTINUED)

The lending of Shares by the shareholders holding more than 5% of Shares, top ten shareholders and top ten shareholders of circulating Shares not subject to selling restrictions in the refinancing business

Unit: 10,000 Shares

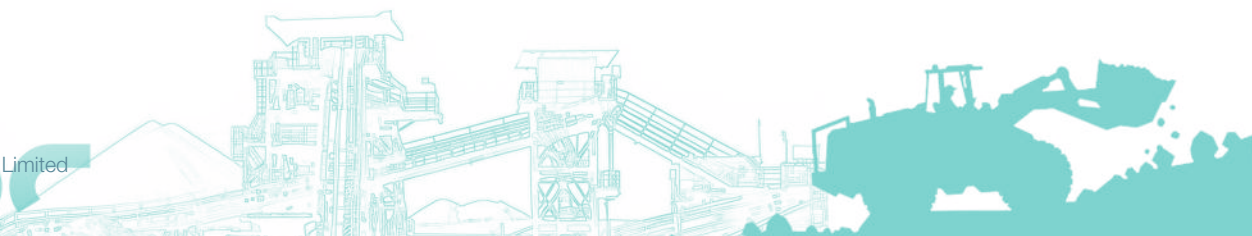
Name of shareholder (full name)	Shareholding in ordinary accounts and credit accounts at the beginning of the period		Shares lent through refinancing but not yet returned at the beginning of the period		Shareholding in ordinary accounts and credit accounts at the end of the period		Shares lent through refinancing but not yet returned at the end of the period	
	Total	Percentage (%)	Total	Percentage (%)	Total	Percentage (%)	Total	Percentage (%)
Industrial and Commercial Bank of China Co., Ltd. – Huatai-PB CSI 300 ETF	5,251.29	0.24	31.25	0.0014	8,317.01	0.39	1.62	0.0001
China Construction Bank Co., Ltd. – E Fund CSI 300 Traded Open- End Index Initiated Securities Investment Fund	1,948.00	0.09	33.90	0.0016	5,554.50	0.26	2.2	0.0001

SECTION VII CHANGES IN SHARES AND SHAREHOLDERS (CONTINUED)

III. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

To the best knowledge of all Directors and Supervisors, as at 30 June 2024, the persons or companies (other than Directors, the chief executives or Supervisors of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the “SFO”) or who were deemed to be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company were as follows:

Name	Number of Shares held (Shares)	Capacity	Class of Share	Approximate percentage of shareholding in relevant class of Shares
Luoyang Mining Group Co., Ltd. (“LMG”)	5,329,780,425	Beneficial owner	A share	30.17%
Sichuan Contemporary Ampere Technology Limited	5,329,780,425	Interest in controlled corporation	A share	30.17%
Cathay Fortune Corporation (“CFC”)	5,030,220,000	Beneficial owner	A share	28.47%
	303,000,000(L)	Interest in controlled corporation	H share	7.70%(L)
Cathay Fortune Investment Limited (“Cathay Hong Kong”) ⁽¹⁾	91,518,000(L)	Beneficial owner	H share	2.33%(L)
Cathay Fortune International Company Limited	211,482,000(L)	Beneficial owner	H share	5.38%(L)
Yu Yong ⁽²⁾	5,030,220,000	Interest in controlled corporation	A share	28.47%
	303,000,000(L)	Interest in controlled corporation	H share	7.70%(L)
BlackRock, Inc. ⁽³⁾	271,782,169(L)	Interest in controlled corporation	H share	6.91%(L)
	357,000(S)			0.01%(S)



SECTION VII CHANGES IN SHARES AND SHAREHOLDERS (CONTINUED)

Notes: (L) - Long position, (S) - Short position

- (1) Mr. Yuan Honglin, a non-executive Director of the Company, also serves as a director of CFC, Cathay Hong Kong and Cathay Fortune International Company Limited.
- (2) Cathay Hong Kong and Cathay Fortune International Company Limited are wholly-owned subsidiaries of CFC in Hong Kong.
- (3) Mr. Yu Yong holds 99% interest in CFC and is deemed to hold 5,030,220,000 A shares of the Company held directly by CFC. In addition, Mr. Yu Yong is deemed to hold long position of 303,000,000 H shares of the Company. CFC, Cathay Fortune International Company Limited and Cathay Hong Kong, being the controlled corporations, directly or indirectly hold the shares of the Company.
- (4) BlackRock, Inc. is deemed to hold a total of long position of 271,782,169 H shares and short position of 357,000 H shares of the Company due to its control rights over a number of companies. Trident Merger, LLC, BlackRock Investment Management, LLC, BlackRock Holdco 2, Inc., BlackRock Financial Management, Inc., BlackRock Holdco 4, LLC, BlackRock Holdco 6, LLC, BlackRock Delaware Holdings Inc., BlackRock Institutional Trust Company, National Association, BlackRock Fund Advisors, BlackRock Capital Holdings, Inc., BlackRock Advisors, LLC, BlackRock International Holdings, Inc., BR Jersey International Holdings L.P., BlackRock Lux Finco S.à.r.l., BlackRock Japan Holdings GK, BlackRock Japan Co., Ltd., BlackRock Holdco 3, LLC, BlackRock Canada Holdings ULC, BlackRock Asset Management Canada Limited, BlackRock Australia Holdco Pty. Ltd., BlackRock Investment Management (Australia) Limited, BlackRock (Singapore) Holdco Pte. Ltd., BlackRock HK Holdco Limited, BlackRock Asset Management North Asia Limited, BlackRock Cayman 1 LP, BlackRock Cayman West Bay Finco Limited, BlackRock Cayman West Bay IV Limited, BlackRock Group Limited, BlackRock Finance Europe Limited, BlackRock (Netherlands) B.V., BlackRock Advisors (UK) Limited, BlackRock International Limited, BlackRock Group Limited-Luxembourg Branch, BlackRock Luxembourg Holdco S.à.r.l., BlackRock Investment Management Ireland Holdings Limited, BlackRock Asset Management Ireland Limited, BLACKROCK (Luxembourg) S.A., BlackRock Investment Management (UK) Limited, BlackRock Fund Managers Limited, BlackRock Life Limited, BlackRock (Singapore) Limited, BlackRock UK Holdco Limited, BlackRock Asset Management Schweiz AG, EG Holdings Blocker, LLC, Amethyst Intermediate, LLC, Aperio Holdings, LLC and Aperio Group, LLC, being the controlled corporations, directly or indirectly hold the shares of the Company.

Save as disclosed above, as at 30 June 2024, the Directors were not aware of any other persons (other than a Director, chief executive or Supervisor of the Company) who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

SECTION VII CHANGES IN SHARES AND SHAREHOLDERS (CONTINUED)

IV. DIRECTORS', CHIEF EXECUTIVES' AND SUPERVISORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

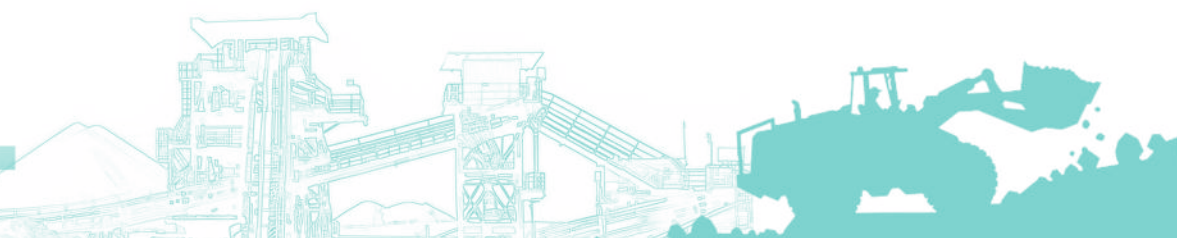
Under the Hong Kong Listing Rules and the SFO, as at 30 June 2024, the shareholding of A shares of the current Directors, chief executives and Supervisors of the Company was as follows:

Name	Number of Shares held (Shares)	Percentage in total share capital (%)
Yuan Honglin	5,858,682	0.027
Sun Ruiwen	10,800,000	0.050
Li Chaochun	6,087,692	0.028
Zhang Zhenhao	1,063,500	0.005
Total	23,809,874	0.110

Note: Mr. Yuan Honglin, Mr. Sun Ruiwen and Mr. Li Chaochun are deemed to be interested in 8,013,287 A shares, 18,000,000 A shares and 7,500,000 A shares of the Company respectively by virtue of their participation as incentive recipients in the First Phase of Employee Share Ownership Plan of the Company adopted on 21 May 2021. On 22 September 2022, as approved by the management committee of the Employee Share Ownership Plan, the 2021 First Phase of Employee Share Ownership Plan assigned relevant interests to relevant incentive recipients who had accomplished the performance appraisal indicators during the first tranche of interest allocation period, of which Mr. Yuan Honglin, Mr. Li Chaochun and Mr. Sun Ruiwen were awarded 2,404,000 A shares, 2,250,000 A shares and 5,400,000 A shares, respectively. On 1 December 2023, as approved by the management committee of the Employee Share Ownership Plan, the First Phase of Employee Share Ownership Plan assigned relevant interests to relevant incentive recipients who had accomplished the performance appraisal indicators during the corresponding interest allocation period in 2022, of which Mr. Yuan Honglin, Mr. Li Chaochun and Mr. Sun Ruiwen were awarded 2,404,000 A shares, 2,250,000 A shares and 5,400,000 A shares, respectively.

On 9 June 2023, the performance appraisal conditions during the corresponding interest allocation period in 2022 under the 2021 First Phase of Employee Share Ownership Plan of the Company were satisfied. According to the "2021 First Phase of Employee Share Ownership Plan (Revised)" of the Company, the management committee of the Employee Share Ownership Plan may assign the units and corresponding interests unlocked during the corresponding interest allocation period in 2022 to the incentive recipients. On 1 December, 2023, with the consent of the management committee of the Employee Share Ownership Plan, the relevant incentive recipients who had accomplished the performance appraisal indicators during the corresponding interest allocation period in 2022 were assigned the related interests by the 2021 First Phase of Employee Share Ownership Plan. As of the reporting date, the corresponding interests in 2023 under the 2021 First Phase of Employee Share Ownership Plan have not been granted to relevant incentive recipients.

Save as disclosed above, so far as was known to the Directors, as at 30 June 2024, none of the Directors, chief executives and Supervisors and their respective associates had interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or which were required to be entered into the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.



SECTION VII CHANGES IN SHARES AND SHAREHOLDERS (CONTINUED)

V. REPURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY AND ITS SUBSIDIARIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company or any of its subsidiaries (including sale of treasury shares) during the six months ended 30 June 2024.

As of 30 June 2024, the number of Shares in the Company's repurchase account was 204,930,407 treasury A shares, which will be subsequently used for employee shareholding, share incentive plans or other purposes permitted by laws and regulations. As of 30 June 2024, the Company did not hold any treasury H shares.

SECTION VIII INFORMATION ON BONDS

I. CORPORATE BONDS (INCLUDING ENTERPRISE BONDS) AND NON-FINANCIAL CORPORATE DEBT FINANCING INSTRUMENTS

(I) Corporate Bonds (Including Enterprise Bonds)

1. Basic information of corporate bonds

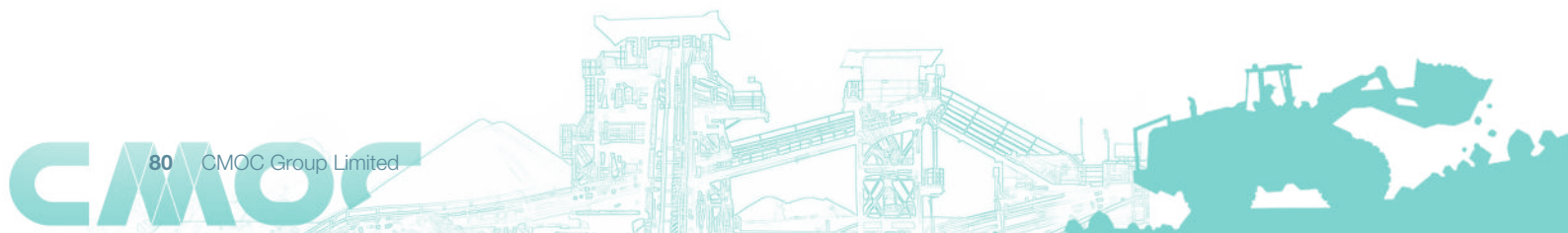
Unit: Yuan Currency: RMB

Name of bonds	Abbreviation	Code	Issue date	Value date	Maturity date	Balance of bonds	Interest rate (%)	Payment method for principal and interest	Trading venues	Transaction mechanism	Whether there are risks of termination of listing and trading
Public issuance of Renewable Corporate Bonds (first tranche) of CMOC Group Limited to professional investors in 2022	22 CMOC Y1	138732	2022/12/16	2022/12/16	2025/12/16 (proposed)	1,000,000,000.00	5.62	Interest payment once a year, one-off payment of principal upon expiry, and the final installment of interest will be paid together with the principal	Shanghai Stock Exchange	Public trading	No

Note: According to the relevant requirements under the Accounting Standards for Enterprises, the Company included "22 CMOC Y1" in other equity instruments, which was not accounted as liabilities.

2. Implementation and changes of guarantees, settlement plan and other settlement safeguards and their impact during the reporting period

Status	Implementation information	Changed or not
22 CMOC Y1: no guarantee, interest accruing from 16 December 2022, interest payable on an annually basis as scheduled as prescribed in the prospectus.	During the subsisting period, the Company has paid the interest as scheduled according to the settlement plan.	No



SECTION VIII INFORMATION ON BONDS (CONTINUED)

(II) Non-financial Corporate Debt Financing Instruments in the Inter-bank Bond Market

1. Basic information of non-financial corporate debt financing instruments

Unit: Yuan Currency: RMB

Name of bonds	Abbreviation	Code	Issue date	Value date	Maturity date	Balance of bonds	Interest rate (%)	Payment method for principal and interest	Trading venues	Transaction mechanism	Whether there are risks of termination of listing and trading
2020 First Tranche of Medium-term Notes of CMOC Group Limited	20 Luanchuan Mojbodenum MTN001	102001086	2020/5/26	2020/5/28	2025/5/28	1,000,000,000.00	4.20	Interest payment once a year, one-off payment of principal upon expiry	Inter-bank market	The inter-bank bond market transactions are arrived at through price inquiries and settled on a deal-by-deal basis through arms-length negotiations by both parties, i.e. both parties negotiate the transaction elements through the trading system, telephone, fax, e-mail or other means, and enter into contracts on a case-by-case basis after reaching an agreement. At present, the transactions are mainly conducted through the local currency trading system of the interbank center.	No
2021 First Tranche of Green Medium-term Notes of CMOC Group Limited	21 Luanchuan Mojbodenum MTN001 (Green)	102101306	2021/7/14	2021/7/16	2024/7/16	150,000,000.00	3.90	Interest payment once a year, one-off payment of principal and the final installment of interest on the principal repayment date	Inter-bank market	The inter-bank bond market transactions are arrived at through price inquiries and settled on a deal-by-deal basis through arms-length negotiations by both parties, i.e. both parties negotiate the transaction elements through the trading system, telephone, fax, e-mail or other means, and enter into contracts on a case-by-case basis after reaching an agreement. At present, the transactions are mainly conducted through the local currency trading system of the interbank center.	No

SECTION VIII INFORMATION ON BONDS (CONTINUED)

Name of bonds	Abbreviation	Code	Issue date	Value date	Maturity date	Balance of bonds	Interest rate (%)	Payment method for principal and interest	Trading venues	Transaction mechanism	Whether there are risks of termination of listing and trading
2022 First Tranche of Medium-term Notes (sustainably linked) of CMOC Group Limited	22 Luanchuan Molybdenum MTN001 (sustainably linked)	102280263	2022/2/14	2022/2/16	2025/2/16	1,000,000,000.00	3.80	Interest payment once a year, one-off payment of principal upon expiry, and the final installment of interest will be paid together with the principal	Inter-bank market	The inter-bank bond market transactions are arrived at through price inquiries and settled on a deal-by-deal basis through arms-length negotiations by both parties, i.e. both parties negotiate the transaction elements through the trading system, telephone, fax, e-mail or other means, and enter into contracts on a case-by-case basis after reaching an agreement. At present, the transactions are mainly conducted through the local currency trading system of the interbank center.	No

2. *The implementation of guarantees, debt repayment plan and other debt repayment guarantee measures, as well as such changes and effect thereof during the reporting period*

Current status	Implementation	Change
20 Luanchuan Molybdenum MTN001: unguaranteed, with interest starting from 28 May, 2020, and interest is payable annually as scheduled in accordance with the prospectus.	During the duration of the bonds, the Company shall pay interest on schedule in accordance with the debt repayment plan.	No
21 Luanchuan Molybdenum MTN001 (Green): unguaranteed, with interest starting from 16 July 2021, and interest is payable annually as scheduled in accordance with the prospectus.	During the duration of the bonds, the Company shall pay interest on schedule in accordance with the debt repayment plan.	No
22 Luanchuan Molybdenum MTN001 (sustainably linked): unguaranteed, with interest starting from 16 February 2022, and interest is payable annually as scheduled in accordance with the prospectus.	During the duration of the bonds, the Company shall pay interest on schedule in accordance with the debt repayment plan.	No

SECTION VIII INFORMATION ON BONDS (CONTINUED)

(III) Other Matters that should be Disclosed Regarding Special Variety Bonds

1. The Company is an issuer of green bonds

Unit: 100 million Yuan Currency: RMB

Code	102101306	
Abbreviation	21 Luanchuan Molybdenum MTN001 (Green)	
Types of specialized type of bond	Green Medium-term Notes	
Total proceeds	1.5	
Used proceeds	1.5	
Number of green projects	3	
Names of green projects	Motor energy-saving renovation project; air compressor energy-saving renovation project; procurement of associated ores by CMOOC Group Limited	
Whether the use of proceeds is consistent with the committed use or the most recently disclosed use	Yes	
Whether the use of proceeds has changed	Yes	
Whether the revised use is entirely allocated to green projects	Yes	
Procedures performed for change	The Announcement on the Change of the Use of Proceeds from the 2021 First Tranche of Green Medium-term Notes of CMOOC Group Limited was published on the websites of China Money Network and the Shanghai Clearing House, and the procedures for the change of proceeds were implemented in accordance with relevant regulations.	
Whether the changes have been disclosed	Yes	
Time of disclosure of the change announcement	16 October 2023	

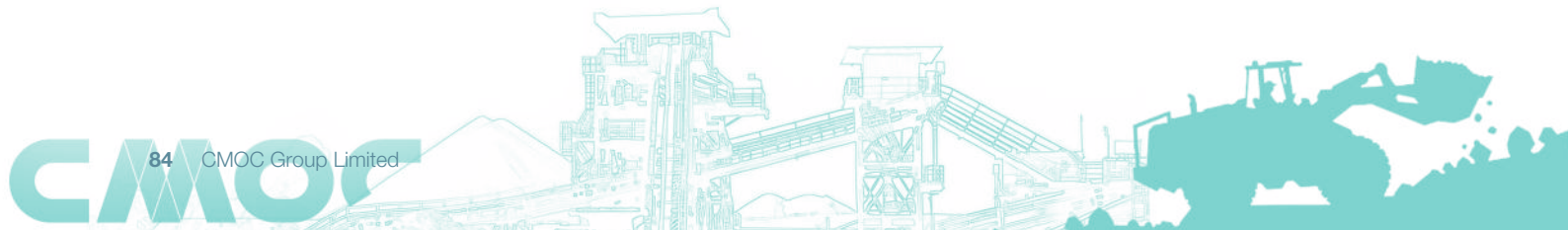
SECTION VIII INFORMATION ON BONDS (CONTINUED)

Progress of green projects funded by proceeds, including but not limited to an overview of each project, their respective catalog categories, project locations, investments, construction status, current status and operational details.

Among the proceeds, RMB5,128,900 was used for the purchase and renovation of intelligent motors and intelligent air compressors. In the first half of 2024, such projects could save 4,809,800 kWh of electricity, save 1,450.15 tonnes of standard coal, and reduce emissions of 3,063.34 tonnes of carbon dioxide. The remaining RMB144,871,100 of the proceeds was used to repay the green loans of financial institutions and purchase associated ores. The corresponding production line has been put into operation in the first half of 2024, and 2,300.3 kt of associated ores were purchased and utilized, which reduced the waste of mineral resources by 50,100 tonnes as compared with the minimum value of the Requirements of "Three Rates" Indicators for the Reasonable Development and Utilization of Molybdenum Ore Resources (Trial) 《鋁礦資源合理開發利用“三率”指標要求(試行)》 issued by the Department of Land and Resources of Henan Province.

Environmental efficiency of green projects funded by proceeds, the standards, methods, basis and important preconditions for calculating the environmental efficiency of the selected green projects

The energy efficiency improvement projects of motor systems referred to the calculation formula of "1.5.1 Energy-saving and Technical Upgrading Projects of Industrial Production Lines" in the Guidelines for Estimation of Energy Saving and Emission Reduction of Green Credit Projects 《綠色信貸項目節能減排測算指引》 of the former China Banking and Insurance Regulatory Commission, to calculate the amount of energy saving and carbon dioxide emission reduction of the energy efficiency improvement projects of motor systems. The associated ore procurement project was estimated based on the minimum value of the Requirements of "Three Rates" Indicators for the Reasonable Development and Utilization of Molybdenum Ore Resources (Trial) 《鋁礦資源合理開發利用“三率”指標要求(試行)》 issued by the Department of Land and Resources of Henan Province.



SECTION VIII INFORMATION ON BONDS (CONTINUED)

Expected and/or actual environmental efficiency of green projects funded by proceeds	<p>Among the proceeds, RMB5,128,900 was used for the purchase and renovation of intelligent motors and intelligent air compressors. In the first half of 2024, such projects could save 4,809,800 kWh of electricity, save 1,450.15 tonnes of standard coal, and reduce emissions of 3,063.34 tonnes of carbon dioxide. The remaining RMB144,871,100 of the proceeds was used to repay the green loans of financial institutions and purchase associated ores. The corresponding production line has been put into operation in the first half of 2024, and 2,300,300 tonnes of associated ores were purchased and utilized, which reduced the waste of mineral resources by 50,100 tonnes as compared with the minimum value of the Requirements of "Three Rates" Indicators for the Reasonable Development and Utilization of Molybdenum Ore Resources (Trial) 《鉬礦資源合理開發利用“三率”指標要求(試行)》 issued by the Department of Land and Resources of Henan Province.</p>
Management methods and specific arrangements for the proceeds	Implementing in accordance with the prospectus for fund raising
Placement and execution of proceeds Information on the assessment and certification agencies engaged by the Company, including but not limited to the basic information of the assessment and certification agencies, the contents of the assessment and certification and the assessment conclusions	<p>Implementing in accordance with the prospectus for fund raising</p> <p>CCX Green Finance Technology (Beijing) Company Limited* (中誠信綠金融科技(北京)有限公司) ("CCX") was engaged to evaluate the use and management of proceeds from the bond offering, the progress of green projects, the realization of environmental benefits and the implementation of information disclosure. After review and approval by the Sustainable Development Evaluation Committee of CCX, CCX maintained the G-1 grade of 2021 First Tranche of Green Medium-term Notes of the Company, and confirmed that the use of proceeds from the bonds was in line with the Green Industry Guidance Catalog (2019 Edition) 《綠色產業指導目錄(2019年版)》 issued by the seven authorities including the National Development and Reform Commission and the Catalogue of Green Bond Support Schemes (2021 Edition) 《綠色債券支持項目目錄(2021年版)》 issued by the three authorities including the People's Bank of China.</p>

SECTION VIII INFORMATION ON BONDS (CONTINUED)

2. Company is an issuer of renewable corporate bonds

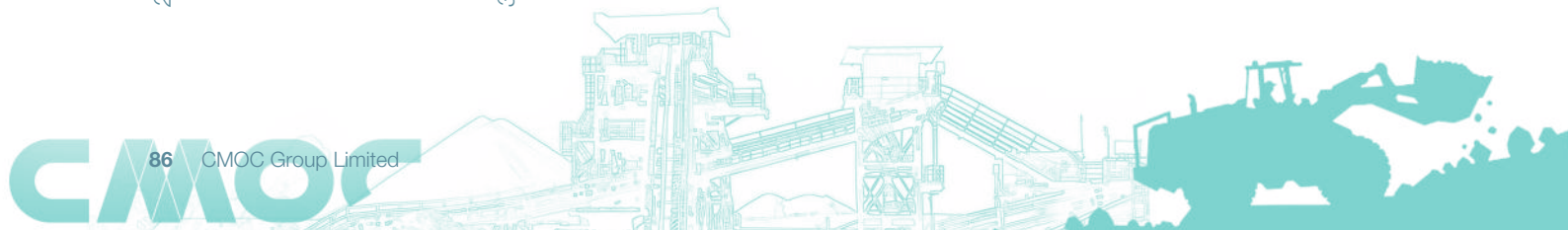
Unit: 100 million Yuan Currency: RMB

Code	138732
Abbreviation	22 CMOC Y1
Balance of bonds	10
Whether it is still included in equity and related accounting treatment	Yes, it is included in other equity instruments.

3. Company is an issuer of the low-carbon transition (linked) corporate bonds

Unit: 100 million Yuan Currency: RMB

Code	102280263
Abbreviation	22 Luanchuan Molybdenum MTN001 (sustainably linked)
Balance of bonds	10
Progress of the low-carbon transformation project and its capacity efficiency or transformation effect (applicable to low-carbon transformation corporate bonds)	In 2023, the mining volume and processing volume of Sandaozhuang mining area were 19,904.2 kt, electricity consumption was 13.5852 million kWh, diesel consumption was 1,484.30 tonnes and gasoline consumption was 10.94 tonnes. Performance results of the sustainable development performance targets in 2023: the energy consumption per unit product of the mining process in the Sandaozhuang mining area was 0.19kgce/t.



SECTION VIII INFORMATION ON BONDS (CONTINUED)

KPI performance (applicable to low-carbon transformation-linked corporate bonds)	<p>In 2023, the sustainable development performance target: the energy consumption per unit product of mining process at Sandaozhuang mining area was 0.19kgce/t, which was significantly lower than the requirements of the sustainable development performance target of the bonds: the energy consumption per unit product of the mining process in Sandaozhuang mining area was not higher than 0.23kgce/t in 2023.</p> <p>Achieved</p>
Low-carbon transformation target achievement (applicable to low-carbon transformation-linked corporate bonds)	<p>According to the SPT target set before the issuance of the bonds, if the Company meets the SPT target, the coupon rate will not be adjusted and the principal and interest will be repaid normally. If not, the interest rate shall be increased by 20BP in the last interest-bearing year (i.e. 2024-2025). In 2023, the energy consumption per unit product of the mining process of the Company's Sandaozhuang mining area was 0.19kgce/t, which was below the target of 0.23kgce/t. Therefore, the coupon rate will not be adjusted and the principal and interest will be repaid normally.</p>
Realization of low-carbon transformation benefits (applicable to low-carbon transformation-linked corporate bonds)	<p>The performance result of the sustainable development performance target for energy consumption per unit product of mining process of the Company's Sandaozhuang mining area was 0.19kgce/t in 2023. As compared with the benchmark in 2020, the sustainable development benefits in 2023 included saving of 1,280.28 tonnes of standard coal and reduction of 1,756.86 tonnes of carbon dioxide emissions.</p>
The issuance of the evaluation opinion or certification report and the main content of the evaluation or certification (applicable to low-carbon transformation-linked corporate bonds).	<p>After review and approval by the Sustainable Development Evaluation Committee of CCX, CCX believes that the performance results of sustainable development performance target for 2022 First Tranche of Medium-term Notes (sustainably linked) of the Company meet the sustainability performance targets in 2023 with significant sustainability benefits, which did not result in the adjustment on its financial nature.</p>

SECTION VIII INFORMATION ON BONDS (CONTINUED)

(IV) Relevant Important Matters of Corporate Bonds During the Reporting Period

1. *Non-operating Intercourse Funds and Money Lending*

(1). Balance of Non-operating Intercourse Funds and Money Lending

At the beginning of the reporting period, the balance of non-operating intercourse funds receivables and money lending from other parties (hereinafter referred to as non-operating intercourse funds and money lending) directly incurred from non-production and operation on consolidated basis: RMB2,763 million.

During the reporting period, the non-operating intercourse funds or money lending did not violate any agreed terms or commitments specified in the prospectus.

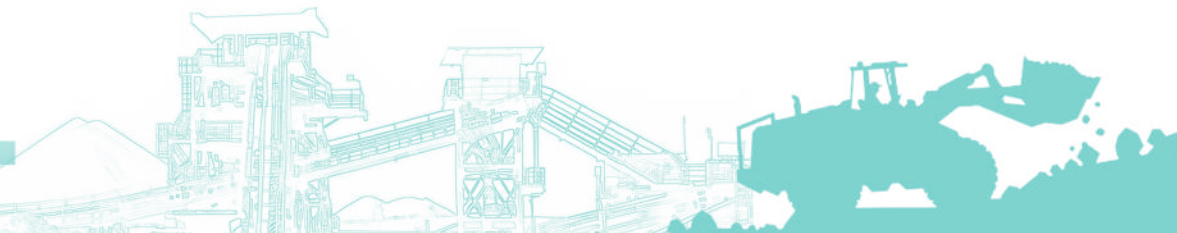
During the reporting period, the total amount of unrecovered non-operating intercourse funds and money lending: RMB2,223 million.

(2). Breakdown of Non-operating Intercourse Funds and Money Lending

At the end of the reporting period, the proportion of the unrecovered non-operating intercourse funds or money lending on consolidated basis to the net assets on consolidated basis: 2.93%, not exceeding 10% of the net assets on consolidated basis.

(3). Implementation of the repayment arrangements disclosed in previous reporting periods

Fully executed.



SECTION VIII INFORMATION ON BONDS (CONTINUED)

2. Debts

(1). Interest-bearing debt and its change

1.1 Structure of corporate bonds

At the beginning and end of the reporting period, the balance of interest-bearing debts of the Company (non-consolidated basis of the Company) were RMB11.716 billion and RMB10.505 billion, respectively. Year-on-year change in the balance of interest-bearing debt during the reporting period was -10.34%.

Unit: 100 million Yuan Currency: RMB

Types of interest-bearing debt	Maturity			Total amounts	Percentage of the amount to interest-bearing debt (%)
	Overdue	Within 6 months (inclusive)	More than 6 months		
Corporate credit bonds	-	1.56	20.18	21.74	20.69
Bank loans	-	3.70	79.61	83.31	79.31
Total	-	5.26	99.79	105.05	-

Among the corporate credit bonds perpetuated of the Company at the end of the reporting period, the balance of corporate bond was nil, the balance of enterprise bond was nil, the balance of non-financial enterprises financing instrument was RMB2.174 billion, and the amount of corporate credit bonds which will mature or can be sold back between September and December 2024 is nil.

SECTION VIII INFORMATION ON BONDS (CONTINUED)

1.2 Structure of interest-bearing debt of the Company on consolidated basis

As of the beginning and the end of the reporting period, the outstanding balance of the Company's interest-bearing debt within the scope of the consolidated statements of the Company amounted to RMB48.394 billion and RMB52.111 billion respectively, and the outstanding balance of the interest-bearing debt recorded a year-on-year change of 7.68% during the reporting period.

Unit: 100 million Yuan Currency: RMB

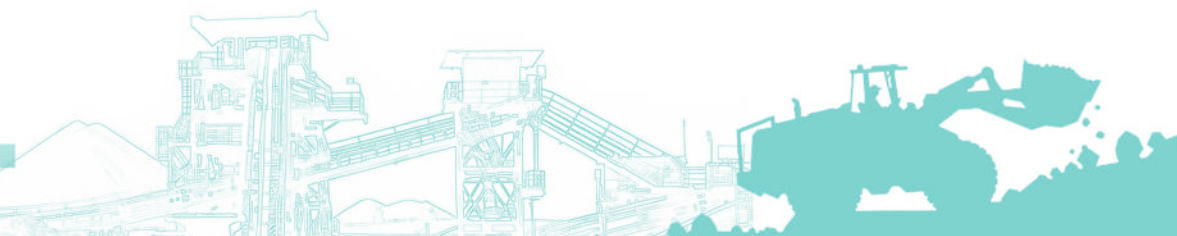
Types of interest-bearing debt	Maturity			Total amounts	Percentage of the amount to interest-bearing debt (%)
	Overdue	Within 6 months (inclusive)	More than 6 months		
Corporate credit bonds	-	1.56	20.18	21.74	4.17
Bank loans	-	295.73	203.64	499.37	95.83
Total	-	297.29	223.82	521.11	-

Among the corporate credit bonds perpetuated of the Company at the end of the reporting period, the balance of corporate bond was nil, the balance of enterprise bond was nil, the balance of non-financial enterprises financing instrument amounted to RMB2.174 billion, and the amount of corporate credit bonds which will mature or can be sold back between September and December 2024 is nil.

(2). Major liabilities and the reasons for their changes

Unit: 100 million Yuan Currency: RMB

Projects of liabilities	Balance at the end of the period	Balance in 2023	Change (%)	Explanation on changes exceeding 30%
Corporate credit bonds	21.74	22.11	-1.67	
Bank loans	499.37	457.65	9.12	
Other interest-bearing debts	-	4.18	-100.00	Repayment due for the period



SECTION VIII INFORMATION ON BONDS (CONTINUED)

(V) Key Accounting Data and Financial Indicators

Unit: 000 Yuan Currency: RMB

Primary indicators	End of the reporting period	End of last year	Increase or decrease at the end of the reporting period as compared with the end of last year (%)	
Current ratio	1.52	1.71	-11.11	
Quick ratio	1.01	1.07	-5.61	
Gearing ratio (%)	59.16	58.40	1.30	

	The reporting period (January-June)	Corresponding period of last year	Increase or decrease in the reporting period as compared with the corresponding period of last year (%)		Reason for change
Net profit after deducting non-recurring gains and losses	5,625,355.30	219,977.16	2,457.25		Year-on-year increase in net profit attributable to the parent company during the current period
EBITDA to total debts ratio	0.31	0.11	181.82		Year-on-year increase in total profit during the current period
Interest coverage ratio	6.10	1.63	274.23		Year-on-year increase in total profit during the current period
Cash interest coverage ratio	7.94	8.30	-4.34		
EBITDA interest coverage ratio	7.37	2.67	176.03		Year-on-year increase in total profit during the current period
Loan repayment rate (%)	100.00	100.00			
Interest repayment ratio (%)	100.00	100.00			

SECTION IX FINANCIAL STATEMENTS

I. AUDIT REPORT

This interim report has not been audited.

II. FINANCIAL STATEMENTS CONSOLIDATED BALANCE SHEET

30 June 2024

Prepared by: CMOC Group Limited

Unit: RMB

Item	Notes	30 June 2024	31 December 2023
Current assets:			
Cash and bank balances	(VII) 1	34,912,919,090.13	30,716,077,208.96
Held-for-trading financial assets	(VII) 2	14,389,303,033.41	8,284,638,370.17
Derivative financial assets	(VII) 3	1,362,778,560.34	2,213,551,710.77
Accounts receivable	(VII) 4	1,000,310,450.63	1,132,003,814.45
Financing with receivables	(VII) 5	38,778,798.83	260,311,068.16
Prepayments	(VII) 6	1,870,422,498.57	1,181,770,447.66
Other receivables	(VII) 7	5,009,185,018.74	4,252,138,393.05
Including: Interest receivable		285,011,820.75	263,164,810.93
Dividends receivable		13,108,902.07	13,108,902.07
Inventories	(VII) 8	31,868,433,377.55	31,430,496,020.23
Non-current assets due within one year	(VII) 9	386,686,892.56	1,092,589,539.03
Other current assets	(VII) 10	4,839,336,255.21	3,084,006,776.18
Total Current Assets		95,678,153,975.97	83,647,583,348.66
Non-current assets:			
Long-term equity investments	(VII) 11	2,546,842,652.34	2,228,736,782.08
Investments in other equity instruments	(VII) 12	7,729,190.40	7,729,190.40
Other non-current financial assets	(VII) 13	3,132,486,179.16	3,199,384,854.99
Fixed assets	(VII) 14	41,621,381,034.62	35,603,658,029.61
Construction in progress	(VII) 15	5,492,091,576.97	10,621,107,850.33
Long-term inventories	(VII) 8	7,195,462,251.35	7,136,659,350.36
Right-of-use assets	(VII) 16	338,444,050.84	345,706,233.11
Intangible assets	(VII) 17	22,296,379,372.90	22,960,384,817.88
Goodwill	(VII) 18	432,819,388.33	430,141,140.73
Long-term prepaid expenses	(VII) 19	206,924,453.00	227,766,417.14
Deferred tax assets	(VII) 20	2,079,907,737.19	1,665,443,079.84
Other non-current assets	(VII) 21	4,851,260,214.13	4,900,229,607.48
Total Non-current Assets		90,201,728,101.23	89,326,947,353.95
Total Assets		185,879,882,077.20	172,974,530,702.61

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

Item	Notes	30 June 2024	31 December 2023
Current liabilities:			
Short-term borrowings	(VII) 22	30,135,227,809.98	24,954,249,917.03
Held-for-trading financing liabilities	(VII) 23	3,698,643,410.96	2,948,580,363.16
Derivative financial liabilities	(VII) 24	2,156,790,598.67	1,108,796,282.04
Notes payable	(VII) 25	431,461,785.74	1,142,025,881.71
Accounts payable	(VII) 26	5,955,456,452.51	3,556,152,616.98
Contract liabilities	(VII) 27	2,637,116,909.14	2,515,301,405.33
Employee benefits payable	(VII) 28	942,853,487.89	1,472,512,919.45
Taxes payable	(VII) 29	4,131,645,903.06	2,118,205,384.20
Other payables	(VII) 30	6,404,771,859.04	4,773,801,730.98
Including: Interest and dividends payable		3,334,135,554.73	27,885,796.67
Non-current liabilities due within one year	(VII) 31	5,728,880,587.91	3,769,999,779.97
Other current liabilities	(VII) 32	889,627,325.84	620,646,123.74
Total Current Liabilities		63,112,476,130.74	48,980,272,404.59
Non-current Liabilities:			
Long-term borrowings	(VII) 33	17,089,212,093.88	18,767,717,544.93
Bonds payable	(VII) 34	-	2,000,000,000.00
Lease liabilities	(VII) 35	192,106,951.73	230,938,527.58
Long-term employee benefits payable	(VII) 36	495,520,348.07	471,660,892.08
Provisions	(VII) 37	2,763,970,371.52	2,837,087,652.97
Deferred income	(VII) 38	35,037,555.70	38,532,783.50
Deferred tax liabilities	(VII) 20	6,315,624,803.46	5,991,178,925.91
Other non-current liabilities	(VII) 39	19,961,003,311.53	21,694,967,763.74
Total Non-current Liabilities		46,852,475,435.89	52,032,084,090.71
Total Liabilities		109,964,951,566.63	101,012,356,495.30
Owners' equity (or Shareholders' equity):			
Paid-in capital (or share capital)	(VII) 40	4,319,848,116.60	4,319,848,116.60
Other equity instruments	(VII) 41	1,000,000,000.00	1,000,000,000.00
Including: Perpetual bonds		1,000,000,000.00	1,000,000,000.00
Capital reserve	(VII) 42	27,707,094,206.91	27,694,825,276.01
Less: Treasury shares	(VII) 43	1,266,543,810.15	1,266,543,810.15
Other comprehensive income	(VII) 44	1,831,956,850.75	1,574,263,722.33
Special reserve	(VII) 45	212,508,327.53	140,310,748.25
Surplus reserve	(VII) 46	2,099,837,960.76	2,099,837,960.76
Retained profits	(VII) 47	26,094,914,688.99	23,977,727,693.23
Total owners' equity (or shareholders' equity) attributable to equity holders of the Company		61,999,616,341.39	59,540,269,707.03
Minority interests		13,915,314,169.18	12,421,904,500.28
Total owners' equity (or shareholders' equity)		75,914,930,510.57	71,962,174,207.31
Total liabilities and owners' equity (or shareholders' equity)		185,879,882,077.20	172,974,530,702.61

Head of the Company: Yuan Honglin

Chief Financial Officer: Li Guojun

Head of Accounting Department: Xu Bin

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

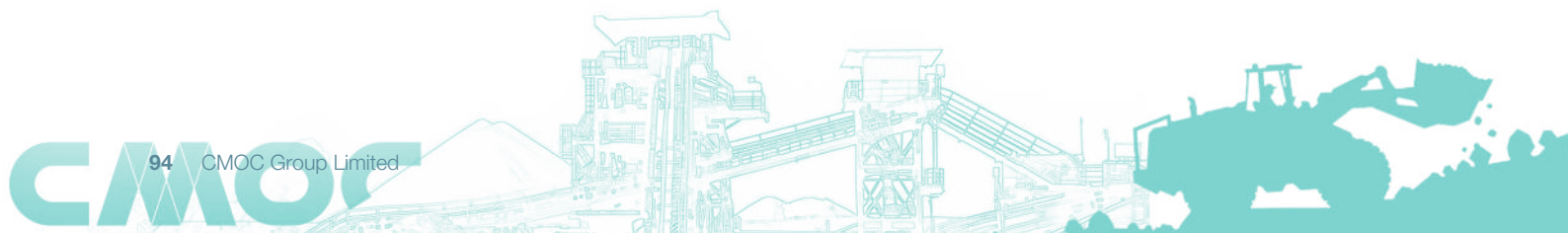
THE COMPANY'S BALANCE SHEET

30 June 2024

Prepared by: CMOC Group Limited

Unit: RMB

Item	Notes	30 June 2024	31 December 2023
Current assets:			
Cash and bank balances		10,054,971,428.89	9,480,998,128.25
Held-for-trading financial assets		1,756,941,649.55	10,149,030.84
Accounts receivable	(XVIII) 1	720,014,383.62	1,013,718,567.21
Financing with receivables		2,052,508.67	11,700,000.00
Prepayments		31,339,825.08	28,612,571.55
Other receivables	(XVIII) 2	10,457,774,641.23	8,882,661,447.55
Including: Interest receivable		337,407,054.78	295,803,008.94
Dividends receivable		1,544,006,084.08	1,544,006,084.08
Inventories		293,973,276.84	166,593,689.27
Non-current assets due within one year		284,999,444.55	460,673,819.59
Other current assets		194,010,038.61	20,393,245.43
Total Current Assets		23,796,077,197.04	20,075,500,499.69
Non-current assets:			
Long-term equity investments	(XVIII) 3	35,501,560,280.09	35,667,685,946.41
Other non-current financial assets		41,626,698.42	68,039,832.38
Fixed assets		2,248,408,190.98	2,245,847,925.86
Construction in progress		349,821,805.02	232,686,529.68
Intangible assets		170,855,187.40	169,515,081.85
Long-term prepaid expenses		133,787,453.99	112,040,348.37
Deferred tax assets		159,609,786.55	159,871,373.47
Other non-current assets		488,558,035.00	474,813,884.98
Total Non-current Assets		39,094,227,437.45	39,130,500,923.00
Total Assets		62,890,304,634.49	59,206,001,422.69



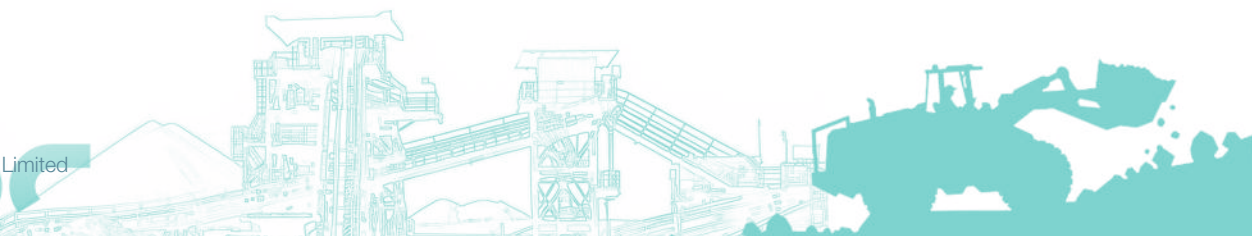
SECTION IX FINANCIAL STATEMENTS (CONTINUED)

Item	Notes	30 June 2024	31 December 2023
Current liabilities:			
Short-term borrowings		382,890,677.78	1,101,657,777.78
Held-for-trading financing liabilities		–	418,253,537.70
Notes payable		2,800,059,603.31	1,000,059,603.31
Accounts payable		661,464,143.80	296,964,576.00
Contract liabilities		34,762,252.76	252,772,663.01
Employee benefits payable		95,748,110.94	132,448,236.93
Taxes payable		141,736,658.69	286,749,773.28
Other payables		11,856,777,518.47	6,360,013,544.50
Including: Interest payable		7,321,088.59	43,098,117.98
Dividends payable		3,300,072,344.65	–
Non-current liabilities due within one year		3,790,514,671.74	521,168,227.38
Other current liabilities		227,613,665.78	222,405,242.66
Total Current Liabilities		19,991,567,303.27	10,592,493,182.55
Non-current Liabilities:			
Long-term borrowings		6,467,400,000.00	7,808,274,584.70
Bonds payable		–	2,000,000,000.00
Provisions		96,555,498.19	94,190,807.77
Deferred income		17,052,860.00	17,245,652.90
Other non-current liabilities		590,068,692.28	580,280,900.00
Total Non-current Liabilities		7,171,077,050.47	10,499,991,945.37
Total Liabilities		27,162,644,353.74	21,092,485,127.92

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

Item	Notes	30 June 2024	31 December 2023
Owners' equity (or Shareholders' equity):			
Paid-in capital (or share capital)		4,319,848,116.60	4,319,848,116.60
Other equity instruments		1,000,000,000.00	1,000,000,000.00
Including: Perpetual bonds		1,000,000,000.00	1,000,000,000.00
Capital reserve		27,878,011,870.33	27,930,079,604.42
Less: Treasury shares		1,266,543,810.15	1,266,543,810.15
Special reserve		200,884,790.93	122,482,119.17
Surplus reserve		2,099,837,960.76	2,099,837,960.76
Retained profits		1,495,621,352.28	3,907,812,303.97
Total owners' equity (or shareholders' equity)		35,727,660,280.75	38,113,516,294.77
Total liabilities and owners' equity (or shareholders' equity)		62,890,304,634.49	59,206,001,422.69

Head of the Company: Yuan Honglin Chief Financial Officer: Li Guojun Head of Accounting Department: Xu Bin



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

CONSOLIDATED INCOME STATEMENT

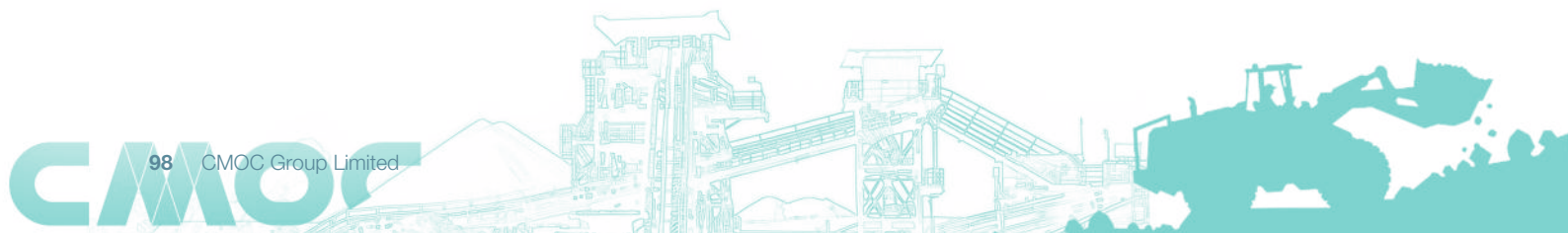
Jan. – Jun. 2024

Unit: RMB

Item	Notes	Jan. – Jun. 2024	Jan. – Jun. 2023
I. Total operating revenue	(VII) 48	102,818,431,688.56	86,726,255,654.19
Including: Operating revenue		102,818,431,688.56	86,726,255,654.19
II. Total operating costs		89,019,210,935.05	86,609,335,260.17
Including: Operating costs	(VII) 48	83,923,963,903.94	83,004,032,078.26
Taxes and levies	(VII) 49	1,990,327,973.37	859,225,589.65
Selling expenses	(VII) 50	54,546,771.97	58,006,794.63
Administrative expenses	(VII) 51	1,165,601,995.25	1,210,292,744.70
Research and development expenses	(VII) 52	137,205,701.11	107,688,998.44
Financial expenses	(VII) 53	1,747,564,589.41	1,370,089,054.49
Including: Interest expenses		2,088,952,540.42	2,089,782,557.88
Interest income		735,750,175.67	788,230,430.05
Add: Other income	(VII) 54	29,832,497.14	69,194,717.66
Investment income			
(losses are indicated by “-”)	(VII) 55	340,839,841.87	221,026,761.46
Including: Income from investments			
in associates and joint ventures		354,118,291.35	225,800,529.94
Gains from changes in fair value			
(losses are indicated by “-”)	(VII) 56	-3,046,350,128.57	1,263,729,679.44
Gains from credit impairment			
(losses are indicated by “-”)	(VII) 57	8,694,881.08	-822,985.71
Asset impairment gains			
(losses are indicated by “-”)	(VII) 58	-688,375.93	-28,972,091.55
Gains from disposal of assets			
(losses are indicated by “-”)	(VII) 59	14,838,948.47	8,146,048.15
III. Operating profit (losses are indicated by “-”)		11,146,388,417.57	1,649,222,523.47
Add: Non-operating income	(VII) 60	22,381,354.80	1,328,289.94
Less: Non-operating expenses	(VII) 61	15,653,023.80	23,752,905.51
IV. Total profit (total loss is indicated by “-”)		11,153,116,748.57	1,626,797,907.90
Less: Income tax expenses	(VII) 62	4,822,725,205.20	1,011,601,350.12

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

Item	Notes	Jan. – Jun. 2024	Jan. – Jun. 2023
V. Net profit (net loss is indicated by “-”)		6,330,391,543.37	615,196,557.78
(I) Classified by business continuity			
1. Net profit from continuing operations (net loss is indicated by “-”)		6,330,391,543.37	517,309,623.75
2. Net profit from discontinued operations (net loss is indicated by “-”)		–	97,886,934.03
(II) Classified by ownership			
1. Net profit attributable to shareholders of the Company (net loss is indicated by “-”)		5,417,259,340.41	703,144,213.69
2. Profit or loss attributable to minority interests (net loss is indicated by “-”)		913,132,202.96	-87,947,655.91
VI. Other comprehensive income, net of tax	(VII) 63	335,207,673.48	2,448,349,722.41
(I) Other comprehensive income attributable to owners of the Company, net of tax		257,693,128.42	2,076,787,715.97
1. Other comprehensive income that will be reclassified to profit or loss		257,693,128.42	2,076,787,715.97
(1) Cash flow hedging reserve		-77,030,088.16	212,415,906.92
(2) Translation differences of financial statements denominated in foreign currencies		334,723,216.58	1,864,371,809.05
(II) Other comprehensive income attributable to minority interests, net of tax		77,514,545.06	371,562,006.44



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

Item	Notes	Jan. – Jun. 2024	Jan. – Jun. 2023
VII. Total comprehensive income		6,665,599,216.85	3,063,546,280.19
(I) Total comprehensive income attributable to owners of the Company		5,674,952,468.83	2,779,931,929.66
(II) Total comprehensive income attributable to minority interests		990,646,748.02	283,614,350.53
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)		0.25	0.03
(II) Diluted earnings per share (RMB/share)		0.25	0.03

Head of the Company: Yuan Honglin

Chief Financial Officer: Li Guojun

Head of Accounting Department: Xu Bin

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

THE COMPANY'S INCOME STATEMENT

Jan. – Jun. 2024

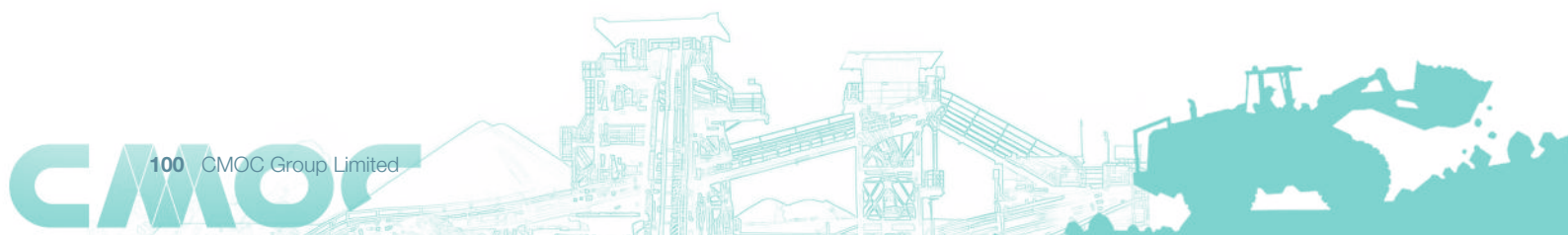
Unit: RMB

Item	Notes	Jan. – Jun. 2024	Jan. – Jun. 2023
I. Operating revenue	(XVIII) 4	3,192,959,014.08	3,957,485,958.31
Less: Operating costs	(XVIII) 4	1,645,500,096.88	1,957,997,509.46
Taxes and levies		258,774,026.10	300,486,361.52
Administrative expenses		84,637,171.98	96,823,136.82
Research and development expenses		115,106,483.64	93,339,296.93
Financial expenses		78,668,667.10	70,856,812.54
Including: Interest expenses		227,917,254.58	309,053,247.09
Interest income		162,832,864.64	282,781,955.90
Add: Other income		6,365,304.39	4,554,278.03
Investment income (losses are indicated by "-")	(XVIII) 5	151,535,218.88	-52,060,586.51
Including: Income from investments in associates and joint ventures		151,535,218.88	-52,060,586.51
Gains from changes in fair value (losses are indicated by "-")		23,664,470.58	4,227,332.58
Gains from credit impairment (losses are indicated by "-")		-56,429.47	370,803.16
Asset impairment gains (losses are indicated by "-")		-1,000,000.00	-3,632,456.77
Gains from disposal of assets (losses are indicated by "-")		5,883,283.26	99,762,916.73
II. Operating profit (losses are indicated by "-")		1,196,664,416.02	1,491,205,128.26
Add: Non-operating income		664,215.64	18,349,365.43
Less: Non-operating expenses		10,836,086.47	10,445,436.93
III. Total profit (total loss is indicated by "-")		1,186,492,545.19	1,499,109,056.76
Less: Income tax expenses		163,669,159.22	208,245,436.97
IV. Net profit (net loss is indicated by "-")		1,022,823,385.97	1,290,863,619.79
(I) Net profit from continuing operations (net loss is indicated by "-")		1,022,823,385.97	1,290,863,619.79
V. Total comprehensive income		1,022,823,385.97	1,290,863,619.79

Head of the Company: Yuan Honglin

Chief Financial Officer: Li Guojun

Head of Accounting Department: Xu Bin



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

CONSOLIDATED CASH FLOW STATEMENT

Jan. – Jun. 2024

Unit: RMB

Item	Notes	Jan. – Jun. 2024	Jan. – Jun. 2023
I. Cash Flows from Operating Activities:			
Cash receipts from sales of goods and rendering of services		96,146,099,634.23	86,523,407,057.16
Other cash receipts relating to operating activities	(VII) 64(1)	962,436,816.52	3,242,010,375.94
Sub-total of cash inflows from operating activities		97,108,536,450.75	89,765,417,433.10
Cash payments for goods purchased and services received		76,038,732,840.67	74,836,615,380.00
Cash payments to and on behalf of employees		2,449,907,481.05	1,987,756,668.84
Payments of various types of taxes		7,252,353,730.74	3,688,491,967.84
Other cash payments relating to operating activities	(VII) 64(1)	588,250,208.66	490,616,276.68
Sub-total of cash outflows from operating activities		86,329,244,261.12	81,003,480,293.36
Net Cash Flow from Operating Activities		10,779,292,189.63	8,761,937,139.74
II. Cash Flows from Investing Activities:			
Cash receipts from disposals and recovery of investments	(VII) 64(2)	5,782,931,869.79	6,201,289,262.19
Cash receipts from investment income		146,344,271.46	323,909,260.51
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		36,997,515.01	82,524,719.40
Net cash receipts from disposals of subsidiaries and other business units		156,304,500.00	–
Other cash receipts relating to investing activities	(VII) 64(2)	346,498,214.92	245,421,139.50
Sub-total of cash inflows from investing activities		6,469,076,371.18	6,853,144,381.60
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		3,965,181,434.30	6,583,250,074.03
Cash payments to acquire investments	(VII) 64(2)	9,058,655,937.36	8,453,106,688.56
Net cash payments to acquire subsidiaries and other business units		4,985,788.54	–
Other cash payments relating to investing activities	(VII) 64(2)	446,445,231.59	411,444,586.43
Sub-total of cash outflows from investing activities		13,475,268,391.79	15,447,801,349.02
Net Cash Flow from Investing Activities		-7,006,192,020.61	-8,594,656,967.42

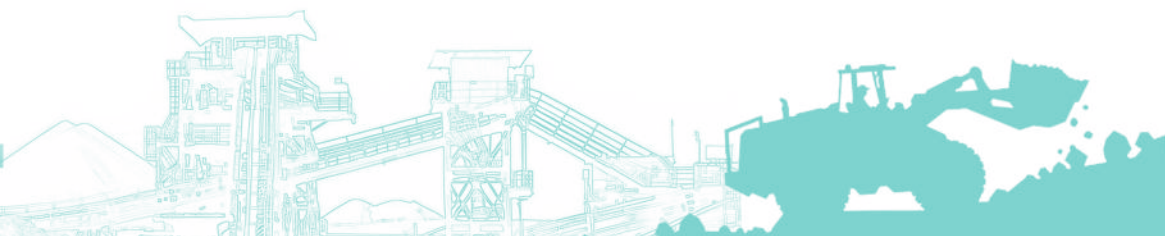
SECTION IX FINANCIAL STATEMENTS (CONTINUED)

Item	Notes	Jan. – Jun. 2024	Jan. – Jun. 2023
III. Cash Flows from Financing Activities:			
Cash receipts from borrowings		46,831,653,043.37	53,784,672,884.98
Other cash receipts relating to financing activities	(VII) 64(3)	1,337,287,078.91	415,518,801.15
Sub-total of cash inflows from financing activities		48,168,940,122.28	54,200,191,686.13
Cash repayments of borrowings		42,928,681,152.81	50,768,150,069.52
Cash payments for distribution of dividends or profits or settlement of interest expenses		2,427,540,408.65	1,923,875,752.51
Including: Payments for distribution of dividends or profits to minority shareholders of subsidiaries		447,599,250.00	–
Other cash payments relating to financing activities	(VII) 64(3)	1,830,162,424.66	1,297,038,119.76
Sub-total of cash outflows from financing activities		47,186,383,986.12	53,989,063,941.79
Net Cash Flow from Financing Activities		982,556,136.16	211,127,744.34
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents			
		43,277,962.32	658,313,342.50
V. Net Increase in Cash and Cash Equivalents			
Add: Opening balance of cash and cash equivalents	(VII) 65(3)	26,118,763,976.52	29,045,548,650.93
VI. Closing Balance of Cash and Cash Equivalents			
	(VII) 65(3)	30,917,698,244.02	30,082,269,910.09

Head of the Company: Yuan Honglin

Chief Financial Officer: Li Guojun

Head of Accounting Department: Xu Bin



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

THE COMPANY'S CASH FLOW STATEMENT

Jan. – Jun. 2024

Unit: RMB

Item	Notes	Jan. – Jun. 2024	Jan. – Jun. 2023
I. Cash Flows from Operating Activities:			
Cash receipts from sales of goods and rendering of services		1,573,729,586.84	1,098,239,761.80
Other cash receipts relating to operating activities		7,291,590,799.42	6,506,738,796.67
Sub-total of cash inflows from operating activities		8,865,320,386.26	7,604,978,558.47
Cash payments for goods purchased and services received		838,194,715.27	527,425,683.13
Cash payments to and on behalf of employees		287,049,974.31	276,790,280.12
Payments of various types of taxes		977,272,779.33	842,956,254.64
Other cash payments relating to operating activities		5,402,349,546.39	3,261,429,204.51
Sub-total of cash outflows from operating activities		7,504,867,015.30	4,908,601,422.40
Net Cash Flow from Operating Activities		1,360,453,370.96	2,696,377,136.07
II. Cash Flows from Investing Activities:			
Cash receipts from disposals and recovery of investments		4,130,000,000.00	1,339,950,000.00
Cash receipts from investment income		70,705,349.09	54,115,242.19
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		33,770,838.00	80,684,050.00
Other cash receipts relating to investing activities		5,961,721,903.17	2,251,330,159.91
Sub-total of cash inflows from investing activities		10,196,198,090.26	3,726,079,452.10
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		84,296,654.84	164,817,076.27
Cash payments to acquire investments		5,850,218,548.24	1,398,540,430.02
Net cash payments to acquire subsidiaries and other business units		20,000,000.00	–
Other cash payments relating to investing activities		6,769,761,023.57	2,074,280,779.44
Sub-total of cash outflows from investing activities		12,724,276,226.65	3,637,638,285.73
Net Cash Flow from Investing Activities		-2,528,078,136.39	88,441,166.37

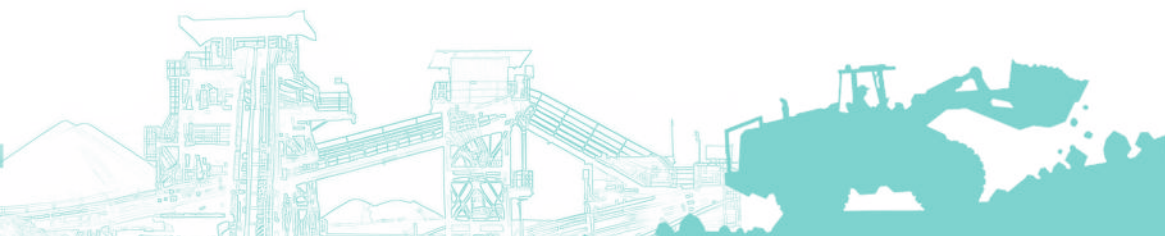
SECTION IX FINANCIAL STATEMENTS (CONTINUED)

Item	Notes	Jan. – Jun. 2024	Jan. – Jun. 2023
III. Cash Flows from Financing Activities:			
Cash receipts from borrowings		2,330,000,000.00	7,856,977,918.03
Other cash receipts relating to financing activities		16,008,458,522.63	12,859,664,457.76
Sub-total of cash inflows from financing activities		18,338,458,522.63	20,716,642,375.79
Cash repayments of borrowings		3,088,537,292.35	5,258,600,000.00
Cash payments for distribution of dividends or profits or settlement of interest expenses		280,213,330.77	257,895,938.58
Other cash payments relating to financing activities		14,528,410,305.74	12,788,291,611.92
Sub-total of cash outflows from financing activities		17,897,160,928.86	18,304,787,550.50
Net Cash Flow from Financing Activities		441,297,593.77	2,411,854,825.29
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents			
		81,924.06	-1,296,050.21
V. Net Increase in Cash and Cash Equivalents			
Add: Opening balance of cash and cash equivalents		-726,245,247.60	5,195,377,077.52
		9,426,057,531.60	8,901,293,066.14
VI. Closing Balance of Cash and Cash Equivalents			
		8,699,812,284.00	14,096,670,143.66

Head of the Company: Yuan Honglin

Chief Financial Officer: Li Guojun

Head of Accounting Department: Xu Bin



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

Jan. – Jun. 2024

Unit: RMB

Item	Jan. – Jun. 2024										Total owners' equity
	Attributable to owners of the Company					Other					
	Paid-in capital (or share capital)	Other equity instruments	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained profits	Sub-total	Minority interests		
I. Closing balance of the preceding year	4,319,848,116.60	1,000,000,000.00	27,694,825,276.01	1,266,543,810.15	1,574,263,722.33	140,310,748.25	2,099,837,960.76	23,977,727,693.23	59,540,269,707.03	12,421,904,500.28	71,962,174,207.31
II. Opening balance of the current year	4,319,848,116.60	1,000,000,000.00	27,694,825,276.01	1,266,543,810.15	1,574,263,722.33	140,310,748.25	2,099,837,960.76	23,977,727,693.23	59,540,269,707.03	12,421,904,500.28	71,962,174,207.31
III. Changes for the period (decrease is indicated by "-")	-	-	12,268,930.90	-	257,693,128.42	72,197,579.28	-	2,117,186,995.76	2,459,346,634.36	1,493,409,668.90	3,952,756,303.26
(I) Total comprehensive income	-	-	-	-	257,693,128.42	-	5,417,259,340.41	5,674,952,468.83	990,646,748.02	6,665,599,216.85	
(II) Owners' contributions and reduction in capital	-	-	12,268,930.90	-	-	-	-	-	12,268,930.90	999,150,666.27	1,011,419,617.17
1. Ordinary shares contributed by owners	-	-	-	-	-	-	-	-	-	979,935,000.00	979,935,000.00
2. Share-based payments recognised in owners' equity	-	-	12,268,930.90	-	-	-	-	-	12,268,930.90	-	12,268,930.90
3. Business combination not involving enterprises under common control	-	-	-	-	-	-	-	-	-	-	-
(III) Profit distribution	-	-	-	-	-	-	-3,300,072,344.65	-3,300,072,344.65	-3,300,072,344.65	-498,876,000.00	-3,798,948,344.65
1. Distributions to owners (shareholders)	-	-	-	-	-	-	-3,300,072,344.65	-3,300,072,344.65	-498,876,000.00	-	-3,798,948,344.65
(IV) Special reserve	-	-	-	-	-	72,197,579.28	-	-	72,197,579.28	2,488,234.61	74,685,813.89
1. Transfer to special reserve in the period	-	-	-	-	-	99,432,226.47	-	-	99,432,226.47	3,949,975.50	103,382,201.97
2. Amount utilised in the period	-	-	-	-	-	27,234,647.19	-	-	27,234,647.19	1,461,740.89	28,696,388.08
IV. Closing balance of the current period	4,319,848,116.60	1,000,000,000.00	27,707,094,206.91	1,266,543,810.15	1,831,956,850.75	212,508,327.53	2,099,837,960.76	26,094,914,663.99	61,999,616,341.39	13,915,314,169.18	75,914,930,510.57

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

Jan. - Jun. 2023

Item	Attributable to owners of the Company				Special reserve	Surplus reserve	Retained profits	Sub-total	Minority interests	Total owners' equity	
	Other equity instruments	Less: Treasury shares	Other comprehensive income	Capital reserve							
I. Closing balance of the preceding year	4,319,848,116.60	1,000,000,000.00	27,681,918,087.25	1,325,021,131.22	294,879,708.74	22,655,587.06	1,684,388,527.69	18,019,893,163.56	51,698,562,059.68	10,338,854,639.46	62,037,416,699.14
II. Opening balance of the current year	4,319,848,116.60	1,000,000,000.00	27,681,918,087.25	1,325,021,131.22	294,879,708.74	22,655,587.06	1,684,388,527.69	18,019,893,163.56	51,698,562,059.68	10,338,854,639.46	62,037,416,699.14
III. Changes for the period (decrease is indicated by "-")											
(i) Total comprehensive income	-	-	-1,447,533.36	-58,477,321.07	2,076,787,715.97	64,914,961.98	-	-1,117,083,696.09	1,081,648,769.57	285,508,043.58	1,367,156,813.15
(ii) Owners' contributions and reduction in capital	-	-	-1,447,533.36	-58,477,321.07	2,076,787,715.97	-	-	703,144,213.69	2,779,931,929.66	283,614,350.53	3,063,546,280.19
1. Ordinary shares contributed by owners	-	-	-1,447,533.36	-58,477,321.07	-	-	-	-	57,029,787.71	-	57,029,787.71
2. Share-based payments recognised in owners' equity	-	-	26,237,059.16	-	-	-	-	-	26,237,059.16	-	26,237,059.16
(iii) Profit distribution	-	-	-27,684,592.52	-58,477,321.07	-	-	-	-1,820,227,909.78	-1,820,227,909.78	-	-30,792,728.55
1. Distributions to owners (shareholders)	-	-	-	-	-	-	-	-1,820,227,909.78	-1,820,227,909.78	-	-1,820,227,909.78
(iv) Special reserve	-	-	-	-	-	64,914,961.98	-	-	64,914,961.98	1,893,693.05	66,808,655.03
1. Transfer to special reserve in the period	-	-	-	-	-	99,506,098.40	-	-	99,506,098.40	2,176,429.46	101,682,527.86
2. Amount utilised in the period	-	-	-	-	-	34,591,136.42	-	-	34,591,136.42	282,736.41	34,873,872.83
IV. Closing balance of the current period	4,319,848,116.60	1,000,000,000.00	27,680,470,553.89	1,266,543,810.15	2,371,667,424.71	87,570,549.04	1,684,388,527.69	16,902,809,467.47	52,780,210,829.25	10,624,362,683.04	63,404,573,512.29

Head of the Company: Yuan Honglin

Chief Financial Officer: Li Guojun

Head of Accounting Department: Xu Bin

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

THE COMPANY'S STATEMENT OF CHANGES IN OWNERS' EQUITY

Jan. – Jun. 2024

Unit: RMB

Item	Paid-in capital (or share capital)	Jan. – Jun. 2024			Total owners' equity			
		Less: Treasury shares	Special reserve	Surplus reserve				
I. Closing balance of the preceding year	4,319,848,116.60	1,000,000,000.00	27,930,079,604.42	1,266,543,810.15	122,482,119.17	2,099,837,960.76	3,907,812,303.97	38,113,516,294.77
II. Opening balance of the current year	4,319,848,116.60	1,000,000,000.00	27,930,079,604.42	1,266,543,810.15	122,482,119.17	2,099,837,960.76	3,907,812,303.97	38,113,516,294.77
III. Changes for the period (decrease is indicated by "-")	-	-	-52,067,734.09	-	78,402,671.76	-	-2,412,190,951.69	-2,385,666,014.02
(I) Total comprehensive income	-	-	-	-	-	-	1,022,823,385.97	1,022,823,385.97
(II) Owners' contributions and reduction in capital	-	-	-52,067,734.09	-	16,587,658.61	-	-134,941,993.01	-170,442,068.49
1. Share-based payments recognised in owners' equity	-	-	12,268,930.90	-	-	-	-	12,268,930.90
2. Absorption and merger of subsidiaries	-	-	-64,336,664.99	-	16,587,658.61	-	-134,941,993.01	-182,710,999.39
(III) Profit distribution	-	-	-	-	-	-	-3,300,072,344.65	-3,300,072,344.65
1. Distributions to owners (shareholders)	-	-	-	-	-	-	-3,300,072,344.65	-3,300,072,344.65
(IV) Special reserve	-	-	-	-	61,835,013.15	-	-	61,835,013.15
1. Transfer to special reserve in the period	-	-	-	-	87,220,024.34	-	-	87,220,024.34
2. Amount utilised in the period	-	-	-	-	25,385,011.19	-	-	25,385,011.19
IV. Closing balance of the current period	4,319,848,116.60	1,000,000,000.00	27,878,011,870.33	1,266,543,810.15	200,884,790.93	2,099,837,960.76	1,495,621,352.28	35,727,660,280.75

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

Jan. - Jun. 2023

Item	Paid-in capital (or share capital)	Other equity instruments	Capital reserve	Less: Treasury shares	Special reserve	Surplus reserve	Retained profits	Total owners' equity
I. Closing balance of the preceding year	4,319,848,116.60	1,000,000,000.00	27,800,962,401.65	1,325,021,131.22	21,113,064.91	1,664,388,527.69	2,045,195,316.11	35,546,486,295.74
II. Opening balance of the current year	4,319,848,116.60	1,000,000,000.00	27,800,962,401.65	1,325,021,131.22	21,113,064.91	1,664,388,527.69	2,045,195,316.11	35,546,486,295.74
III. Changes for the period (decrease is indicated by "-")								
(i) Total comprehensive income	-	-	-1,447,533.36	-56,477,321.07	55,123,336.88	-	-529,364,289.99	-417,211,165.40
(ii) Owners' contributions and reduction in capital	-	-	-	-	-	-	1,290,863,619.79	1,290,863,619.79
1. Ordinary shares contributed by owners	-	-	-1,447,533.36	-56,477,321.07	-	-	-	57,029,787.71
2. Share-based payments recognised in owners' equity	-	-	26,237,059.16	-	-	-	-	26,237,059.16
(iii) Profit distribution	-	-	-27,664,592.52	-56,477,321.07	-	-	-1,820,227,909.78	-1,820,227,909.78
1. Distributions to owners (shareholders)	-	-	-	-	-	-	-1,820,227,909.78	-1,820,227,909.78
(iv) Special reserve	-	-	-	-	55,123,336.88	-	-	55,123,336.88
1. Transfer to special reserve in the period	-	-	-	-	87,799,047.22	-	-	87,799,047.22
2. Amount utilised in the period	-	-	-	-	32,675,710.34	-	-	32,675,710.34
IV. Closing balance of the current period	4,319,848,116.60	1,000,000,000.00	27,799,514,868.29	1,266,543,810.15	76,236,401.79	1,664,388,527.69	1,515,831,026.12	35,129,275,130.34

Head of the Company: Yuan Honglin

Chief Financial Officer: Li Guojun

Head of Accounting Department: Xu Bin

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

III. BASIC INFORMATION ABOUT THE COMPANY

1. General Information

China Molybdenum Co., Ltd. (the “Company”) was incorporated on 25 August 2006 as a joint-stock limited company on the basis of China Molybdenum Co., Ltd. by Luoyang Mining Group Co., Ltd. (“LMG”) and Cathay Fortune Corporation (“CFC”). Details of share capital are set out in Note (VII)40.

The Company together with its subsidiaries (collectively as the “Group”) are principally engaged in mining, smelting and deep processing of molybdenum tungsten series products, export of molybdenum tungsten series products and chemical products; mining and melting of copper, cobalt and niobium series products; mining and deep processing of phosphorus products; mining, processing and sale of gold and silver, and metal trading.

2. Scope of the Consolidated Financial Statements

The consolidated and the Company’s financial statements have been approved by the board of directors of the Company on 23 August 2024.

See Note (IX) “INTERESTS IN OTHER ENTITIES” for details of subsidiaries within the scope of the consolidated financial statements for current year. The changes in the scope of the consolidated financial statements mainly arise from business combination not involving enterprises under common control. See Note (VIII) “CHANGES IN SCOPE OF CONSOLIDATION” for details.

IV. PREPARATION BASIS OF THE FINANCIAL STATEMENTS

1. Preparation basis

The Group implements the Accounting Standards for Business Enterprises issued by the Ministry of Finance (“MoF”) and the relevant regulations. The Group also discloses related financial information in accordance with Preparation Rules for Information Disclosure by Companies Offering Securities to the Public No. 15 – General Provisions on Financial Reports (2014 Amendment). In addition, the financial statements also include the relevant disclosures required by the Hong Kong Companies Ordinance and the Listing Rules of the Hong Kong Stock Exchange.

2. Going concern

The Group assessed its ability to continue as a going concern for 12 months from 30 June 2024, and didn’t notice any event or circumstance that may cast significant doubts on its ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

IV. PREPARATION BASIS OF THE FINANCIAL STATEMENTS (CONTINUED)

3. Basis of accounting and principle of measurement

The Group has adopted the accrual basis of accounting. Except for certain financial instruments and inventories held for trading which are measured at fair value, the Group adopts the historical cost as the principle of measurement in the financial statements. Where assets are impaired, provisions for asset impairment are made in accordance with relevant requirements.

Where the historical cost is adopted as the measurement basis, assets are recorded at the amount of cash and cash equivalents paid or the fair value of the consideration given to acquire them at the time of their acquisition. Liabilities are recorded at the amount of proceeds or assets received or the contractual amounts for assuming the present obligation, or, at the amounts of cash and cash equivalents expected to be paid to settle the liabilities in the normal course of business.

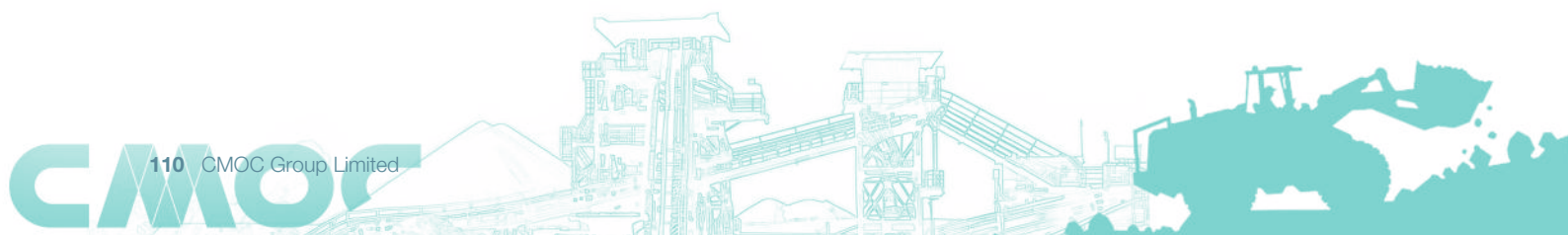
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurements date, regardless of whether that price is directly observable or estimated using valuation technique. Fair value measurement and disclosure in the financial statements are determined according to the above basis.

For non-financial assets measured at fair value, the capacity of market participants to realize the maximum profit of non-financial assets, or the capacity of other participants who acquired non-financial assets to realize the maximum profit will be considered when measuring fair values of such non-financial assets.

For financial assets with transaction prices as the fair value upon initial recognition and the valuation technique of unobservable inputs employed in the subsequent measurement at the fair value, the technique is adjusted during the valuation to match the initial recognition results determined with the transaction prices.

Fair value measurements are categorized into Level 1, 2 or 3 based on degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than inputs within Level 1, that are observable for the asset or liability, either directly or indirectly;
- Level 3 inputs are unobservable inputs for the asset or liability.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

Specific accounting policies and accounting estimates:

The Group has formulated specific accounting policies and accounting estimates for the determination and selection basis of materiality standards, provision for decline in value of inventories, depreciation of fixed assets, fixed assets transferred from construction in progress, amortization of intangible assets, and transactions or events related to the recognition of revenue, stripping cost and exploration, assessment and development expenditures in accordance with actual production and operation characteristics of the Group. Details of significant judgements, accounting estimates and key assumptions used by the Group in determining significant accounting policies are set out in Note (V)37.

1. Statement of compliance with Accounting Standards for Business Enterprises

The financial statements of the Company have been prepared in accordance with Accounting Standards for Business Enterprises, and present truly and completely, the consolidated and the Company's financial position as at 30 June 2024, and the consolidated and the Company's results of operations, cash flows and changes in shareholders' equity for the period from 1 January to 30 June 2024.

2. Accounting period

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

3. Operating cycle

The operating cycle refers to the period from purchase of assets used for processing to realisation of cash or cash equivalents. The Company's operating cycle is usually 12 months.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

4. Functional currency

Renminbi (“RMB”) is the currency of the primary economic environment in which the Company and its domestic subsidiaries operate. Therefore, the Company and its domestic subsidiaries choose RMB as their functional currency. The Company’s foreign subsidiaries determine their functional currencies according to the currencies of economic environment in which they operate. The Group adopts RMB to prepare the financial statements.

5. Determination and selection basis of materiality standards

Item	Materiality standards
Significant recovery or reversal amount of bad debt provision of receivables for the current period	RMB10 million
Significant write-off of receivables for the current period	RMB10 million
Significant construction in progress for the current period	RMB10 million
Significant cash relating to investing activities for the current period	RMB20 million
Significant non-wholly owned subsidiaries for the current period	The proportion of minority interests to shareholders’ equity \geq 5%
Significant joint ventures or associates for the current period	The carrying amount of long-term equity investments \geq RMB75 million

6. Accounting treatment of business combination involving or not involving enterprises under common control

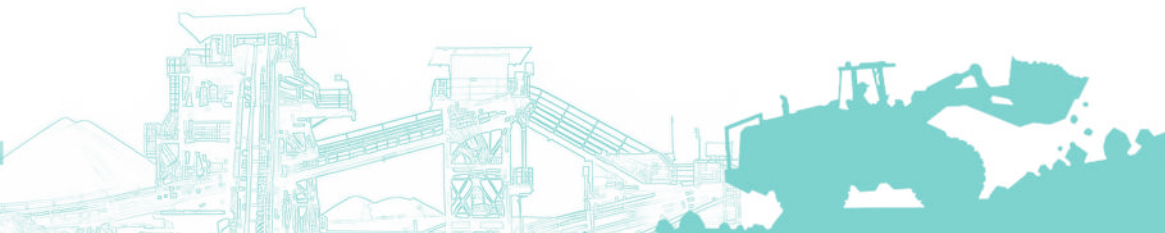
Business combinations are classified into business combinations involving enterprises under common control and business combinations not involving enterprises under common control.

6.1 Business combinations involving enterprises under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the combination, and that control is not transitory.

Assets and liabilities obtained are measured at their respective carrying amounts as recorded by the combining entities at the date of the combination. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination is adjusted to the share premium in capital reserve. If the share premium is not sufficient to absorb the difference, any excess is adjusted against retained earnings.

Costs that are directly attributable to the combination are charged to profit or loss in the period in which they are incurred.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Accounting treatment of business combination involving or not involving enterprises under common control (Continued)

6.2 *Business combinations not involving enterprises under common control and goodwill*

A business combination not involving enterprises under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties before and after the combination.

For purchase transactions not involving enterprises under common control, the acquirer will consider whether or not to adopt the simplified “concentration test” when determining whether or not an acquired portfolio constitutes a business. If the portfolio passes the concentration test, it will be judged not to constitute a business. If the portfolio does not pass the concentration test, the judgment is made on the basis of whether it constitutes a business.

The cost of combination is the aggregate of the fair values, at the acquisition date, of the assets given, liabilities incurred or assumed, and equity securities issued by the acquirer in exchange for control of the acquiree. Where a business combination not involving enterprises under common control is achieved in stages that involve multiple transactions, the cost of combination is the sum of the consideration paid at the acquisition date and the fair value at the acquisition date of the acquirer’s previously held interest in the acquiree. The intermediary expenses incurred by the acquirer in respect of auditing, legal services, valuation and consultancy services, etc. and other associated administrative expenses attributable to the business combination are recognised in profit or loss when they are incurred.

The acquiree’s identifiable assets, liabilities and contingent liabilities, acquired by the acquirer in a business combination, that meet the recognition criteria are measured at fair value at the acquisition date.

When the business combination contract provides that, upon the occurrence of multiple future contingencies, the acquirer shall pay an additional consideration for the combination, such contingent consideration as set out in the contract shall be recognised as a liability by the Group as a part of the aggregate consideration transferred in the business combination, and be included in the cost of combination at the fair value at the acquisition date. Within twelve months after the acquisition, if the contingent consideration needs to be adjusted as new or further evidence is obtained in respect of circumstances existed as at the acquisition date, the amount previously included in goodwill/non-operating income shall be adjusted. A change in or adjustment to the contingent consideration under other circumstances shall be accounted for in accordance with relevant provisions in the Accounting Standards for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement. Any change or adjustment is included in profit or loss for the current period.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

6. Accounting treatment of business combination involving or not involving enterprises under common control (Continued)

6.2 *Business combinations not involving enterprises under common control and goodwill (Continued)*

Where the cost of combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is treated as an asset and recognised as goodwill, which is measured at cost on initial recognition. Where the cost of combination is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer firstly reassesses the measurement of the fair values of the acquiree's identifiable assets, liabilities and contingent liabilities and measurement of the cost of combination. If after that reassessment, the cost of combination is still less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the acquirer recognises the remaining difference immediately in profit or loss for the current period.

Goodwill arising on a business combination is measured at cost less accumulated impairment losses, and is presented separately in the consolidated financial statements.

7. Basis of control and preparation of the consolidated financial statements

7.1 *Basis of control*

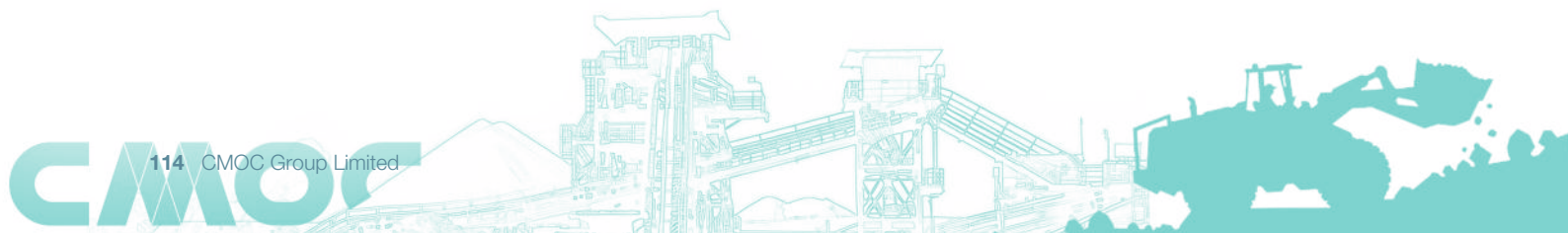
Control exists when the investor has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power over the investee to affect its returns. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes of the above elements of the definition of control.

7.2 *Preparation of the consolidated financial statements*

The scope of consolidation in the consolidated financial statements is determined on the basis of control.

The combination of subsidiaries begins with the Group's control over the subsidiary, and ceases with the Group's losing control of the subsidiary. For a subsidiary disposed by the Group, the operating results and cash flows before the date of disposal (the date when control is lost) are included in the consolidated income statement and consolidated statement of cash flows, as appropriate.

For a subsidiary acquired through a business combination not involving enterprises under common control, the operating results and cash flows from the acquisition date (the date when control is obtained) are included in the consolidated income statement and consolidated statement of cash flows, as appropriate.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Basis of control and preparation of the consolidated financial statements (Continued)

7.2 Preparation of the consolidated financial statements (Continued)

No matter when the business combination occurs in the reporting period, subsidiaries acquired through a business combination involving enterprises under common control or the party being absorbed under merger by absorption are included in the Group's scope of consolidation as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party. Their operating results and cash flows from the beginning of the earliest reporting period or from the date when they first came under the common control of the ultimate controlling party are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

The significant accounting policies and accounting periods adopted by the subsidiaries are determined based on the uniform accounting policies and accounting periods set out by the Company. Influence over the consolidated financial statements arising from significant intra-group transactions are eliminated on consolidation.

The portion of subsidiaries' equity that is not attributable to the Company is treated as minority interests and presented as "minority interests" in the consolidated balance sheet within shareholders' equity. The portion of net profits or losses of subsidiaries for the period attributable to minority interests is presented as "profit or loss attributable to minority interests" in the consolidated income statement below the "net profit" line item.

When the amount of loss for the period attributable to the minority shareholders of a subsidiary exceeds the minority shareholders' portion of the opening balance of owners' equity of the subsidiary, the excess amount is still allocated against minority interests.

Acquisition of minority interests or disposal of interest in a subsidiary that does not result in the loss of control over the subsidiary is accounted for as equity transactions. The carrying amounts of the Company's interests and minority interests are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount by which the minority interests are adjusted and the fair value of the consideration paid or received is adjusted to capital reserve under owners' equity. If the capital reserve is not sufficient to absorb the difference, the excess is adjusted against retained earnings.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

7. Basis of control and preparation of the consolidated financial statements (Continued)

7.2 Preparation of the consolidated financial statements (Continued)

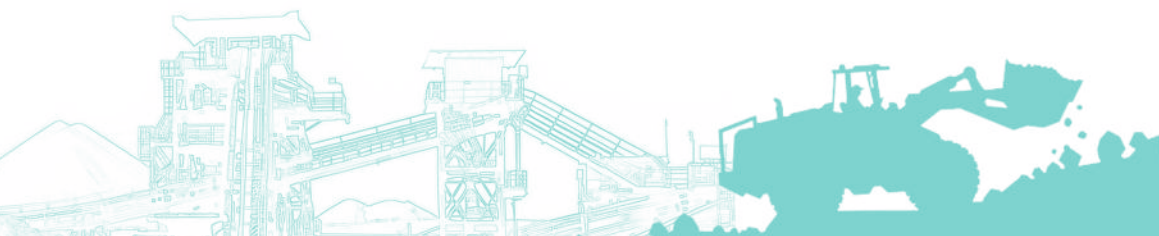
For the stepwise acquisition of equity interest till acquiring control after a few transactions and leading to business combination not involving enterprises under common control, it should be dealt with based on whether this belongs to 'package deal': if it belongs to 'package deal', transactions will be dealt as transactions to acquire control. If it does not belong to 'package deal', transactions to acquire control on acquisition date will be under accounting treatment, the fair value of acquirees' shares held before acquisition date will be re-measured, and the difference between the fair value and the carrying amount will be recognised in profit or loss of the current period; if acquirees' shares held before acquisition date involve in changes of other comprehensive income and other equity of owners under equity method, this will be transferred to income of acquisition date.

When the Group loses control over a subsidiary due to disposal of certain equity interest or other reasons, any retained interest is re-measured at its fair value at the date when control is lost. The difference between (i) the aggregate of the consideration received on disposal and the fair value of any retained interest and (ii) the share of the former subsidiary's net assets cumulatively calculated from the acquisition date according to the original proportion of ownership interest is recognised as investment income in the period in which control is lost and offset against goodwill. Other comprehensive income associated with investment in the former subsidiary is reclassified to investment income in the period in which control is lost.

8. Classification of joint arrangements and accounting treatments of joint operations

A joint arrangement is classified into joint operation and joint venture, depending on the rights and obligations of the parties to the arrangement, which is assessed by considering the structure and the legal form of the arrangement, the terms agreed by the parties in the contractual arrangement and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement.

The Group accounts for investments in joint ventures using equity method. Refer to Note (V) 17.3.2. "Long-term equity investments accounted for using the equity method" for details.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

8. Classification of joint arrangements and accounting treatments of joint operations (Continued)

The Group as a joint operator recognises the following items in relation to its interest in a joint operation: its solely-held assets, including its share of any assets held jointly; its solely-assumed liabilities, including its share of any liabilities incurred jointly; its revenue from the sale of its share of the output arising from the joint operation; its share of the revenue from the sale of the output by the joint operation; and its solely-incurred expenses, including its share of any expenses incurred jointly. The Group accounts for the recognised assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the requirements applicable to the particular assets, liabilities, revenues and expenses.

9. Standards for determining cash and cash equivalents

Cash equivalents are the Group's short-term (generally matured within three months from the acquisition date), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

10. Translation of transactions and financial statements denominated in foreign currencies

10.1 Transactions denominated in foreign currencies

A foreign currency transaction is recorded, on initial recognition, by applying the spot exchange rate on the date of the transaction.

At the balance sheet date, foreign currency monetary items are translated into RMB using the spot exchange rates at the balance sheet date. Exchange differences arising from the differences between the spot exchange rates prevailing at the balance sheet date and those on initial recognition or at the previous balance sheet date are recognised in profit or loss for the period, except that (1) exchange differences related to a specific-purpose borrowing denominated in foreign currency that qualify for capitalisation are capitalised as part of the cost of the qualifying asset during the capitalisation period; (2) exchange differences related to hedging instruments for the purpose of hedging against foreign currency risks are accounted for using hedge accounting; (3) exchange differences arising from changes in the gross carrying amounts (other than the amortised cost) of items that are reclassified at fair value through other comprehensive income are included in other comprehensive income.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Translation of transactions and financial statements denominated in foreign currencies (Continued)

10.1 Transactions denominated in foreign currencies (Continued)

When the consolidated financial statements include foreign operation(s), if there is foreign currency monetary item constituting a net investment in a foreign operation, exchange difference arising from changes in exchange rates are recognised as “exchange differences arising on translation of financial statements denominated in foreign currencies” in other comprehensive income, and in profit or loss for the period upon disposal of the foreign operation.

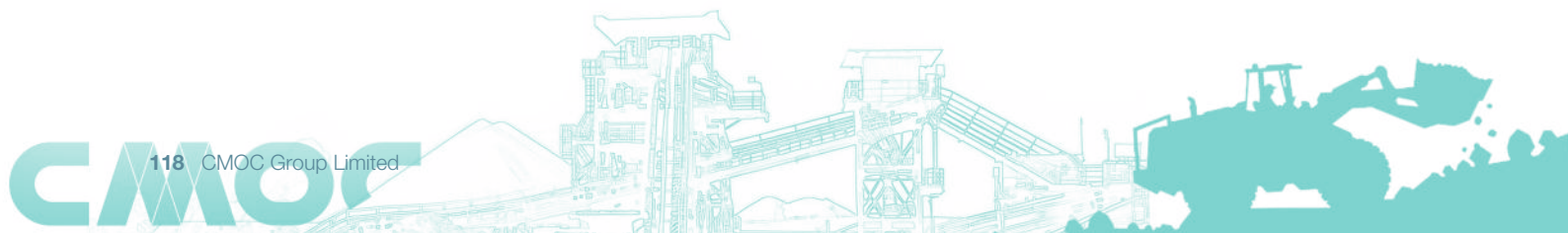
Foreign currency non-monetary items measured at historical cost are translated to the amounts in functional currency at the spot exchange rates on the dates of the transactions and the amounts in functional currency remain unchanged. Foreign currency non-monetary items measured at fair value are re-translated at the spot exchange rate on the date the fair value is determined. Difference between the re-translated functional currency amount and the original functional currency amount is treated as changes in fair value (including changes of exchange rate) and is recognised in profit or loss or as other comprehensive income.

10.2 Translation of financial statements denominated in foreign currencies

For the purpose of preparing the consolidated financial statements, financial statements of a foreign operation are translated from the foreign currency into RMB using the following method: assets and liabilities on the balance sheet are translated at the spot exchange rate prevailing at the balance sheet date; shareholders’ equity items are translated at the spot exchange rates at the dates on which such items arose; all items in the income statement as well as items reflecting the distribution of profits are translated at exchange rates that approximate the actual spot exchange rates on the dates of the transactions; The difference between the translated assets and the aggregate of liabilities and shareholders’ equity items is recognised as other comprehensive income and included in shareholders’ equity.

Cash flows arising from a transaction in foreign currency and the cash flows of a foreign subsidiary are translated at an exchange rate which approximates the spot exchange rate on the date of the cash flows. The effect of exchange rate changes on cash and cash equivalents is regarded as a reconciling item and presented separately in the cash flow statement as “effect of exchange rate changes on cash and cash equivalents”.

The opening balances and the comparative figures of previous year are presented at the translated amounts in the previous year’s financial statements.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

10. Translation of transactions and financial statements denominated in foreign currencies (Continued)

10.2 Translation of financial statements denominated in foreign currencies (Continued)

On disposal of the Group's entire interest in a foreign operation, or upon a loss of control over a foreign operation due to disposal of certain interest in it or other reasons, the Group transfers the accumulated exchange differences arising on translation of financial statements of this foreign operation attributable to the owners' equity of the parent company and presented under shareholders' equity, to profit or loss in the period in which the disposal occurs.

When the disposal of part of the equity investments results in decrease in proportion of equity in a foreign operation but does not result in loss of control, the translation differences of the financial statements denominated in foreign currency relating to the partial disposal of the foreign operation are attributable to minority interests and are not transferred to profit or loss for the period. When the disposal of foreign operation is partial disposal of equity in associate or joint venture, the translation differences of the financial statements denominated in foreign currency relating to the foreign operation is transferred to profit or loss in proportion to the foreign operation disposed.

11. Financial instruments

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

For financial assets purchased or sold in a regular way, the Group recognises assets acquired and liabilities assumed on a trade date basis, or derecognises the assets sold on a trade date basis.

Contracts to buy or sell non-financial items that can be settled net in cash or other financial instruments, or through an exchange of financial instruments apply to the Revenue Standard when the Group enters into and holds such contracts intended for the receipt or delivery of non-financial items in accordance with the intended purchase, sale or use requirements.

Financial assets and financial liabilities are initially measured at fair value (The determination of fair value of financial assets and financial liabilities is set out in relevant disclosure of basis of accounting and principle of measurement in Note (IV)). For financial assets and financial liabilities at fair value through profit or loss, transaction costs are immediately recognised in profit or loss. For other financial assets and financial liabilities, transaction costs are included in their initial recognised amounts. When conducting initial recognition of the accounts receivable that does not include significant financing components or the financing components in the contract no more than one year are not taken into consideration in accordance with Accounting Standards for Business Enterprises No. 14 – Revenue ("Revenue Standard"), the Group makes the initial measurement at the transaction price specified in the revenue standard.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant accounting period.

The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Group estimates future cash flows considering all contractual terms of the financial assets or financial liabilities (such as repayment in advance, extension, call options or other similar options), without considering future credit losses.

The amortised cost of financial asset or financial liability is the initial recognition amount of the financial asset or the financial liability less the repaid amount of principal plus or less the accumulated amortised amount of the difference between the initial recognition amount and the amount of maturity with the effective interest rate method less the accumulated provisions for the losses (only applicable to the financial assets).

11.1 Classification, recognition and measurement of financial assets

Subsequent to initial recognition, the Group's financial assets of various categories are subsequently measured at amortised cost, at fair value through other comprehensive income ("FVTOCI") or at fair value through profit or loss ("FVTPL").

If contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, and the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, such asset is classified into financial asset measured at amortised cost. The financial assets classified as at amortised cost include cash and bank balances, accounts receivable, other receivables, deposits for derivative financial instruments in other current assets, borrowings receivable in other non-current assets, due from minority interests, litigation guarantee, loans to suppliers, related party borrowings, and certificates of deposit, etc.

Financial assets that meet the following conditions are classified as at FVTOCI: 1) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Such financial assets due over one year since acquisition are presented as other debt investments and those due within one year (inclusive) since balance sheet date are presented as non-current assets due within one year; notes receivable classified as at FVTOCI on acquisition are presented under financing with receivables, and those due within one year (inclusive) since acquisition are presented under other current assets.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.1 Classification, recognition and measurement of financial assets (Continued)

On the initial recognition, the Group may irrevocably designate non-trading equity instruments except for contingent consideration recognised in business combination not involving enterprises under common control as financial assets at FVTOCI on an individual basis. Such financial assets are presented as investments in other equity instruments in financial statements.

Financial assets that meet one of the following requirements indicate that the purpose for the Group to hold the financial assets is for trading:

- It has been acquired principally for the purpose of selling in the near term.
- On initial recognition, relevant financial assets are part of a portfolio of the identifiable financial instruments that the Group manages on a collective basis and there is objective evidence indicating that the Group has an actual pattern of short-term profit-taking recently.
- Relevant financial assets are classified to derivative instruments, excluding derivatives that meet the definitions of financial guarantee contracts and are designated as effective hedging instruments.

Financial assets at FVTPL include financial assets classified as at FVTPL and those designated as at FVTPL:

- Financial assets that do not meet the requirements to be reclassified as financial assets at amortised cost or financial assets at FVTOCI are classified as financial assets at FVTPL.
- Upon initial recognition, in order to eradicate or significantly reduce accounting mismatches, the Group can irrevocably designate financial assets as at FVTPL.

Financial assets at FVTPL (other than derivative financial assets) are all presented under held-for-trading financial assets. Financial assets due over one year (or without fixed maturity) since the balance sheet date and expected to be held for over one year are presented under other non-current financial assets.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

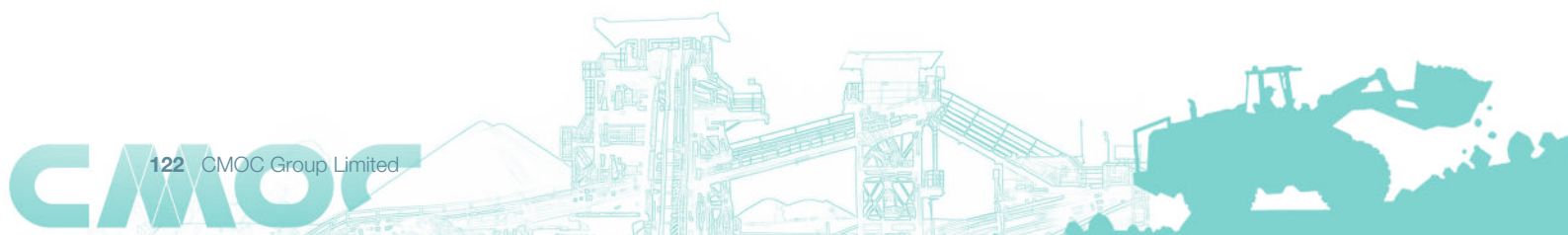
11.1 *Classification, recognition and measurement of financial assets (Continued)*

11.1.1 Financial assets measured at amortised cost

Financial assets measured at amortised cost are measured subsequently at amortised cost by adopting the effective interest method, with gains or losses arising from the impairment or derecognition recorded to the profit or loss for the period.

Interest income from financial assets at amortised cost are recognised by the Group based on the effective interest method. Interest income is determined by applying an effective interest rate to the gross carrying amount of the financial asset except for the following situations:

- For the purchased or originated credit-impaired financial assets, the Group recognises their interest income based on amortised cost and credit-adjusted effective interest rate of these financial assets since initial recognition.
- For the purchased or originated financial assets not-credit-impaired but subsequently becoming credit-impaired, the Group subsequently recognises their interest income based on amortised cost and effective interest rate of these financial assets. If no credit exists due to improvement in credit risk of the financial instruments subsequently and such improvement is in relation to an event incurred subsequent to the application of above provisions, the Group will transfer to calculate and determine the interest income by applying an effective interest rate to the gross carrying amount of the financial asset.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.1 *Classification, recognition and measurement of financial assets (Continued)*

11.1.2 Financial assets at FVTOCI

The impairment losses or gains relating to financial assets classified as at FVTOCI, the interest income calculated by effective interest method, and the exchange gains or losses shall be included into the profit or loss over the current period, and the other financial assets shall be measured at FVTOCI. The amount of the financial assets included into profit or loss of each period shall be regarded as equal as the amount measured at amortised cost through profit or loss over each period. When the financial assets are derecognised, the accumulated income or loss included in the other comprehensive income previously will be reclassified into the profit or loss over the current period from the other comprehensive income.

Fair value change of non-held-for-trading equity investment designated as at FVTOCI, is recognised in other comprehensive income. Upon derecognition of the financial asset, cumulative gains or losses previously recognised in other comprehensive income are transferred and included in retained earnings. During the period for which the Group holds the investments in the non-held-for-trading equity instruments, dividend income is recognised and included in profit or loss for the period when 1) the Group's right to collect dividend has been established; 2) it is probable that economic benefits associated with dividend will flow to the Group; and 3) the amount of dividend can be reliably measured.

11.1.3 Financial assets at FVTPL

Financial assets at FVTPL are measured subsequently at fair value. Gains or losses from changes in fair value and dividends and interest income relevant to the financial assets are recognised in profit or loss for the current period.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.2 Impairment of financial instruments

The Group accounts for impairment on financial assets at amortised cost, financial assets classified as FVTOCI and financial guarantee contracts that are not measured at FVTPL on the basis of ECL and recognises relevant loss allowance.

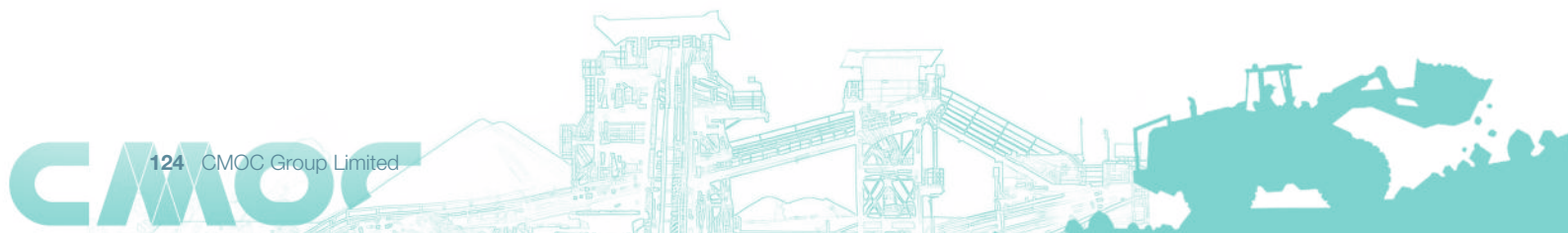
The Group measures loss allowance based on the amount equal to the lifetime ECL for the accounts receivable and notes receivable arising from the transactions under revenue standards but not including significant financial elements or not considering the contract less than one year.

For other financial assets, except for the purchased or originated credit-impaired financial assets, at each balance sheet date, the Group assess changes in credit risk of relevant financial instruments since initial recognition. If the credit risk of the above financial instruments has increased significantly since initial recognition, the Group measures loss allowance based on the amount of full lifetime; if credit risk of the financial instrument has not increased significantly since initial recognition, the Group recognises loss allowance based on 12-month ECL of the financial instrument. Increase in or reversal of credit loss allowance is included in profit or loss as loss/gain on impairment, except the financial assets classified as FVTOCI. The Group recognises credit loss allowance for financial assets at FVOCI in other comprehensive income and recognises loss or gain on impairment in profit or loss for the period, without reducing the carrying amount of the financial assets presented in the balance sheet.

The Group measured loss allowance at the full lifetime ECL of the financial instruments in the prior accounting period. However, as at the balance sheet date for the current period, for the above financial instruments, due to failure to qualify as significant increase in credit risk since initial recognition, the Group measures loss allowance for the financial instrument at 12-month ECL at the balance sheet date for the current period. Relevant reversal of loss allowance is included in profit or loss for the current period as gain on impairment.

11.2.1 Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the balance sheet date with the risk of a default occurring on the financial instrument as at the date of initial recognition with available reasonable and supportable forward-looking information. For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition in the application of criteria related to the financial instrument for impairment.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.1 Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- (1) Whether external market indicators of credit risk for the same financial instrument or financial instruments with shared expected life have changed significantly. Indicators include: credit spreads, credit default swap price for the borrower, length and extent of time when fair value of financial assets is less than amortised cost, other market information related to the borrower (including price changes in borrower's debt instruments or equity instruments);
- (2) Whether external credit rating of the financial instrument has actually changed significantly or is expected to change significantly;
- (3) Whether the debtor's internal credit rating is actually lowered or is expected to be lowered;
- (4) Whether expected detrimental changes in business, financial and economic conditions of the debtor which will affect borrower's ability to perform repayment obligation have changed significantly;
- (5) Whether the actual or expected results of the debtor's operations have changed significantly, including the circumstance that an evident adverse change happens to the business indicators such as income and profit and is expected difficult to improve in a short term;
- (6) Whether the credit risk of other financial instruments issued by the same debtor has increased significantly;
- (7) Whether supervisory, economic or technical environment for the borrower has significant detrimental changes, including the circumstance whether the technological change, or the relevant policies proposed to introduce by the state or local government have significant adverse impact on the debtor;
- (8) Whether the value of collateral for debt mortgage or the guarantee or credit enhancement quality provided by a third party has changed significantly, and these changes are expected to lower the economic motive of the debtor to repay within the time limit as specified by the contract or affect the probability of default;

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

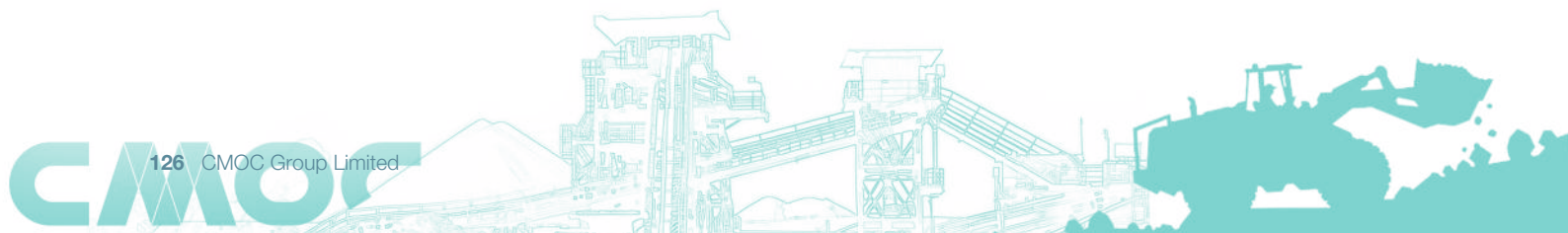
11.2 Impairment of financial instruments (Continued)

11.2.1 Significant increase in credit risk (Continued)

- (9) Whether the economic motive that will lower the borrower's repayment within the time limit as specified by the contract has changed significantly;
- (10) Whether the loan contract is expected to be changed, including the exemption or revision of contractual obligations, the granting of interest-free periods, the jump in interest rates, the requirement for additional collateral or guarantees, or other changes in the contractual framework for financial instruments that may result from the breach of contract;
- (11) Whether the debtor's expected performance and repayment activities have changed significantly;
- (12) Whether the Group's approach to credit management of financial instruments has changed.

Regardless of whether the credit risk has increased significantly after the above assessment, when the financial instrument contract payment has been overdue for more than 30 days (inclusive), it indicates that the credit risk of the financial instrument has increased significantly.

At the balance sheet date, the Group may assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk. If the default risk of financial instrument is relatively low, the borrower has a strong capability in performing its contract cash flow obligation in the short term, and the capability of the borrower to perform its contract cash obligation is not necessarily reduced even if adverse change exists in the economic situation and business environment in a relatively long time, the financial instrument is considered to be exposed to the credit risk at a relatively low level.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.2 Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (1) Significant financial difficulty of the issuer or the debtor;
- (2) A breach of contract by the debtor, such as a default in interest or principal or past due event;
- (3) The creditor(s) of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession(s) that the creditor(s) would not otherwise consider;
- (4) It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- (5) The issuer or debtor has financial difficulty resulting in disappearance of active market for the financial assets;
- (6) Purchase or originate a financial asset at substantial discount, which reflects the fact that the financial asset has become credit-impaired.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.2 Impairment of financial instruments (Continued)

11.2.3 Recognition of expected credit losses

ECL of relevant financial instruments is recognised based on the following methods:

- For a financial asset, credit loss is the present value of difference between the contractual cash flow receivable and the expected cash flow to be received.
- For a financial guarantee contract (refer to Note (V) 11.4.1.2.1 for detailed accounting policies), credit loss is the present value of difference between the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.
- For credit-impaired financial assets other than the purchased or originated credit-impaired financial assets at the balance sheet date, credit loss is difference between the gross carrying amount of financial assets and the present value of expected future cash flows discounted at original effective interest rate.

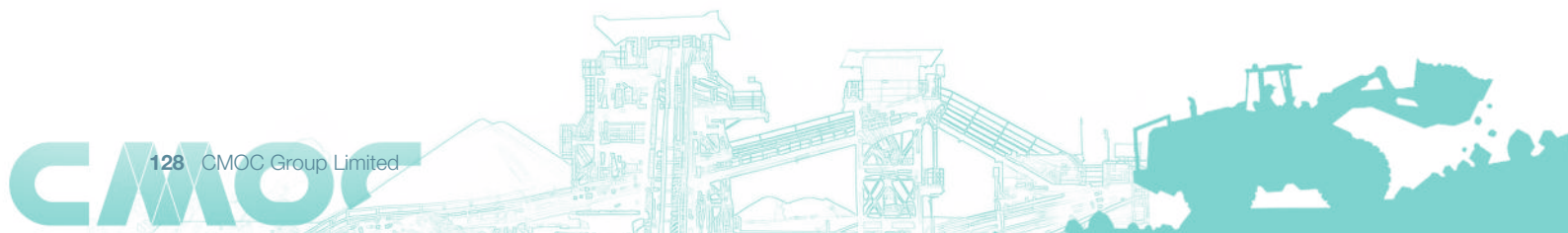
The Group's measurement of ECL of financial instruments reflects factors including unbiased probability weighted average amount recognised by assessing a series of possible results, time value of money, reasonable and supportable information related to historical events, current condition and forecast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

11.2.4 Write-down of financial assets

The Group shall directly write down the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. A write-down constitutes a derecognition of relevant financial assets.

11.3 Transfer of financial assets

The Group derecognises a financial asset if one of the following conditions is satisfied: (1) the contractual rights to the cash flows from the financial asset expire; or (2) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset is transferred to the transferee; or (3) although the financial asset has been transferred, the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but has not retained control over the financial asset.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.3 Transfer of financial assets (Continued)

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, and it retains control over the financial asset, it recognises the financial asset to the extent of its continuing involvement in the transferred financial asset and recognises an associated liability. The Group measures relevant liabilities by the following methods:

- If the financial assets transferred are measured at amortised cost, and the carrying amounts of relevant liabilities are equivalent to the carrying amounts of the transferred financial assets continuing in involvement less the amortised costs of the retained rights of the Group (if the Group retains associated rights for the transfer of financial assets) plus the amortised costs of the Group's obligations (if the Group bears associated obligations for the transfer of financial assets), relevant liabilities are not designated as financial liabilities at FVTPL.
- If financial assets transferred are measured at fair value, and the carrying amounts of relevant liabilities are equivalent to the carrying amounts of the transferred financial assets continuing in involvement less the fair value of the retained rights of the Group (if the Group retains associated rights for the transfer of financial assets) plus the Group's obligations (if the Group bears associated obligations for the transfer of financial assets), the fair value of the rights and obligations should be the fair value measured on an individual basis.

For a transfer of a financial asset in its entirety that satisfies the derecognition criteria, the difference between the carrying amount of the financial asset transferred at the derecognition date; and the sum of the consideration received from the transfer of financial assets and the corresponding amount of the derecognition part in the cumulative change that has been recognised in other comprehensive income, is recognised in profit or loss for the current period. If the financial assets transferred by the Group are the non-trading equity instrument investment designated as at FVTOCI, cumulative gains or losses previously recognised in other comprehensive income are reclassified in retained earnings from other comprehensive income.

If a part of the transferred financial asset qualifies for derecognition, the overall carrying amount of the financial asset prior to transfer is allocated between the part that continues to be recognised and the part that is derecognised, based on the respective fair values of those parts at the date of transfer. The difference between the carrying amount allocated to the part derecognised on the date of derecognition; and the sum of the consideration received for the part derecognised and any cumulative gain or loss allocated to the part derecognised which has been previously recognised in other comprehensive income, is recognised in profit or loss for the current period. If the financial assets transferred by the Group are the non-trading equity instrument investment designated as at FVTOCI, cumulative gains or losses previously recognised in other comprehensive income are reclassified in retained earnings from other comprehensive income.

For a transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group continues to recognise the transferred financial asset in its entirety. The consideration received from transfer of assets is recognised as a financial liability upon receipt.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.4 Classification of financial liabilities and equity instruments

Financial instruments issued by the Group are classified in accordance with the economic substance of the contractual arrangements instead of the legal form as well as the definitions of a financial liability and an equity instrument; on initial recognition, financial instruments or their component parts are classified as either financial liabilities or equity instruments.

11.4.1 Classification, recognition and measurement of financial liabilities

On initial recognition, financial liabilities are classified into financial liabilities at FVTPL.

11.4.1.1 Financial liabilities at FVTPL

Financial liabilities at FVTPL consist of financial liabilities held for trading (including derivative instrument of financial liabilities) and those designated as at FVTPL, in which financial liabilities at FVTPL are presented as financial liabilities held for trading, except for derivative liabilities that are presented independently.

A financial liability is classified as held for trading if one of the following conditions is satisfied:

- It has been acquired principally for the purpose of repurchasing in the near term.
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and there is objective evidence that the Group has a recent actual pattern of short-term profit-taking.
- It is a derivative, except for a financial guarantee contract or a derivative that is a designated and effective hedging instrument.

A financial liability may be designated as at FVTPL upon initial recognition only when one of the following conditions is satisfied: Such designation eliminates or significantly reduces accounting mismatch; The financial liability forms part of a group of financial liabilities or a group of financial assets and financial liabilities, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is reported to key management personnel on that basis; or it is a qualifying hybrid contract containing embedded derivatives.

Held-for-trading financial liabilities are subsequently measured at fair value. Any gains or losses arising from changes in the fair value or any dividend or interest expenses related to the financial liabilities are recognised in profit or loss.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.4 Classification of financial liabilities and equity instruments (Continued)

11.4.1 Classification, recognition and measurement of financial liabilities (Continued)

11.4.1.1 Financial liabilities at FVTPL (Continued)

For financial liability designated as at FVTPL, the amount of change in the fair value of such financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, and other changes in the fair value are presented in profit or loss. Upon the derecognition of such financial liability, the accumulated amount of change in fair value that is attributable to changes in the credit risk of that liability, which is recognised in other comprehensive income, is transferred to retained earnings. Any dividend or interest income earned on the financial liabilities are recognised in profit or loss. If the impact of the change in credit risk of such financial liability dealt with in the above way would create or enlarge an accounting mismatch in profit or loss, the Group shall present all gains or losses on that liability (including the effects of changes in the credit risk of that liability) in profit or loss.

11.4.1.2 Other financial liabilities

Other financial liabilities (exclusive of financial guarantee contracts and those arising from transfer of financial assets that does not meet the requirements for derecognition or continuing involvement in the transferred financial assets) are classified as at amortised cost and measured subsequently at amortised cost. Gains or losses arising from derecognition or amortisation are recorded to profit or loss for the period.

When the contractual cash flows are changed due to the renegotiation or modification of the contract made between the Group and the counterparty and the renegotiation or modification does not result in the derecognition of the financial asset that is subsequently measured at amortised cost, the Group shall recalculate the carrying amount of the financial asset and shall recognise related gains or losses in profit or loss. The carrying amount of the financial asset shall be recalculated at the present value of the renegotiated or modified contractual cash flows that are discounted at the financial liability's original effective interest rate. Any costs or fees incurred adjust the carrying amount of the modified financial liability and are amortised over the remaining term of the modified financial liability.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.4 Classification of financial liabilities and equity instruments (Continued)

11.4.1 Classification, recognition and measurement of financial liabilities (Continued)

11.4.1.2 Other financial liabilities (Continued)

11.4.1.2.1 Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Subsequent to initial recognition, financial guarantee contracts that are not designated as financial liabilities at FVTPL, or financial liabilities arising from transfer of financial assets does not satisfy derecognition criteria or continue involvement of transferred financial assets are measured at the higher of: amount of loss allowance; and the amount initially recognised less cumulative amortisation amount during the guarantee period.

11.4.2 Derecognition of financial liabilities

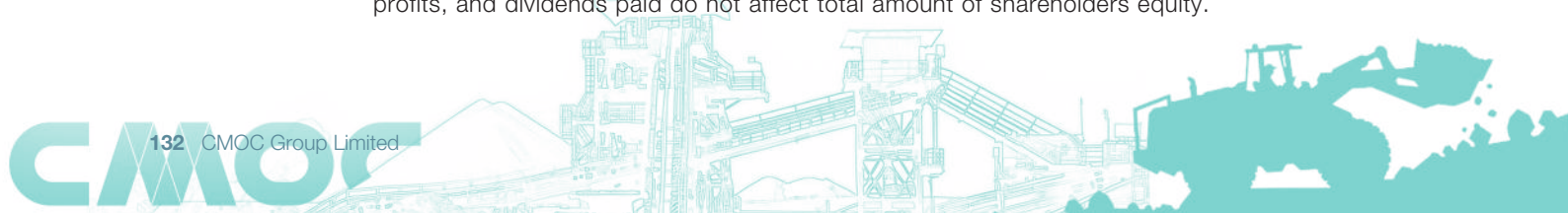
The Group derecognises a financial liability (or part of it) only when the underlying present obligation (or part of it) is discharged. An agreement between the Group (an existing borrower) and an existing lender to replace the original financial liability with a new financial liability with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

When the Group derecognises a financial liability or a part of it, it recognises the difference between the carrying amount of the financial liability (or part of the financial liability) derecognised and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) in profit or loss.

11.4.3 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of the liabilities. Equity instruments issued (including refinanced), repurchased, sold and cancelled by the Group are recognised as changes of equity. The Group doesn't recognise the changes in fair value of equity instruments. Transaction costs related to equity transactions are deducted from equity.

The Group recognises the distribution to holders of the equity instruments as distribution of profits, and dividends paid do not affect total amount of shareholders equity.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.5 Derivatives and embedded derivatives

Derivative instruments include forward foreign exchange contracts, commodity futures contracts, commodity forward contracts, currency swaps contracts, and interest rate swaps contracts and foreign exchange options contracts. Derivatives are initially measured at fair value at the date when the derivative contracts are entered into and are subsequently measured at fair value.

For the hybrid contract comprised of embedded derivatives and master contract, if the master contract belongs to financial assets, the Group shall apply the hybrid contract as a whole to the accounting standards on the classification of financial assets rather than split embedded derivatives from the hybrid contract.

An embedded derivative is separated from the hybrid instrument as a stand-alone derivative instrument, where the master contract included in the hybrid contract does not belong to financial assets and meet the following conditions.

- (1) The economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract.
- (2) A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative.
- (3) The hybrid contract is not measured at FVTPL over the current period.

Where an embedded derivative is split from a hybrid contract, the Group performs accounting treatment for the master contract of the hybrid contract in accordance with applicable accounting standards. Where the Group is unable to measure the fair value of an embedded derivative reliably in accordance with the terms and conditions of the embedded derivative, the fair value of such embedded derivative is determined as the difference between the fair value of the hybrid contract and that of the master contract. Where the fair value of such embedded derivative on the acquisition date or the subsequent balance sheet dates is still unable to be measured separately, the Group designates the hybrid contract in a whole into the financial instrument at FVTPL over the current period.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

11. Financial instruments (Continued)

11.6 Offsetting financial assets and financial liabilities

When the Group has a legal right that is currently enforceable to set off the recognised financial assets and financial liabilities, and intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously, financial assets and financial liabilities are offset with the net amounts presented on the balance sheet. Otherwise, financial assets and financial liabilities are separately presented on the balance sheet without offsetting.

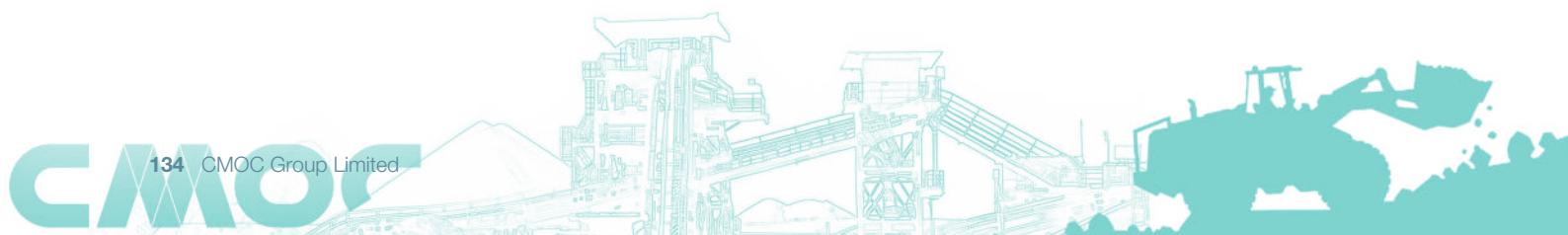
11.7 Compound instruments

Convertible bonds issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition. Conversion option that is settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible bonds and the fair value assigned to the liability component, representing the conversion option for the holder to convert the bonds into equity instrument, is included in other equity instruments.

In subsequent periods, the liability component of the convertible loan notes is carried at amortised cost using the effective interest method. The conversion option classified as equity remains in equity instruments. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs incurred for the issue of convertible loan notes are allocated to the liability component and equity component in proportion to their respective fair values. Transaction costs relating to the equity instruments component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and amortised over the period of the convertible loan notes using the effective interest method.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

12. Accounts receivable

12.1 *Determination of and accounting treatment for ECL of accounts receivable*

The Group determines provision for ECL of accounts receivable on a portfolio basis using the impairment matrix. The increase or reversal amount of ECL of accounts receivable is included in profit or loss for the period as credit impairment loss or gain.

Portfolios for which bad debt provision is collectively assessed based on credit risk characteristics and their basis

The Group classifies accounts receivable into different portfolios in accordance with internal credit rating. The internal credit rating adopted by the Group takes into account the aging of accounts receivable and historical repayment of customers on the balance sheet date.

13. Financing with receivables

Notes receivable classified as at FVTOCI due within one year (inclusive) since acquisition are presented as financing with receivables, and those due over one year since acquisition are presented as other debt investments.

13.1 *Determination of and accounting treatment for ECL of financing with receivables*

Bad debt provision is measured based on lifetime ECL, and the credit loss provision on financing with receivables is recognised in other comprehensive income and the impairment loss or gain is included in profit or loss for the period without reducing the carrying amount of the financing with receivables.

Portfolios for which bad debt provision is collectively assessed based on credit risk characteristics and their basis

All financing with receivables are bank acceptances, and the possibility of significant losses due to bank default is low. The Group believes that there is no significant credit risk in the bank acceptances held.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

14. Other receivables

14.1 *Determination of and accounting treatment for ECL of other receivables*

The Group recognises the credit loss on other receivables on an individual asset basis. The increase or reversal amount of ECL of other receivables is included in profit or loss for the period as credit impairment loss or gain.

15. Inventories

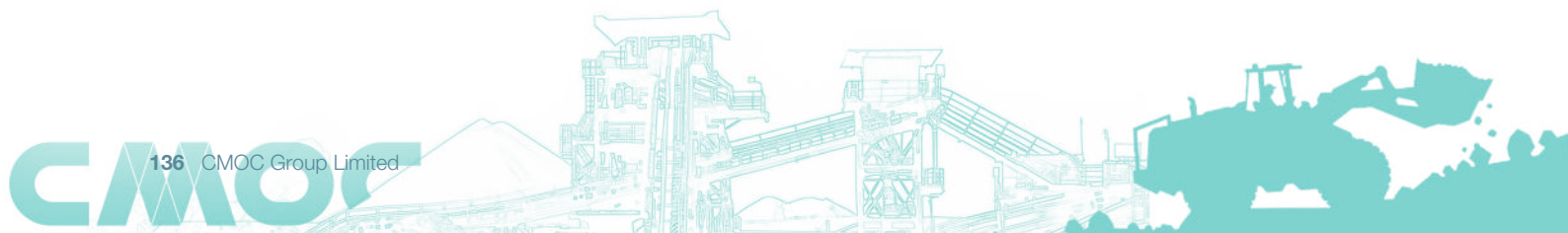
Category of inventories, valuation methods of the inventory delivered, inventory system, amortisation method for low cost and short-lived consumable items and packaging materials

15.1.1 Category of inventories

The Group's inventories mainly include raw materials, work in progress, finished goods, trading inventories, etc. Inventories (excluding trading inventories outside the PRC) are initially measured at cost. Cost of inventories comprises all costs of purchase, costs of conversion and other expenditures incurred in bringing the inventories to their present location and condition.

The trading inventories are mainly from IXM (including IXM Holding and its subsidiaries), the subsidiaries of the Group. As a commodity trader, IXM measures the trading inventories at fair value less costs to sell in its financial statements prepared in accordance with International Financial Reporting Standards, and recognises changes in fair value in profit or loss.

Pursuant to Interpretation No. 1 of the Accounting Standards for Business Enterprises, for transactions or events occurred abroad to overseas subsidiaries of a domestic enterprise within China, if such transactions or events are not subject to the relevant laws and regulations of China or if such transactions are rare and not covered by the Accounting Standards for Business Enterprises, the accounting treatments made by the aforesaid overseas subsidiaries may be adjusted under the International Financial Reporting Standards and then be consolidated into the relevant items of the consolidated financial statements of the parent company, provided that the principle of the Accounting Standards for Business Enterprises – Basic Standards is followed. Therefore, in the preparation of the financial statements, trading inventories outside the PRC of IXM are still measured according to the above-mentioned accounting policies.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

15. Inventories (Continued)

Category of inventories, valuation methods of the inventory delivered, inventory system, amortisation method for low cost and short-lived consumable items and packaging materials (Continued)

15.1.2 Valuation methods of the inventory delivered

When the inventories (excluding trading inventories outside the PRC) are delivered, the actual costs of the delivered inventories are determined using the method of weighted average.

15.1.3 The inventory system for inventories

The Group uses a perpetual inventory system.

15.1.4 Amortisation method of low cost and short-lived consumable items and packaging materials

Packing materials and low cost and short-lived consumable items are amortised using immediate writing-off method.

Determination basis and accrual method for provision for decline in value of inventories

At the balance sheet date, the inventories (excluding trading inventories outside the PRC) shall be calculated by the lower of cost and net realisable value. When the net realisable value is less than the cost, inventory provision is required.

The net realisable value represents the amount derived by deducting the potential cost, estimated sale cost and relative taxes to the completion date from the estimated selling price of the inventory in daily activities. The Company determined net realisable value of inventories, made the obtained conclusive evidence as basis, and considered the purposes of holding inventories, events after the balance sheet date and other factors.

The provision for decline in value of inventories shall be provided by the difference between the cost of the individual inventory or a type of inventories and its net realised value.

In case the factors impacting the inventory provision is eliminated, making the net realisable value be higher than the carrying amount, the write-down amount should be recovered from the previous write-down amount of inventory provision and the corresponding amount shall be reversed to profit or loss.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Held-for-sale non-current assets or disposal groups

Determination basis of and accounting treatment for non-current assets and disposal groups classified as held for sale

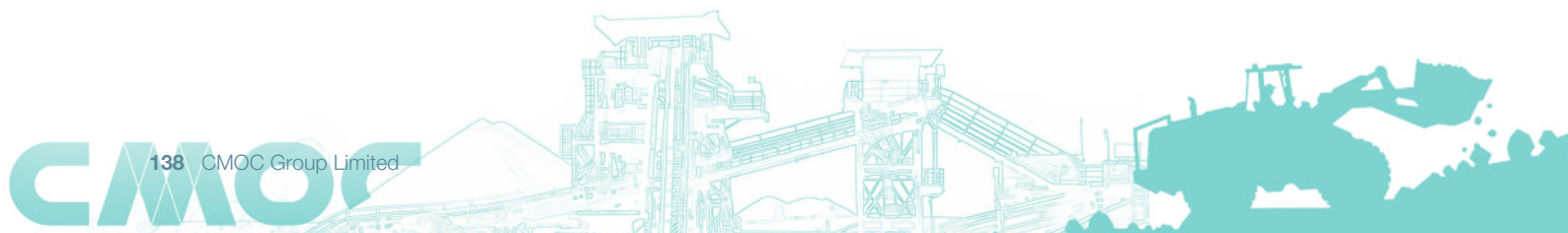
Non-current assets and disposal groups are classified as held for sale category when the Group recovers the carrying amount through a sale rather than continuing use.

Non-current assets or disposal groups classified as held for sale are required to satisfy the following conditions: (1) the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset or disposal group; (2) the sale is highly probable, i.e. the Group has made a resolution about selling plan and obtained a confirmed purchase commitment and the sale is expected to be completed within one year.

When there is loss of control over a subsidiary due to disposal of investments in the subsidiary, and the proposed disposal of investment in the subsidiary satisfies classification criteria of held-for-sale category, the investments in subsidiaries are classified as held-for-sale category as a whole in the Company's separate financial statement, and all assets and liabilities of subsidiaries are classified as held-for-sale category in the consolidated financial statements regardless that part of the equity investments are remained after the sale.

The Group measures the non-current assets or disposal groups classified as held-for-sale at the lower of their carrying amount and fair value less costs to sell. Where the carrying amount is higher than the net amount of fair value less costs to sell, carrying amount should be reduced to the net amount of fair value less costs to sell, and such reduction is recognised in impairment loss of assets and included in profit or loss for the period. Meanwhile, provision for impairment of held-for-sale assets is made. When there is increase in the net amount of fair value of held-for-sale non-current assets less costs to sell at the balance sheet date, the original deduction should be reversed in impairment loss of assets recognised after the classification of held-for-sale category, and the reverse amount is included in profit or loss for the period. The impairment loss of assets recognised before the classification of held-for-sale category will not be reversed.

Held-for-sale non-current assets or disposal groups are not depreciated or amortised, the Group continues to recognise the interest and other costs on liabilities in held-for-sale disposal groups.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

16. Held-for-sale non-current assets or disposal groups (Continued)

Determination basis and presentation of discontinued operations

A discontinued operation is a component of an entity that can be clearly distinguished and satisfies one of the following conditions, and such component has been disposed of or is classified as held for sale:

- Such component represents a separate major line of business or geographical area of operations;
- Such component is part of the separate major line of business or geographical area of operations to be disposed of based on the associated plan;
- Such component is a subsidiary acquired exclusively for the purpose of resale.

Gains or losses from discontinued operations are presented separately from those from continuing operations in the income statement. Operating gains or losses such as impairment losses from discontinued operations and the amount of reversals, and the gains or losses from disposals are presented as discontinued operations. For discontinued operations presented in the current period, the Group restates the information previously presented as gains or losses from continuing operations in the current financial statements as discontinued operations in the comparable accounting period.

17. Long-term equity investments

17.1 Basis for determining joint control and significant influence over the investee

Details of basis of control are set out in Note (V) 7.1. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating policy decisions relating to the activity require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. When determining whether an investing enterprise is able to exercise control or significant influence over an investee, the effect of potential voting rights of the investee (for example, warrants and convertible debts) held by the investing enterprises or other parties that are currently exercisable or convertible shall be considered.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Long-term equity investments (Continued)

17.2 Determination of initial investment cost

For a long-term equity investment acquired through a business combination involving enterprises under common control, the initial investment cost of the long-term equity investment is the attributable share of the carrying amount of the shareholders' equity of the acquiree at the date of combination in the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost and the carrying amount of cash paid, non-cash assets transferred and liabilities assumed is adjusted to capital reserve. If the balance of capital reserve is not sufficient, any excess is adjusted to retained earnings. If the consideration of the combination is satisfied by the issue of equity securities, the initial investment cost of the long-term equity investment is the attributable share of the carrying amount of the shareholders' equity of the acquiree in the consolidated financial statements of the ultimate controlling party. The aggregate face value of the shares issued is accounted for as share capital. The difference between the initial investment cost and the aggregate face value of the shares issued is adjusted to capital reserve. If the balance of capital reserve is not sufficient, any excess is adjusted to retained earnings.

For a long-term equity investment acquired through business combination not involving enterprises under common control, the initial investment cost of the long-term equity investment is the cost of acquisition at the date of combination. Where equity interests in an acquiree are acquired in stages through multiple transactions ultimately constituting a business combination not involving entities under common control, the acquirer determines if these transactions are considered to be "a bundled transaction". If yes, these transactions are accounted for as a single transaction where control is obtained. If no, the initial investment cost of the long-term equity investment is the aggregate of the carrying amount of the equity interest held in the acquiree prior to the acquisition date and the cost of the additional investment at the acquisition date. When the equity held was accounted for under equity method, relevant other comprehensive income is not accounted temporarily; when the equity held was accounted for investments in other equity instruments, the difference between the fair value and carrying amount, together with the cumulative changes in fair value recognised in other comprehensive income are included in retained earnings for the current period.

The intermediary fees incurred by the absorbing party or acquirer such as audit, legal, valuation and consulting fees, etc. and other related administrative expenses attributable to the business combination are recognised in profit or loss when they are incurred.

The long-term equity investment acquired otherwise than through a business combination is initially measured at its cost. When the entity is able to exercise significant influence or joint control (but not control) over an investee, the cost of long-term equity investments is the sum of the fair value of previously-held equity investments determined in accordance with Accounting Standards for Business Enterprises No. 22 – Financial Instruments: Recognition and Measurement and the additional investment cost.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Long-term equity investments (Continued)

17.3 *Subsequent measurement and recognition of profit or loss*

17.3.1 Long-term equity investments accounted for using the cost method

Long-term equity investments in subsidiaries are accounted for using the cost method in the Company's separate financial statements. A subsidiary is an investee that is controlled by the Group.

Under the cost method, a long-term equity investment is measured at initial investment cost. When additional investment is made or the investment is recouped, the cost of the long-term equity investment is adjusted accordingly. Investment income is recognised in the period in accordance with the attributable share of cash dividends or profit distributions declared by the investee.

17.3.2 Long-term equity investments accounted for using the equity method

The Group accounts for investment in associates and joint ventures using the equity method. An associate is an entity over which the Group has significant influence; a joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement.

Under the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, no adjustment is made to the initial investment cost. Where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the time of acquisition, the difference is recognised in profit or loss for the period, and the cost of the long-term equity investment is adjusted accordingly.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

17. Long-term equity investments (Continued)

17.3 Subsequent measurement and recognition of profit or loss (Continued)

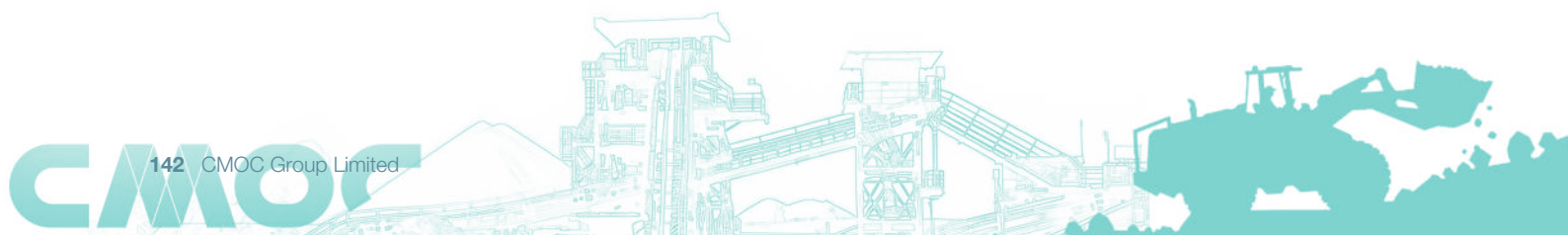
17.3.2 Long-term equity investments accounted for using the equity method (Continued)

Under the equity method, the Group recognises its share of the net profit or loss and other comprehensive income made by the investee as investment income and other comprehensive income respectively, and adjust the carrying amount of the long-term equity investment accordingly; the carrying amount of the investment is reduced by the portion of any profit distributions or cash dividends declared by the investee that is distributed to the Group; the share of the changes in owners' equity of the investee other than those arising from net profit or loss, other comprehensive income and profit distribution are recognised in the capital reserve and the carrying amount of the long – term equity investment is adjusted accordingly. The Group recognises its share of the investee's net profit or loss after making appropriate adjustments based on the fair value of the investee's individual separately identifiable assets, etc. at the acquisition date. Where the accounting policies and accounting period adopted by the investee are not consistent with those of the Group, the Group shall adjust the financial statements of the investee to conform to its own accounting policies and accounting period, and recognise investment income and other comprehensive income based on the adjusted financial statements. For the Group's transactions with its associates and joint ventures where assets contributed or sold does not constitute a business, unrealised intra-group profits or losses are recognised as investment income or loss to the extent that those attributable to the Group's proportionate share of interest are eliminated. However, unrealised losses resulting from the Group's transactions with its associates and joint ventures which represent impairment losses on the transferred assets are not eliminated.

The Group discontinues recognizing its share of net losses of the investee after the carrying amount of the long-term equity investment together with any long-term interests that in substance form part of its net investment in the investee is reduced to zero. If the Group has incurred obligations to assume additional losses of the investee, a provision is recognised according to the expected obligation, and recorded as investment loss for the period. Where net profits are subsequently made by the investee, the Group resumes recognizing its share of those profits only after its share of the profits exceeds the share of losses previously not recognised.

17.4 Disposal of long-term equity investments

On disposal of a long-term equity investment, the difference between the proceeds actually received and the carrying amount is recognised in profit or loss for the period.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Fixed assets

(1). *The conditions of recognition*

Fixed assets are tangible assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and have useful lives of more than one accounting year. A fixed asset is recognised only when it is probable that economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. Fixed assets are initially measured at cost and the effect of any expected costs of abandoning the asset at the end of its use is considered.

Subsequent expenditures incurred for the fixed asset are included in the cost of the fixed asset and if it is probable that economic benefits associated with the asset will flow to the Group and the subsequent expenditures can be measured reliably. Meanwhile the carrying amount of the replaced part is derecognised. Other subsequent expenditures are recognised in profit or loss in the period in which they are incurred.

(2). *Depreciation method*

Resources-related subsidiaries of the Group situated in PRC

Category	Depreciation method	Depreciation period (year)	Residual value rate (%)	Annual depreciation rate (%)
Land use rights, buildings	Straight-line method	8-45	0-5	2.1~12.5
Mining projects	Units of production method	Expected life of mines	0	Unit of production
Machinery and equipment	Straight-line method	8-10	5	9.5~11.9
Electronic equipment, appliances and furniture	Straight-line method	5	5	19.0
Transportation equipment	Straight-line method	8	5	11.9

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Fixed assets (Continued)

(2) Depreciation method (Continued)

Resources-related subsidiaries of the Group situated in Brazil

Category	Depreciation method	Depreciation period	Residual value rate (%)	Annual depreciation rate (%)
Land ownership	N/A	Permanent	–	–
Buildings	Straight-line method	20-50	0~5	1.9~5.0
Mining projects	Units of production method	Expected life of mines	0	Unit of production
Machinery and equipment	Straight-line method	5-20	0~5	4.8~20.0

Resources-related subsidiaries of the Group situated in Congo (DRC)

Category	Depreciation method	Depreciation period	Residual value rate (%)	Annual depreciation rate (%)
Land ownership	N/A	Permanent	–	–
Mining projects	Units of production method	Expected life of mines	0	Unit of production
Buildings	Straight-line method	5-33	0~5	2.9~20.0
Machinery and other equipment	Straight-line method	3-20	0~5	4.8~33.3

Metal trading-related subsidiaries of the Group

Category	Depreciation method	Depreciation period	Residual value rate (%)	Annual depreciation rate (%)
Buildings	Straight-line method	20	5	4.8
Machinery and equipment	Straight-line method	3-5	5	19.0~31.7
Electronic equipment, appliances and furniture	Straight-line method	5	5	19.0

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

18. Fixed assets (Continued)

(2) Depreciation method (Continued)

Metal trading-related subsidiaries of the Group (Continued)

Estimated net residual value of a fixed asset is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Other descriptions

If a fixed asset is upon disposal or no future economic benefits are expected to be generated from its use or disposal, the fixed asset is derecognised. When a fixed asset is sold, transferred, retired or damaged, the amount of any proceeds on disposal of the asset net of the carrying amount and related taxes is recognised in profit or loss for the period.

The Group reviews the useful life and estimated net residual value of a fixed asset and the depreciation method applied at least once at each financial year-end, and account for any change as a change in an accounting estimate.

19. Construction in progress

Construction in progress is measured at its actual costs. The actual costs include various construction expenditures during the construction period, borrowing costs capitalised before it is ready for intended use and other relevant costs. Construction in progress is not depreciated.

Construction in progress is transferred to a fixed asset when it is ready for intended use. Basis and time point of transferring all construction in progress to fixed assets are as follows:

Category	Basis of transfer	Time point of transfer
Land and buildings and mining projects	(1) The main construction project and supporting projects have been completed, the predetermined design requirements have been met and acceptance has been completed.	When it is available for expected use
	(2) If a construction project is available for expected use but has not yet completed the final accounts, it will be transferred to fixed assets in accordance with the estimated value based on actual project cost from the date when it is available for expected use.	
Machinery and equipment, electronic equipment, appliances and furniture and transportation equipment to be installed	(1) Relevant equipment and other supporting facilities have been installed.	When it is available for expected use
	(2) The equipment can maintain normal and stable operation for a period of time after debugging.	

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

20. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying asset are capitalised when expenditures for such asset and borrowing costs are incurred and activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced. Capitalisation of borrowing costs ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale.

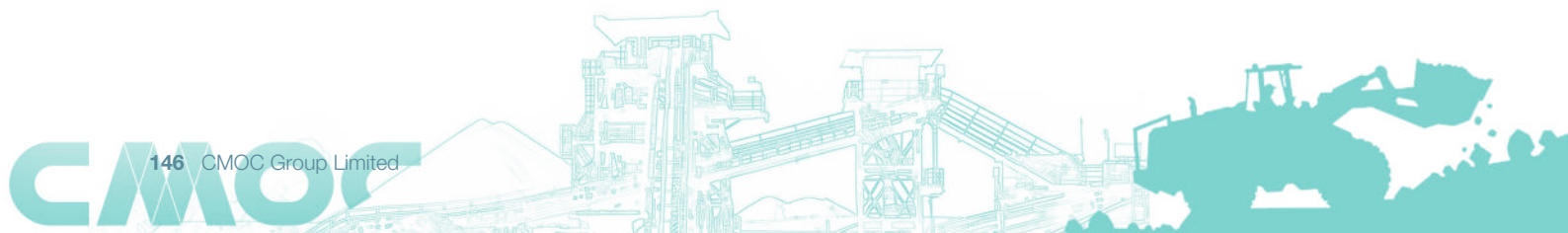
Where funds are borrowed under a specific-purpose borrowing, the amount of interest to be capitalised is the actual interest expense incurred on that borrowing for the period less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds. Where funds are borrowed under general-purpose borrowings, the Group determines the amount of interest to be capitalised on such borrowings by applying a capitalisation rate to the weighted average of the excess of cumulative expenditures on the asset over the amounts of specific-purpose borrowings. The capitalisation rate is the weighted average of the interest rates applicable to the general-purpose borrowings.

21. Biological assets

Biological assets of the Group are timber forests that will be harvested as agricultural products in the future.

Upon harvest of timber forests, the Group uses the weighted average method to carry forward the cost by carrying amount.

If there is an active market for timber forests and the Group can obtain market prices and other relevant information regarding the same or similar type of timber forests from the market so as to reasonably estimate the fair value of the related timber forests, the Group subsequently measures the timber forests at fair value with changes of the fair value are recognised in profit or loss for the current period.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Intangible assets

(1) *Useful life and its basis, valuation, amortisation method or review procedures*

Intangible assets include land use rights, exploration and mining rights, copper supply concessions, supplier relationships, etc.

An intangible asset is measured initially at cost. When an intangible asset with a finite useful life is available for use, its original cost less accumulated impairment provision is amortised over its estimated useful life using the straight-line method or the units of production method. Amortisation method, useful life and estimate residual value rate of all intangible assets are as follows:

Category	Amortisation method	Useful life (year) and its basis	Residual value rate (%)
Land use rights	Straight-line method	50 years, the time when the lands are available for use	0
Exploration and mining rights	Units of production method	N/A	0
Copper supply concessions	Units of purchase method	N/A	0
Supplier relationship	Straight-line method	15 years, the expected period that it can bring economic benefits to the Company	0

At the end of the period, the Group reviews the useful life and amortisation method of intangible assets, and makes adjustments when necessary.

(2) *Scope of and related accounting treatment for research and development expenditure*

Expenditure during the research phase is recognised as an expense in the period in which it is incurred.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

22. Intangible assets (Continued)

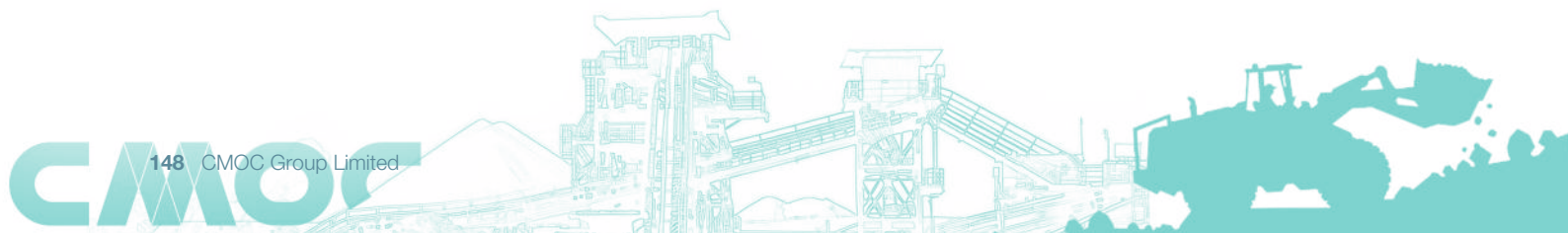
(2) *Scope of and related accounting treatment for research and development expenditure (Continued)*

Expenditure during the development phase that meets all of the following conditions at the same time is recognised as intangible asset. Expenditure during development phase that does not meet the following conditions is recognised in profit or loss for the period:

- (1) It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- (2) The Group has the intention to complete the intangible asset and use or sell it;
- (3) The Group can demonstrate the ways in which the intangible asset will generate economic benefits, including the evidence of the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- (4) The availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and
- (5) The expenditure attributable to the intangible asset during its development phase can be reliably measured.

If the expenditures cannot be distinguished between the research phase and development phase, the Group recognises all of them in profit or loss for the period.

The scope of research and development expenditure includes salaries and welfare expenses of personnel directly engaged in research and development activities, materials, fuel and power expenses directly consumed in research and development activities, depreciation expenses of instruments and equipment in research and development activities, lease and maintenance expenses of research and development sites, travel, transportation and communication expenses required for research and experimental development. The Group takes whether the product design has been approved as the specific basis for classifying research and development projects into research stage and development stage.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

23. Impairment of long-term assets

The Group reviews the long-term equity investments, fixed assets, construction in progress, right-of-use assets, and intangible assets with finite useful life at each balance sheet date to determine whether there is any indication that they have suffered an impairment loss. If an impairment indication exists, the recoverable amount is estimated. Intangible assets with indefinite useful life and intangible assets not yet available for use are tested for impairment annually, irrespective of whether there is any indication that the assets may be impaired.

Recoverable amount is estimated on individual basis. If it is not practical to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs will be estimated. The recoverable amount of an asset or asset group is the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset or asset group.

If such recoverable amount is less than its carrying amount, a provision for impairment losses in respect of the deficit is recognised in profit or loss for the period.

Goodwill is tested for impairment at least at the end of each year. For the purpose of impairment testing, goodwill is considered together with the related assets groups, i.e., goodwill is reasonably allocated to the related assets group(s) or each of assets group(s) expected to benefit from the synergies of the combination. An impairment loss is recognised if the recoverable amount of the assets group or sets of assets groups (including goodwill) is less than its carrying amount. The impairment loss is firstly allocated to reduce the carrying amount of any goodwill allocated to such assets group or sets of assets groups, and then to the other assets of the group pro-rata on the basis of the carrying amount of each asset (other than goodwill) in the group.

Once an impairment loss is recognised for above mentioned assets, it will not be reversed in any subsequent period.

24. Long-term prepaid expenses

Long-term prepaid expenses represent expenses incurred that should be borne and amortised over the current and subsequent periods (together of more than one year). Long-term prepaid expenses are amortised using the straight-line method over the expected periods in which benefits are derived.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

25. Contract liabilities

Contract liabilities refer to the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. Contract assets and contract liabilities under the same contract are presented at net amount.

26. Employee benefits

(1) *Accounting treatment of short-term benefits*

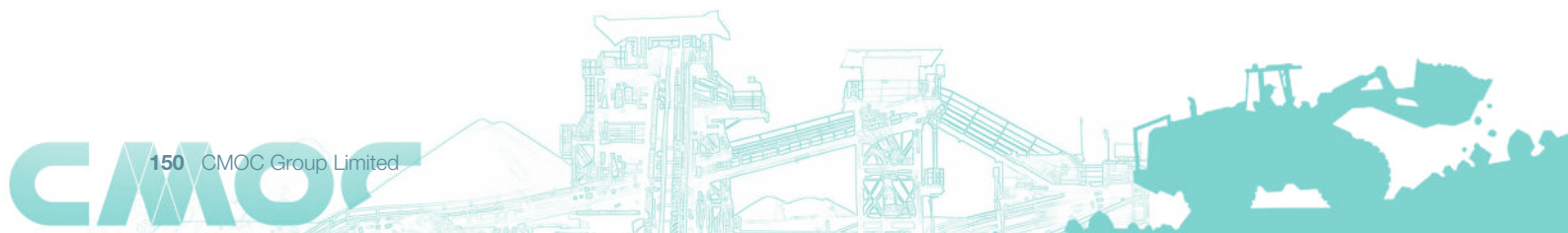
In an accounting period in which an employee has rendered service to the Group, the Group recognises the short-term employee benefits for that service as a liability, and the related expenditures are either charged to profit or loss in the period when they are incurred or included in cost of related assets. Employee welfare expenses incurred by the Group are recognised in profit or loss for the period or the costs of relevant assets based on the actually incurred amounts when they are actually incurred. Non-monetary employee welfare expenses are measured at fair value.

Payment made by the Group of social security contributions for employees such as premiums or contributions on medical insurance, work injury insurance, etc. and payments of housing funds, as well as union running costs and employee education fund provided in accordance with relevant requirements, are calculated according to prescribed bases and percentages in determining the amount of employee benefits and recognised as relevant liabilities, with a corresponding charge to the profit or loss for the period or the costs of relevant assets in the accounting period in which employees provide services.

(2) *Accounting treatment of post-employment benefits*

Post-employment benefits are classified into defined contribution plans and defined benefit plans.

During the accounting period of rendering service to employees of the Group, amount which should be paid according to defined contribution plans is recognised as liabilities, and recognised in profit or loss or related costs of assets.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

26. Employee benefits (Continued)

(2) *Accounting treatment of post-employment benefits (Continued)*

For defined benefit plans, the Group assigns the welfare obligation generated from the defined benefit plans to the period of rendering services using the formula determined by the projected unit credit method, and includes it in the current profit or loss or related asset costs. Employee benefit costs generated from the defined benefit plans are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements.);
- Net interest of net liabilities or net assets of defined benefit plans (including interest income of planned assets, interest expenses of defined benefit plan liabilities and effect of asset ceiling); and
- Changes arising from re-measurement of net liabilities or net assets of defined benefit plans.

Service cost and net interest of net liabilities or net assets of defined benefit plans are included in the current profit or loss or related asset costs. Remeasurement of changes in net liabilities or net assets of defined benefit plans (including actuarial gains or losses, return on plan assets excluding the amount included in the net interest of net liabilities or net assets of defined benefit plans, and changes to the asset ceiling excluding the amount included in the net interest of net liabilities or net assets of defined benefit plans) is included in other comprehensive income.

A deficit or surplus generated from the present value of the obligation of a defined benefit plan less the fair value of the defined benefit plan asset is recognised as a net liability or a net asset of the defined benefit plan. If there is a surplus in the defined benefit plan, the lower of the surplus of the defined benefit plan and the asset ceiling is used to measure the net asset of the defined benefit plan.

(3) *Accounting treatment of termination benefits*

When the Group provides termination benefits to employees, employee benefit liabilities are recognised for termination benefits, with a corresponding charge to the profit or loss for the period at the earlier of: (1) when the Group cannot unilaterally withdraw the offer of termination benefits because of the termination plan or a curtailment proposal; and (2) when the Group recognises costs or expenses related to restructuring that involves the payment of termination benefits.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

27. Provisions

Provisions are recognised when the Group has a present obligation related to a contingency, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money. Where the effect of the time value of money is material, the amount of the provision is determined by discounting the related future cash outflows.

28. Share-based payments

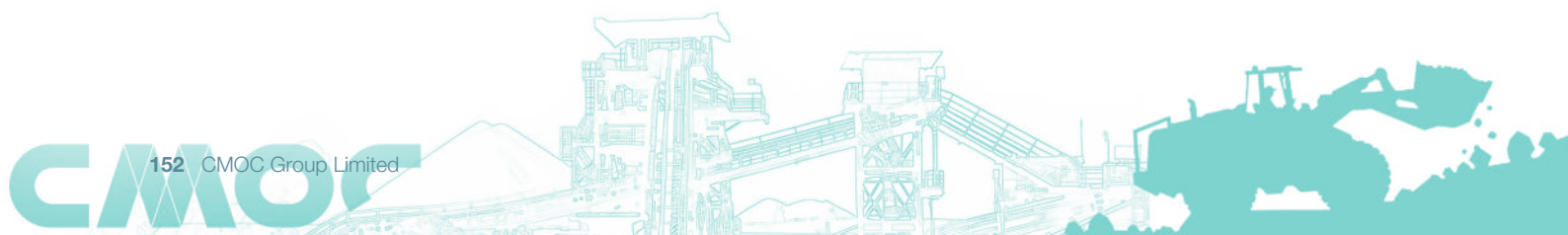
A share-based payment is a transaction which the Group grants equity instruments, or incurs liabilities for amounts that are determined based on the price of equity instruments, in return for services rendered by employees. The Group's share-based payments include equity-settled share-based payments and cash-settled share-based payments.

28.1 *Equity-settled share-based payments*

Equity-settled share-based payments granted to employees

The equity-settled share-based payments granted to employees for exchange of the services rendered by employees are measured at the fair value of the equity instrument at the grant date. The amount of the fair value in the vesting period is determined based on the best estimate of the quantity of exercisable equity instruments, and included in related cost or expenses using straight-line method, with capital reserve increased accordingly.

At each balance sheet date within the vesting period, the Group revises the quantity of expected exercisable equity instruments on the basis of best estimate made based on subsequent information such as the latest change in number of employees with vesting rights.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

28. Share-based payments (Continued)

28.2 *Cash-settled share-based payments*

Cash-settled share-based payments are measured at the fair value of the liabilities incurred by the Group, which are determined based on the price of the share or other equity instruments. The Group recognises the services for the period as related costs or expenses, with a corresponding increase in liability, at an amount equal to the fair value of the liability based on the best estimate of the outcome of vesting at each balance sheet date within the vesting period. Until the liability is settled, the Group re-measures the fair value of the liability at each balance sheet date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

28.3 *Accounting treatment related to implementation, modification and termination of share-based payment plan*

In case the Group modifies a share-based payment arrangement, if the modification increases the fair value of the equity instruments granted, the Group will include the incremental fair value of the equity instruments granted in the measurement of the amount recognised for services received. If the modification increases the number of the equity instruments granted, the Group will include the fair value of additional equity instruments granted in the measurement of the amount recognised for services received. The increase in the fair value of the equity instruments granted is the difference between fair value of the equity instruments before and after the modification on the date of the modification. If the Group modifies the terms or conditions of the share-based payment arrangement in a manner that reduces the total fair value of the share-based payment arrangement, or is not otherwise beneficial to the employee, the Group will continue to account for the services received as if that modification had not occurred (other than a cancellation of some or all the equity instruments granted).

If cancellation of the equity instruments granted occurs during the vesting period, the Group will account for the cancellation of the equity instruments granted as an acceleration of vesting, and recognise immediately the amount that otherwise would have been recognised over the remainder of the vesting period in profit or loss for the period, with a corresponding recognition in capital reserve. When the employee or counterparty can choose whether to meet the non-vesting condition but the condition is not met during the vesting period, the Group treats it as a cancellation of the equity instruments granted.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

29. Other financial instruments such as preferred shares, perpetual bonds, etc.

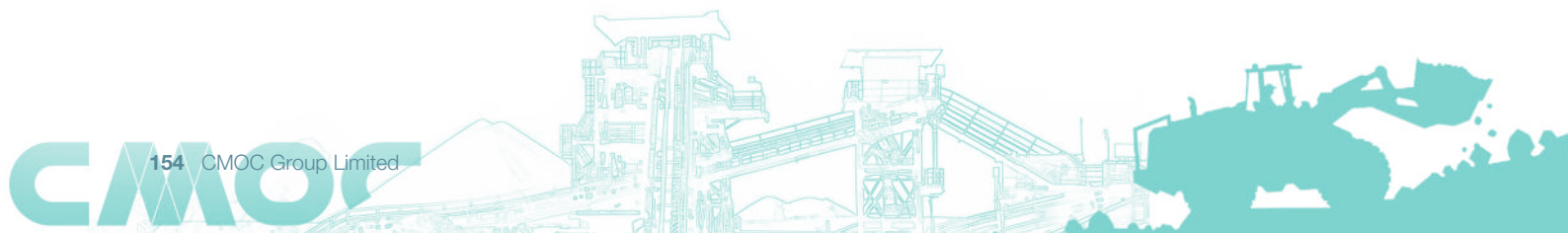
Other financial instruments such as the as preference shares, perpetual bonds issued by the Group are accounted for as equity instruments if all the following criteria are satisfied:

- (1) The financial instrument does not include a contractual obligation of delivering cash or other financial assets to other party, or exchanging financial assets or financial liabilities with other party under potentially adverse conditions;
- (2) Where the financial instrument is required to be or may be settled using the Group's own equity instrument, it does not include a contractual obligation of settlement by delivering variable quantity of the Group's own equity instruments if the financial instrument is not a derivative instrument; or the financial instrument is settled by exchanging only fixed quantity of the Group's own equity instruments for a fixed amount of cash or other financial assets if the financial instrument is a derivative instrument.

Except for those satisfy the above criteria of classification as equity instruments, the Group's other financial instruments are classified as financial liabilities.

For other financial instruments (including preference shares, perpetual bonds, etc.) classified as financial liabilities, the interest expenses or dividends distribution are accounted for as borrowing cost, with any gain or loss arising from the repurchase or redemption included in profit or loss for the period. If the financial liabilities are measured at amortised cost, related transaction costs are included in initial measurement amount.

For other financial instruments (including preference shares, perpetual bonds, etc.) classified as equity instruments, the interest expenses or dividends distribution are accounted for as profit distribution, and the repurchase, cancellation, etc. are dealt with as changes in equity, with related transaction costs deducted from equity.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Revenue

30.1 *Disclosure of accounting policies adopted in revenue recognition and measurement in accordance with business types*

The revenue of the Group is mainly from:

(1) Sale of goods and metal trading

The Group sells minerals including self-produced mineral products of molybdenum, tungsten, niobium, phosphorus, copper, cobalt and gold, etc. and commercial mineral products of copper, lead and zinc concentrates and copper, lead and zinc refined metal to the customers. Generally, the performance business only includes delivery of goods in the contract concerning sales of goods, so the consideration of sale is recognised according to the price as agreed in the sales contract. The Group recognises the revenue at the time point when the control over the relevant goods are passed to the customers. In the meanwhile, the Group carries out business by receipts in advance or sales on credit based on credit status of counterparties.

(2) Metal flow transaction

In respect of the Group's metal flow transactions, the Group receives payments in advance from customers for the sale of goods (gold, silver and other mineral products), which are first recognised as liabilities (contract liabilities and other non-current liabilities – metal flow transaction contract liabilities) and then transferred to revenue when the relevant performance obligations are satisfied, i.e. when control of the goods is transferred to the customer. Where a metal flow contract has a significant financing component, the Group determines the transaction price at the time of entering into the metal flow contract based on the amount payable in cash assuming that the customer will pay for the goods as soon as it obtains control over these goods, and the difference between this transaction price and the contract consideration is amortised over the term of the contract using the effective interest method.

Where a contract includes a variable consideration, the Group determines the best estimate of the variable consideration based on the volume of mineral reserve, the expected delivery time and quantity of goods and the expected market price of goods. The transaction price that includes variable consideration does not exceed the amount for which it is highly probable that there will be no material reversal of the revenue recognised in the aggregate when the relevant uncertainty is eliminated. At each balance sheet date, the Group re-estimates the amount of variable consideration to be included in the transaction price.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

30. Revenue (Continued)

30.1 *Disclosure of accounting policies adopted in revenue recognition and measurement in accordance with business types (Continued)*

(3) Hotel services

The Group provides housekeeping and catering services to the customers through its self-operated hotels and accordingly obtains revenue, of which the revenue from housekeeping service provided is recognised over the period when the customers obtain and consume the service, and the revenue from catering service provided is recognised at the time point when the customers obtain the control over relevant goods.

(4) Other revenue

Meanwhile, the Group sells auxiliary materials including scraps to the customers. Generally, there is only one performance obligation i.e., delivery of goods in the contract concerning sales of goods. Relevant revenue is recognised at the time point when the control over the relevant goods is transferred to the customers. The consideration for sales of goods is determined based on the fixed price agreed in the sales contract.

A performance obligation is a commitment that the Group transfers a distinct good or service to a customer in the contract.

31. Government grants

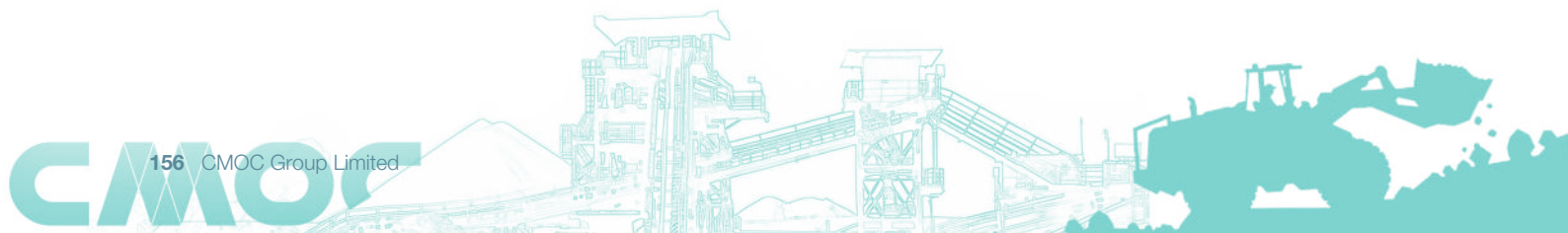
Government grants are transfer of monetary assets and non-monetary assets from the government to the Group at no consideration. A government grant is recognised only when the Group can comply with the conditions attaching to the grant and the Group will receive the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable.

31.1 *Criterion and accounting treatment of government grants related to assets*

The government grants of the Group mainly include subsidies for demonstration base project, etc. Due to direct relationship with investment and construction of fixed assets, such government grants are defined as the government grants related to assets.

A government grant related to an asset is recognised as deferred income, and evenly amortised to profit or loss over the useful life of the related asset.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

31. Government grants (Continued)

31.2 Criterion and accounting treatment of government grants related to income

The government grants of the Group mainly include receipts of tax refunds, etc. Such government grants are defined as the government grants related to income.

For a government grant related to income, if the grant is a compensation for related costs, expenses or losses to be incurred in subsequent periods, the grant is recognised as deferred income, and recognised in profit or loss over the periods in which the related costs or losses are recognised. If the grant is a compensation for related costs, expenses or losses already incurred, the grant is recognised immediately in profit or loss for the period.

A government grant related to the Group's daily activities is recognised in other income based on the nature of economic activities; a government grant not related to the Group's daily activities is recognised in non-operating income.

32. Deferred tax assets/Deferred tax liabilities

The income tax expenses include current income tax and deferred income tax.

32.1 Current income taxes

At the balance sheet date, current income tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid (or recovered) according to the requirements of tax laws.

32.2 Deferred tax assets and deferred tax liabilities

For temporary differences between the carrying amounts of certain assets or liabilities and their tax base, or between the nil carrying amount of those items that are not recognised as assets or liabilities and their tax base that can be determined according to tax laws, deferred tax assets and liabilities are recognised using the balance sheet liability method.

Deferred tax is generally recognised for all temporary differences. Deferred tax assets for deductible temporary differences are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilised. However, for temporary differences associated with the initial recognition of goodwill and the initial recognition of an asset or liability arising from a transaction (not a business combination) that affects neither the accounting profit nor taxable profits (or deductible losses) at the time of transaction and will not result in taxable temporary differences and deductible temporary differences in equal amounts, no deferred tax asset or liability is recognised.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

32. Deferred tax assets/Deferred tax liabilities (Continued)

32.2 *Deferred tax assets and deferred tax liabilities (Continued)*

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

At the balance sheet date, deferred tax assets and liabilities are measured at the tax rates, according to tax laws, that are expected to apply in the period in which the asset is realised or the liability is settled.

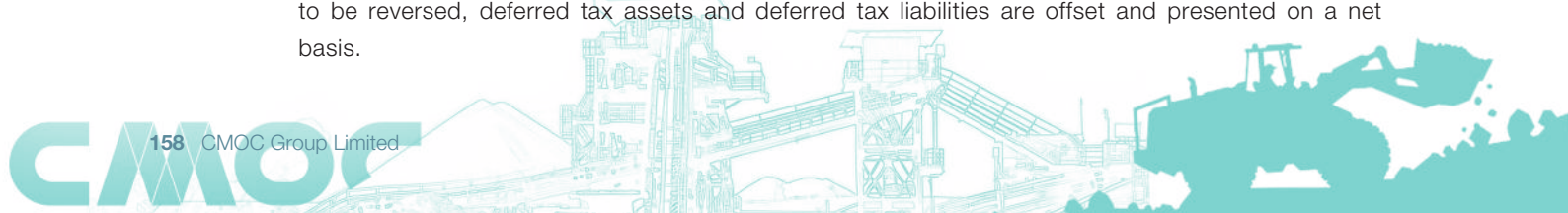
Current and deferred tax expenses or income are recognised in profit or loss for the period, except when they arise from transactions or events that are directly recognised in other comprehensive income or in shareholders' equity, in which case they are recognised in other comprehensive income or in shareholders' equity; and when they arise from business combinations, in which case they adjust the carrying amount of goodwill.

At the balance sheet date, the carrying amount of deferred tax assets is reviewed and reduced if it is no longer probable that sufficient taxable profits will be available in the future to allow the benefit of deferred tax assets to be utilised. Such reduction in amount is reversed when it becomes probable that sufficient taxable profits will be available.

32.3 *Income tax offsetting*

When the Group has a legal right to settle on a net basis and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously, current tax assets and current tax liabilities are offset and presented on a net basis.

When the Group has a legal right to settle current tax assets and liabilities on a net basis, and deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax assets and liabilities on a net basis or to realise the assets and liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be reversed, deferred tax assets and deferred tax liabilities are offset and presented on a net basis.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identical asset for a period of time in exchange for consideration.

The Group assesses whether a contract is, or contains, a lease at inception date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

Basis of adopting simplified methods and relevant accounting treatment for short-term leases and leases of low-value assets as lessee

33.1 *The Group as a lessee*

33.1.1 Separating components of a lease

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

33.1.2 Right-of-use assets

Except for short-term leases, the Group recognises a right-of-use asset at the commencement date of the lease. The commencement date of the lease is the date on which a lessor makes an underlying asset available for use. The right-of-use asset is measured at cost. The cost of the right-of-use asset shall include:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date, less any lease incentives received;
- Any initial direct costs incurred by the Group; and
- An estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Leases (Continued)

33.1 *The Group as a lessee (Continued)*

33.1.2 Right-of-use assets (Continued)

The Group makes provision for the depreciation of right-of-use assets in accordance with Accounting Standards for Business Enterprises No. 4-Fixed Assets. Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease terms are depreciated from commencement date to the end of their useful lives. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful lives and the lease terms.

The Group assesses and determines whether the right-of-use asset is impaired and accounts for any impairment loss identified in accordance with Accounting Standards for Business Enterprises No. 8 – Impairment of Assets.

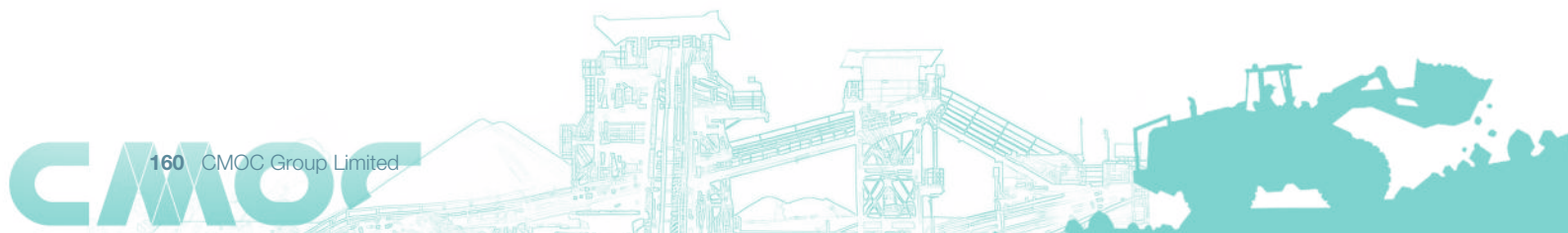
33.1.3 Lease liabilities

Except for short-term leases, at the commencement date of a lease, the Group recognises the lease liability at the present value of the lease payments that are not paid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments are payments to the lessor for the right to use the underlying asset during the lease term made by the Group, including fixed payments and in-substance fixed payments, less any lease incentives receivable, if applicable.

After the commencement date, the Group recognises interest expenses in each accounting periods during the lease, based on a constant periodic rate of interest on the remaining balance of the lease liabilities, and charges to profit or loss or the related costs of assets for the current period.

After the commencement date, the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments and the corresponding right-of-use asset is adjusted, if the carrying amount of right-of-use assets has been reduced to zero, but the lease liability still needs to be further reduced, the difference is recognised in the profit or loss for the current period.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

33. Leases (Continued)

33.1 *The Group as a lessee (Continued)*

33.1.4 Basis of adopting simplified methods and relevant accounting treatment for short-term leases as lessee

The Group elects not to recognise right-of-use assets and lease liabilities for short-term leases of transportation devices and machinery equipment. A short-term lease is a lease that at the commencement date, has a lease term of 12 months or less and does not contain any purchase options. The Group shall recognise the lease payments associated with short-term leases as the cost of the related assets or profit or loss on a straight-line basis over the lease term.

33.1.5 Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group reallocates the consideration in the contract, and remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

For the decrease in scope of lease or the lease term arising from lease modification, the Group should decrease the carrying amount of right-of-use assets and recognises the gains or losses relating to the partly or full derecognition of the lease into the profit or loss in current period. For remeasurement arising from lease modification, the Group should adjust the corresponding carrying amount of right-of-use assets.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

34. Stripping costs

During mining operations, the Group may find that mineral wastes and surface cover to be removed before mining, and the removal activities for such wastes is called stripping. The stripping costs are usually capitalised in the mining development phase (before production). The capital expenditure is divided into cash outflows of investment activities.

After mining development phase can be ended for getting into the production phase, the waste removal activity is referred to as production stripping.

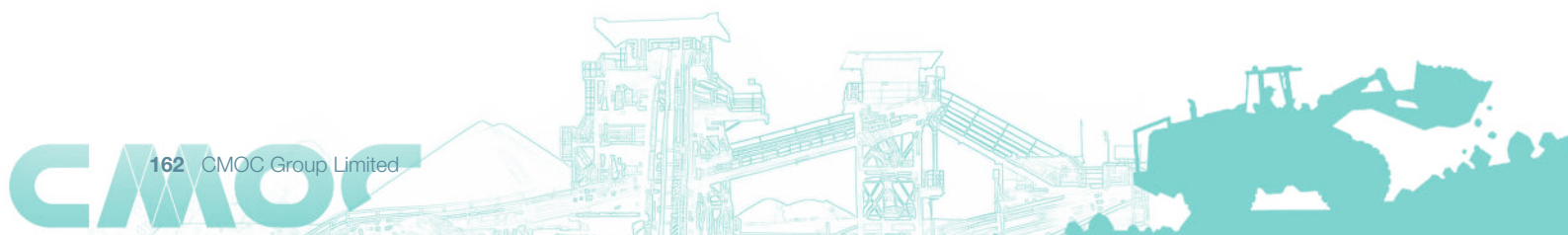
If the production stripping activity is related to the current mining, the associated stripping costs are included in the statement of profit or loss for the current period as operating costs. If the production stripping is associated with inventory production and improves the mining environment for subsequent years, the expenditure on the removal of wastes should be reasonably allocated between the two activities, and the portion that is beneficial to the mining environment for subsequent years shall be capitalised into fixed assets. In some cases, where a large amount of wastes is removed or only a small volume of inventory is produced, the costs incurred by the stripping of wastes will be fully capitalised.

On the basis of the proven reserves of ore, all capitalised waste stripping costs are depreciated in accordance with the output method.

The impact on the waste stripping costs or on the remaining ore reserves arising from changes in mine life expectancy or mining plans will be treated as changes in accounting estimates.

35. Exploration, assessment and development expenditures

The costs of exploration and assessment are directly recognised in costs when they are incurred. When a mine is determined to be of economic value, all subsequent assessment and exploration expenditures, including expenditures incurred in the development phase, are capitalised into the cost of the underlying asset. The above capitalisation terminates after the mine has reached the commercial production phase. The exploration assets generated from acquisitions are presented on the balance sheet at the assessed value.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

36. Other significant accounting policies and accounting estimates

36.1 Safety production expenses

In accordance with the Notice on Issuing the Administrative Measures for the Collection and Utilisation of Enterprise Work Safety Funds (Cai Qi [2012] No. 16), the safety expenses for domestic mining enterprises are provided as per RMB5/ton for raw ore of surface mine, RMB10/ton for raw ore of downhole mine and RMB1/ton for tailing pond; the safety expenses for domestic metallurgy enterprises are provided as per actual operating revenue in the prior year and are provided month by month based on the following standards with excessive and accumulative withdrawal method:

- (I) Provided 3% if the operating revenue does not exceed RMB10 million;
- (II) Provided 1.5% if the operating revenue is RMB10 million to RMB0.1 billion;
- (III) Provided 0.5% if the operating revenue is RMB0.1 billion to RMB1 billion;
- (IV) Provided 0.2% if the operating revenue is RMB1 billion to RMB5 billion;
- (V) Provided 0.1% if the operating revenue is RMB5 billion to RMB10 billion;
- (VI) Provided 0.05% if the operating revenue exceeds RMB10 billion.

In accordance with the Notice on Issuing the Administrative Measures for the Collection and Utilisation of Enterprise Work Safety Funds (Cai Zi [2022] No. 136), from 1 December 2022, the safety expenses for domestic mining enterprises are provided as per RMB5/ton for raw ore of surface mine, RMB15/ton for raw ore of downhole mine and RMB4/ton for tailing pond.

When safety expenses of the enterprises are provided as per the standards, debit “manufacturing expenses” and credit “special reserve”.

When the safety protection equipment and facilities are purchased with safety production reserve within specified limit, it should debit “construction in progress” and credit “bank deposit” based on the amount included into assets cost. The safe projects will be deemed as fixed assets upon completion and reaching the reserved serviceable condition; the special reserves will be written down as per the cost of fixed assets and the cumulative depreciation in the same amount will be confirmed; debit “special reserve” and credit “accumulated depreciation”. The fixed asset will not withdraw depreciation later, but amount carried forward is within the limit of the balance of “special reserves” being offset to be zero.

When the safety production reserve is used to pay the expenses in safety production inspection, evaluating expenditure, safety skills training and emergency rescue drill, it should directly write down special reserves, debit “special reserve” and credit “bank deposits”. The amount carried forward should be within the scope that the balance of “special reserve” is written down to zero.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

36. Other significant accounting policies and accounting estimates (Continued)

36.2 Hedge accounting

36.2.1 Basis of adopting hedge accounting and relevant accounting treatment

Some financial instruments are designated as hedging instruments by the Group for the purpose of managing risk exposure caused by specific risks such as foreign exchange risk, interest rate risk, price risk, etc. The Group applies hedging accounting for a hedge that satisfies the prescribed conditions. Hedging activities of the Group include fair value hedges and cash flow hedges.

At the inception of the hedge, the Group designates hedging instruments and hedged items formally, and prepares written documents of the nature of hedging instruments, hedged items and hedged risks as well as the effective assessment methods of hedge (including analysis on the causes for effective hedging and the method to determine the hedging ratio).

The Group will terminate the application of hedge accounting if one of the following conditions is met:

- the risk management objective is changed so that the hedging relationship no longer meets the risk management objective.
- the hedging instrument expires, or is sold, terminated or exercised.
- an economic relationship no longer exists between the hedged items and the hedging instruments, or the effect of credit risk starts to dominate in the changes in value arising from the economic relationship between the hedged items and the hedging instruments.
- the hedging relationship no longer meets other conditions for hedge accounting.

Fair value hedges

The Group recognises gains or losses arising from hedging instruments in current profit or loss. Where a hedging instrument is a hedge of an investment in a non-trading equity instrument that has been elected to be measured at FVTOCI, the gain or loss arising on the hedging instrument is included in other comprehensive income.

The Group recognises gains or losses on hedged items arising from hedged exposures in current profit or loss and adjusts the carrying amount of recognised hedged items not measured at fair value. If the hedged item is a financial asset classified as at FVTOCI, the gain or loss arising from the hedged exposure is included in profit or loss for the period.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

36. Other significant accounting policies and accounting estimates (Continued)

36.2 Hedge accounting (Continued)

36.2.1 Basis of adopting hedge accounting and relevant accounting treatment (Continued)

Cash flow hedges

The Group recognises the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge in the other comprehensive income as cash flow hedges, and recognises the portion that is determined to be an ineffective hedge in current profit or loss. The cash flow hedging reserve shall be determined to be the lesser of (in absolute amounts) 1) the cumulative gain or loss on the hedging instrument from inception of the hedge; and 2) the cumulative change in present value of the expected future cash flows on the hedged item from inception of the hedge.

If a hedge of a forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, or the forecast transaction of a non-financial asset or a non-financial liability forms a firm commitment applicable to fair value hedge accounting, the Group will reclassify the cash flow hedging reserve originally recognised in the other comprehensive income into initial carrying amount of the asset or liability. For the cash flow hedges not under the above conditions, the Group will reclassify the cash flow hedging reserve originally recognised in the other comprehensive income into current profit or loss in the same period(s) during which the hedged expected cash flow affects profit or loss. If the cash flow hedging reserve recognised in the other comprehensive income is a loss all or a portion of which will not be recovered in future accounting periods, the Group shall reclassify into profit or loss the amount that is not expected to be recovered.

When the Group terminates the application of hedge accounting to cash flow hedge, if the hedged future cash flow is still expected to happen, the accumulated cash flow hedging reserve should be reserved and an accounting treatment should be made in the above manner; if the hedged future cash flow is expected not to happen, the accumulated cash flow hedging reserve will be reclassified from other comprehensive income into current profit or loss.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

36. Other significant accounting policies and accounting estimates (Continued)

36.2 Hedge accounting (Continued)

36.2.2 Method for assessing effectiveness of hedging (Continued)

The Group assesses whether the hedging relationship conforms to the hedge effectiveness requirements at the inception date of the hedge and the subsequent periods continuously. A hedge is regarded as conforming to the hedge effectiveness requirement if all of the following conditions are met:

- An economic relationship exists between the hedged items and the hedging instruments.
- The effect of credit risk is not dominant in the changes in value arising from the economic relationship between the hedged items and the hedging instruments.
- The hedge ratio of hedging relationship is equal to the ratio between the quantity of actual hedged items of the Group and the actual quantity of hedging instruments to hedge them.

Where the hedging relationship no longer conforms to the hedging effectiveness requirement due to hedge ratio, but the risk management objective for such set of hedging relationship designated by the Group stays unchanged, the Group will rebalance the hedging relationship and adjust the quantity of the hedged items or hedging instruments having existed in the hedging relationship to make the hedge ratio conform to the hedge effectiveness requirement again.

36.3 Accounting treatment related to repurchase of the Company's shares

The consideration and transaction costs paid to repurchase shares are deducted from equity. No gain or loss is recognised in profit or loss on the repurchase, sale or cancellation of the Company's shares.

37. Key assumptions and uncertainties in the accounting estimates

In the application of the Group's accounting policies, which are described in Note (V), the Group is required to make judgments, estimates and assumptions about the carrying amounts of items in the financial statements that cannot be measured accurately, due to the internal uncertainty of the operating activities. These judgments, estimates and assumptions are based on historical experiences of the Group's management as well as other factors that are considered to be relevant. Actual results may differ from these estimates.

The aforementioned judgments, estimates and assumptions are reviewed regularly on a going concern basis. The effect of a change in accounting estimate is recognised in the period of the change, if the change affects that period only; or recognised in the period of the change and future periods, if the change affects both.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

37. Key assumptions and uncertainties in the accounting estimates (Continued)

The following are the key assumptions and uncertainties in accounting estimates at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future periods:

Estimate of mineral reserve

The estimate of mineral reserve is determined based on the materials formulated by the industrial experts or other judicial authorities. Use the method to determine the mineral reserve and other minerals and calculate depreciation and amortisation of assets, evaluate impairment indicators and useful life of mine, calculate metal flow transaction and forecast the payment time of rehabilitation cost for forecasting to be closed or rehabilitate mine.

When evaluating the useful life of mine for the purpose of accounting, calculate the mineral resources with mining value. The estimate of mineral reserve will involve multiple uncertainties. Estimate the currently effective assumptions and material changes in actual data. The changes in market prices, exchange rate, production cost or recovery may change the current economic situation of reserve and cause revaluation of the reserve in the end.

Useful life of fixed assets

The management makes judgments on the estimated useful life of fixed assets and their residual value. The estimate should base on the experience in actual useful life of fixed assets and assume the government will update upon expiration of mining rights. The scientific innovation and fierce industrial competition have material impact on the estimate of useful life. Where the actual useful life is different from the estimated useful life, the management should adjust the depreciation amount.

Impairment of non-current assets other than financial assets

The Group assesses whether there are any indicators of impairment of all non-current assets other than financial assets at the balance sheet date. Non-current assets other than financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. Intangible assets with indefinite useful life or not yet available for use and goodwill are tested for impairment annually, irrespective of whether there is any indication that the assets and goodwill may be impaired. If it is not practical to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group to which the asset belongs will be estimated. Impairment exists if the carrying amount of an asset or asset group is higher than recoverable amount, the higher of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset or asset group. For the net amount of fair value less costs of disposal, it is determined by referring to the observable market prices less incremental costs for disposing of the asset. For the estimated future cash flows, the changes in assumptions adopted by the Group, such as budgeted gross profits, discount rates and inflation rates of raw material prices, may have a significant impact on the present value of future cash flows used in the impairment test.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

37. Key assumptions and uncertainties in the accounting estimates (Continued)

Revenue recognition – metal flow transactions

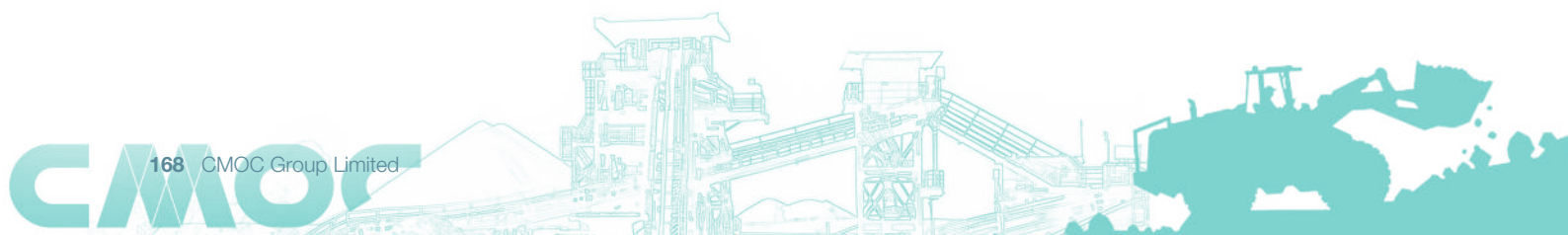
The Group's metal cash flow transaction contract contains variable considerations and significant financing components. The unrecognised financing expenses are amortised in each reporting period, with the balance of contract liabilities and other non-current liabilities (metal flow transaction contract liabilities) adjusted accordingly. In application of Revenue Standards to account for the metal flow transactions, the key assumptions adopted by the Group include the discount rate of significant financing component, mineral reserves, expected time and quantity of delivery, as well as the forecasted market price of the goods, etc. The changes in the above estimates may have impact on the adjustment of variable considerations and the measurement of contract liabilities and other non-current liabilities (metal flow transaction contract liabilities).

Provision for closure, restoration and rehabilitation costs

Provision for closure, restoration and rehabilitation costs has been determined by the directors based on their best estimates. The directors estimated this liability for final reclamation and mine closure based upon detailed calculations of the amount and timing of future cash flows spending for a supplier to perform the required work, escalated for inflation, then discounted at a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability, such that the provision reflects the present value of the expenditures expected to be required to settle the obligation. However, in so far as the effect on the land and the environment from current mining activities becomes apparent in future periods, the estimate of the associated costs may be subject to change in the future. The provision is reviewed regularly to verify that it properly reflects the present value of the obligation arising from the current and past mining activities. The adjustments to the expected rehabilitation costs for the current year are detailed in Note (VII), 14.

Deferred tax assets

The realisation of deferred tax assets mainly depends on actual future profits and taxable temporary differences. In cases where the actual future profits are less than the expected profits or the actual tax rates are lower than the expected tax rates, deferred tax assets recognised will be reversed and recognised in the consolidated profit or loss account for the period during which such reversals take place.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

V. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (CONTINUED)

37. Key assumptions and uncertainties in the accounting estimates (Continued)

Income tax

Since the operating environment for subsidiaries of the Group situated in the Brazil and Congo (DRC) is special, and the final tax decisions on certain transactions made by local tax authorities have uncertainties. The income tax expenses accrued by the relevant subsidiaries during the reporting period are objectively estimated based on existing tax laws and other relevant tax policies. The provision for liabilities uses significant accounting estimates and is based on the management's best estimate of future income tax to be paid.

The subsidiaries of the Group situated in Congo (DRC) are subject to a series of local regulations in Congo (DRC), including but not limited to the Mining Law passed in 2018 ("2018 Mining Law of Congo (DRC)") and the constantly updated fiscal bill; under the relevant legal system, the Company may be exposed to a series of taxes and operating expenses, including royalties and excess profit tax. The tax regulations of Congo (DRC) are complicated and constantly updated. The relevant laws and regulations promulgated and updated at any time and the interpretation of relevant laws and regulations by local tax authorities may have a significant impact on the income tax currently recognised by the Group.

Contingent liabilities

The Group will face a wide range of legal disputes in the course of continuing operations, and the results of the relevant disputes are highly uncertain.

When the economic benefits related to a particular administrative and legal dispute are considered to be extremely likely to flow out and measurable, the management of the Group will make corresponding provisions according to the professional legal advice. The management uses judgment to determine whether a provision shall be made for the relevant administrative and legal dispute or whether the dispute shall be disclosed as a contingent liability. Details are set out in Note (VII) 37 and Note (XV).

Fair value measurement and valuation procedure

The Group's held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and trading inventories at fair value that are related with IXM business are measured at fair value. In determining the fair value of the underlying assets and liabilities, the management of the Group will adopt the appropriate valuation method and the input value of the fair value measurement according to the nature of the underlying assets and liabilities. For the selection of input values, the Group will use observable market data wherever possible. The Group will set up an internal valuation team or employs eligible appraisers from a third party to assess the part of financial instruments in respect of which the Level 1 inputs are not available. The financial department of the Group will cooperate with the valuation team or eligible external appraisers closely to determine suitable valuation technology and inputs of relevant model. For the relevant information relating to the valuation technology and input adopted in determining the fair value of assets and liabilities, refer to Note (XII).

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VI. TAXATION

1. Major categories of taxes and tax rates

Details of major categories of taxes and tax rates

Category of tax	Basis of tax assessment	Tax rate
VAT	The Company is a general taxpayer. The balance of VAT payable is output VAT less deductible input VAT.	13%, 9%, 6%
Urban maintenance and construction tax	Turnover tax actually paid	For urban area, the tax rate is 7%; For county and town, the tax rate is 5%; For others, the tax rate is 1%.
Chinese resource tax	Sales volume of concentrate	6.5%, 8% collected on ad valorem basis (<i>Note 1</i>)
Chinese educational surcharges	Turnover tax actually paid	3%
Chinese local educational surcharges	Turnover tax actually paid	2%
Income from transfer of mining rights in China	Sales volume of relevant mineral products	2.3% for molybdenum concentrate, 2.3% for tungsten concentrate, 1.8% for iron ore concentrate and 1.2% for copper concentrate
Brazil social contribution tax and goods turnover tax	Brazil local social contribution tax (PIS & CONFINS) and the goods turnover tax (ICMS) are applicable to CMOC Brazil, of which the tax basis is the balance of income from the sales of goods and the rendering of services in Brazil less the deductible costs. No social contribution tax and goods turnover tax is levied on export goods.	The social contribution tax is 9.25% of the sales price of goods or services. The goods turnover tax is 4% -25% of the sales price of goods or services. The tax rates vary among different states of Brazil.
Congo (DRC) VAT	CMOC Kisanfu Mining S.A.R.L (“KFM”) and Tenke Fungurume Mining S.A. (“TFM”) are subject to VAT of the Democratic Republic of the Congo (“DRC”)	The output VAT is calculated at 16% of the sales volume calculated in accordance with the relevant tax regulations.
Royalties of mining rights in Congo (DRC)	Sales volume of related products	<i>Note 2</i>
Congo (DRC) exchange tax	The amount of foreign currency paid to or received from countries other than Congo (DRC).	0.2%
Enterprise income tax	Taxable income: income tax payable is calculated based on taxable income adjusted pre-tax accounting profit for the period in accordance with the relevant tax laws multiplying by the statutory tax rate.	<i>Note 3</i>



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VI. TAXATION (CONTINUED)

1. Major categories of taxes and tax rates (Continued)

Details of major categories of taxes and tax rates (Continued)

Note 1: According to the Resource Tax Law of People's Republic of China on, the resource tax is calculated and collected on an ad valorem basis or on a volume basis. The taxes on tungsten and molybdenum resources are calculated and collected on an ad valorem basis at tax rates of 6.5% and 8% respectively.

Note 2: In accordance with the new Mining Act of Congo (DRC), the Group calculates and pays royalties of mining rights at 3.5% and 10% respectively in respect of the sales income from products relating to copper and cobalt business in Congo (DRC).

Note 3: Applicable tax rates:

Except for the tax incentive disclosed below, the applicable enterprise income tax rate for the Company and its domestic subsidiaries is 25%.

According to the two-tier profit tax regime, the qualified HK companies apply profit tax rate of 8.25% to the first HKD2,000,000 taxable profit, and apply 16.5% to the portion of taxable profit exceeding HKD2,000,000. For related companies within a single group, only one enterprise can be nominated for the benefit. China Molybdenum (Hong Kong) Company Limited and CMOC Holding Limited ("CMOC Limited") are both incorporated in Hong Kong. The applicable enterprise income tax rate for China Molybdenum (Hong Kong) Company Limited is 16.5%; the applicable enterprise income tax rates for CMOC Limited are 8.25% and 16.5%.

CMOC UK Limited ("CMOC UK") is incorporated in the United Kingdom, thus is subject to the applicable income tax rate of 25%.

CMOC Brazil Mineração, Indústria e Participações Ltda. ("CMOC Brazil") is incorporated in Brazil, thus is subject to the income tax rate of 34%.

There's no enterprise income tax for the subsidiaries of the Group established in Bermuda and the British Virgin Islands ("BVI").

TFM and KFM are incorporated in Congo (DRC) and are subject to the enterprise income tax rate of 30%. In addition, when the prices of materials or goods significantly increase by 25% on average basis comparing to the prices disclosed in the feasibility study report of the Company, the mining enterprises are required to pay excess profit tax at 50% of the profit.

IXM and its subsidiaries principally operate in Switzerland and China. The applicable income tax rate of its subsidiaries in Switzerland is 14.70%.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VI. TAXATION (CONTINUED)

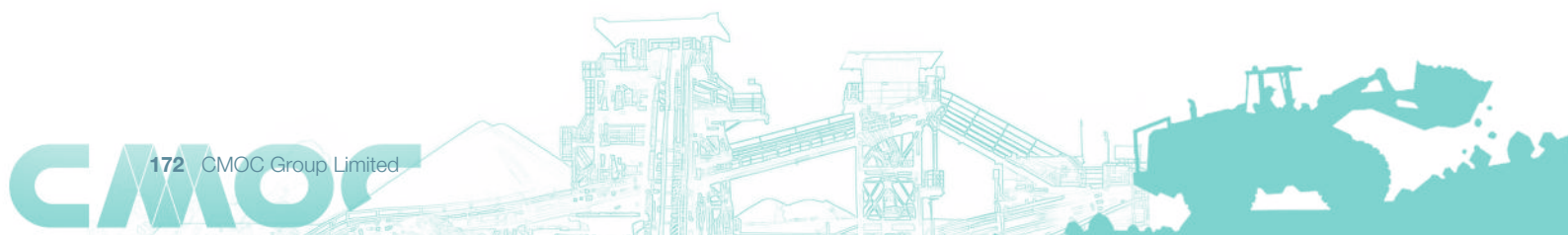
2. Tax incentive

According to the Law of the People's Republic of China on Enterprise Income Tax and the Implementation Provisions, the revenue from products satisfying the state industrial policy produced by comprehensive utilisation of resources may be partially deducted when calculating the taxable income. Such deduction represents that the enterprise's revenue from using the resources included in the Catalogue of Preferential Enterprise Income Tax for Comprehensive Utilisation of Resources as the main raw material to produce the products that are neither restricted nor forbidden by the state and satisfy the national and industrial standards is included in taxable income at 90%. The proportion of the aforesaid raw material to the total materials used to produce the product shall not be lower than the standards specified in the Catalogue of Preferential Enterprise Income Tax for Comprehensive Utilisation of Resources. However, the Company sold powdered Tungsten (scheelite concentrates) is still within the scope of Catalogue of Preferential Enterprise Income Tax for Comprehensive Utilisation of Resources. Therefore, the Company still recognised 90% of sales of powdered Tungsten (scheelite concentrates) to taxable income during the period 2023 H1 and 2024 H1.

In accordance with the Resource Tax Law of the People's Republic of China ("New Resource Tax Law"), the resource tax rate for molybdenum minerals is 8%, and the exemption or reduction of resource tax for associated minerals is decided by the provincial people's congresses; in accordance with the decision of the Nineteenth Meeting of the Standing Committee of the Thirteenth People's Congress of Henan Province on 31 July 2020, associated minerals are exempt from resource tax. Since 1 September 2020, the Company's associated tungsten, associated iron and other associated minerals continue to be exempt from resource tax, and the symbiotic tungsten, symbiotic iron and other symbiotic minerals are levied for resource tax at the applicable preferential tax rate.

On 22 November 2023, the Company received a "high-tech enterprise certificate", No. GR202341002662, which was jointly issued by Henan Science and Technology Department, Henan Finance Department, the State Taxation Administration, Henan Provincial Tax Service. The issuance of the high-tech enterprise certificate is a re-recognition after the expiration of the previous certificate, which is valid for 3 years. The Company will enjoy a preferential enterprise income tax from 1 January 2023 to 31 December 2025 and the applicable enterprise income rate during above period is 15%.

In accordance with the Measures for the Implementation of the Enterprise Income Tax Policies of the Tibet Autonomous Region (Provisional) (Zang Zheng Fa (2022) No. 11), the subsidiary of the Group, Tibet Shmok Investment Co., Ltd. ("Tibet Shmok"), meets the condition for enjoying a preferential tax and the condition for exemption from local share of enterprise income tax during the period from 1 January 2022 to 31 December 2025 stipulated in Article 5 of the above documents. Therefore, the applicable enterprise income rate of Tibet Schmoke is 15% during the period.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

Unit: RMB

Item	Closing balance	Opening balance
Cash on hand	5,416,232.38	3,109,309.28
Bank deposits	30,912,282,011.64	26,115,654,667.24
Other cash and bank balances	3,995,220,846.11	4,597,313,232.44
Total	34,912,919,090.13	30,716,077,208.96
Including: Total amount deposited abroad	20,209,201,499.08	17,233,756,701.75

Other descriptions:

At the end of the current period, other cash and bank balances which are restricted for use mainly include deposits for mines, deposits for loan interest, certificates of deposit pledged for obtaining short-term borrowings, deposit for bills and other deposits, amounting to RMB52,919,685.90, RMB2,121,309,452.12, RMB1,357,163,680.00, RMB403,029,567.02 and RMB60,798,461.07 (at the end of the prior year: RMB52,701,895.53, RMB787,061,566.40, RMB200,000,000.00, RMB3,452,242,259.14 and RMB105,307,511.37).

2. Held-for-trading financial assets

Unit: RMB

Item	Closing balance	Opening balance
Financial assets at FVTPL		
Including:		
Accounts receivable (Note 1)	10,804,633,346.97	7,751,071,843.39
Structured deposits (Note 2)	3,563,501,488.37	502,249,297.87
Wealth management products	–	10,149,030.84
Fund products of financial institutions	21,168,198.07	21,168,198.07
Total	14,389,303,033.41	8,284,638,370.17

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2. Held-for-trading financial assets (Continued)

Other descriptions:

Note 1: The major products of the Group are copper, lead and zinc concentrates and cobaltous hydroxide etc., selling price of which is provisionally determined according to the market price upon delivery. Generally, the price is finally determined according to the monthly average spot price quoted by the London Metals Exchange (LME) or other agreed pricing methods within a specified period or a period subsequent to the delivery. The Group classifies the accounts receivable generated from relevant business as financial assets at FVTPL.

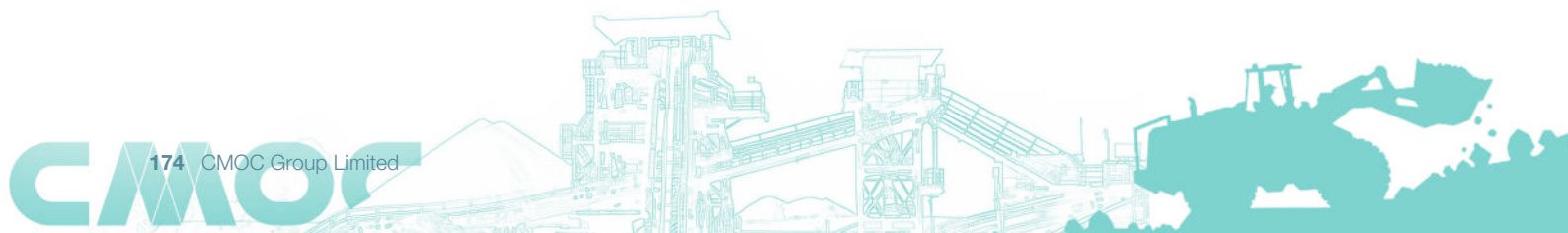
As at 30 June 2024, receivables with a carrying amount of USD361,108,530.90, equivalent to RMB2,573,548,278.00 (at the end of 2023: USD901,438,528.91, equivalent to RMB6,384,618,668.71), were pledged to obtain short-term borrowings.

Note 2: It refers to the RMB structured deposits purchased by the Group from domestic financial institutions in the current year, of which the yield is linked to exchange rate. The Group classifies such deposits as financial assets at FVTPL.

3. Derivative financial assets

Unit: RMB

Item	Closing balance	Opening balance
Derivative financial instruments of which hedging relationship is not designated (<i>Note 1</i>)		
Forward commodity contracts	804,512,574.49	693,496,770.83
Forward foreign exchange contracts	124,689,244.10	60,971,669.73
Commodity futures contracts	433,576,741.75	1,429,986,975.53
Commodity option contracts	–	10,928,754.84
Derivative financial instruments of which hedging relationship is designated		
Commodity futures contracts (<i>Note 2</i>)	–	18,167,539.84
Total	1,362,778,560.34	2,213,551,710.77



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

3. Derivative financial assets (Continued)

Other descriptions:

Note 1: The Group uses commodity (copper, lead, zinc concentrates, refined metals etc.) futures contracts, forward commodity contracts and commodity option contracts to manage the risk of commodity purchases and future sales so as to avoid bearing the risk of significant changes in the price of relevant products arising from the fluctuation of the market price. Besides, the Group uses forward foreign exchange contracts for risk management to avoid the Group's exchange rate and interest rate risk.

The above forward commodity contracts, forward foreign exchange contracts, commodity futures contracts and commodity option contracts are not designated as hedging instruments. The gains or losses arising from changes in fair value of these contracts shall be directly recorded into profit or loss. See Note (VII), 56.

Note 2: It refers to the commodity futures contracts purchased by the Group, which are used to hedge fair value risks caused by price fluctuations in some copper products of the Group or cash flow risks caused by expected sales. The Group accounts for the above hedging instruments and corresponding hedged items in accordance with hedge accounting. See Note (XI), 2 for details.

4. Accounts receivable

(1). *Disclosure by aging*

Unit: RMB

Aging	Closing balance	Opening balance
Within 1 year	910,871,418.33	1,176,353,599.92
1 to 2 years	122,861,751.55	602,954.78
2 to 3 years	306,322.20	268,431.20
Over 3 years	23,907,021.42	20,016,173.85
Total	1,057,946,513.50	1,197,241,159.75

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(2). Disclosure by category under bad debt provision methods

The Group classifies the customers into different groups on the basis of aging at the balance sheet date and historical repayments and determines expected loss rate of accounts receivable for each group. At the balance sheet date, the Group recognises the expected credit loss allowance for accounts receivable based on impairment matrix.

Internal credit rating	30 June 2024				31 December 2023			
	Expected average loss rate	Gross carrying amount	Loss allowance	Carrying amount	Expected average loss rate	Gross carrying amount	Loss allowance	Carrying amount
Low risk	0.13%	338,430,311.34	430,096.04	338,000,215.30	0.08%	287,944,020.37	238,399.95	287,705,620.42
Normal	2.42%	615,779,891.70	14,924,687.59	600,855,204.11	2.83%	846,020,079.27	23,965,445.14	822,054,634.13
Attention	10.88%	58,776,938.18	6,395,697.12	52,381,241.06	9.86%	1,329,703.51	131,088.10	1,198,615.41
Doubtful (impaired)	43.13%	15,956,536.58	6,882,746.42	9,073,790.16	44.79%	38,114,673.43	17,069,728.94	21,044,944.49
Loss (impaired)	100.00%	29,002,835.70	29,002,835.70	-	100.00%	23,832,683.17	23,832,683.17	-
Total		1,057,946,513.50	57,636,062.87	1,000,310,450.63		1,197,241,159.75	65,237,345.30	1,132,003,814.45

The expected average loss rate is measured based on historical actual impairment rate with the current situation and prediction on future economy taken into consideration. There are no changes in assessment approach and significant assumption for the period from January to June 2024 and in 2023.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

4. Accounts receivable (Continued)

(3). *Changes in expected credit loss allowance for accounts receivable*

Unit: RMB

	Lifetime ECL
Opening balance	65,237,345.30
Provision of ECL for the period	1,210,265.14
Reversal of ECL for the period	-9,767,059.12
Transfer-in due to business combinations	4,723,592.61
Changes in exchange rate	-3,768,081.06
Closing balance	57,636,062.87

(4). *Top five accounts receivable at the end of the period by debtors*

Unit: RMB

Name of entity	Closing balance of accounts receivable	Proportion to total accounts receivable at the end of the period (%)	Closing balance of bad debt provision
HK Brunp Resource Recycling Technology Co. Limited ("HKBRRT")	473,918,856.28	44.80	-
Company BA	60,121,440.52	5.68	83,689.05
Company BB	56,159,814.06	5.31	78,174.46
Company BC	29,332,613.34	2.77	40,831.00
Company BD	26,849,227.32	2.54	2,684.92
Total	646,381,951.52	61.10	205,379.43

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

5. Financing with receivables

(1). *Disclosure of financing with receivables by category*

Unit : RMB

Item	Closing balance	Opening balance
Notes receivable	38,778,798.83	260,311,068.16
Including: Bank acceptances	38,778,798.83	260,311,068.16
Total	38,778,798.83	260,311,068.16

Part of notes receivable are endorsed or discounted by the Group according to its daily funds demand. Therefore, relevant notes receivable are classified as financial assets at FVTOCI.

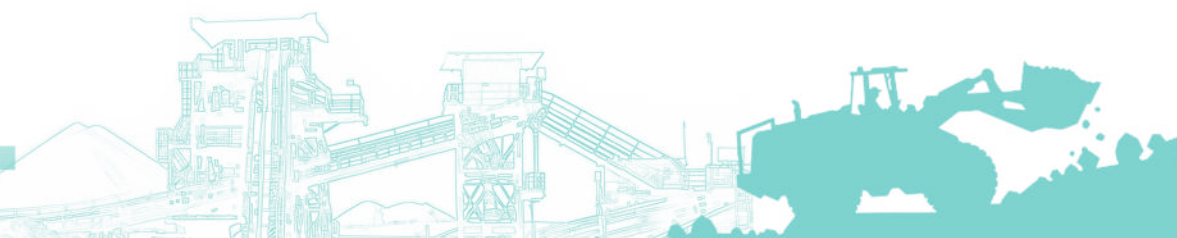
At 30 June 2024, the Group measures bad debt provision at lifetime ECL. The Group believes that there is minor possibility of significant loss arising from the default of banks, therefore it has no significant credit risk on bank acceptances.

(2). *At the end of the current period, the financing with receivables that have been endorsed or discounted by the Company but are not yet due at the balance sheet are as follows:*

Unit : RMB

Item	Amount derecognised as at 30 June 2024	Amount derecognised as at 31 December 2023
Bank acceptances	2,002,711,421.22	2,311,782,673.46
Total	2,002,711,421.22	2,311,782,673.46

At 30 June 2024, the Group's financing with receivables of RMB10,830,173.26 (at the end of 2023: RMB234,755,241.41) were pledged for issue of notes payable.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Prepayments

(1). Disclosure of prepayments by aging

Unit : RMB

Aging	Closing balance		Opening balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	1,819,307,533.45	97.27	1,154,734,879.55	97.71
1 to 2 years	48,449,250.34	2.59	24,879,900.40	2.11
2 to 3 years	724,141.43	0.04	-	-
Over 3 years	1,941,573.35	0.10	2,155,667.71	0.18
Total	1,870,422,498.57	100.00	1,181,770,447.66	100.00

(2). Top five of prepayments at the end of the period by receivers

Unit : RMB

Name of entity	Closing balance	Proportion to total prepayments at the end of the period (%)
Company BE	323,121,035.98	17.28
Company BF	168,593,738.65	9.01
Company BG	134,684,715.24	7.20
Company BH	71,226,839.74	3.81
Company BI	69,101,018.35	3.69
Total	766,727,347.96	40.99

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables

Presentation of items

Unit: RMB

Item	Closing balance	Opening balance
Interest receivable	285,011,820.75	263,164,810.93
Dividends receivable	13,108,902.07	13,108,902.07
Other receivables	4,711,064,295.92	3,975,864,680.05
Total	5,009,185,018.74	4,252,138,393.05

Interest receivable

(1). Category of interest receivable

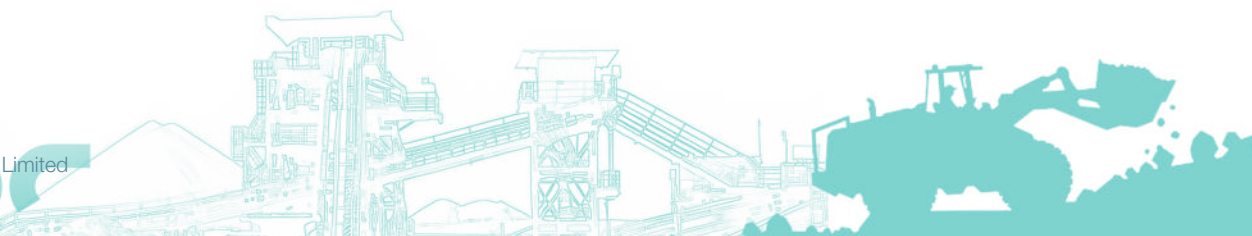
Unit: RMB

Item	Closing balance	Opening balance
Interest receivable on bank deposits	146,340,769.63	94,098,798.35
Interest receivable from related parties (Note (XIII), 6)	134,378,169.76	121,439,999.13
Interest receivable from third parties	4,292,881.36	47,626,013.45
Total	285,011,820.75	263,164,810.93

Dividends receivable

Unit: RMB

Item (or investee)	Closing balance	Opening balance
Zhejiang Youqing Trade Co., Ltd ("You Qing Trade")	9,958,646.03	9,958,646.03
Tongxiang Huaang Trade Co., Ltd. ("Tongxiang Huaang")	3,150,256.04	3,150,256.04
Total	13,108,902.07	13,108,902.07



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

Other receivables

- (1). Disclosure of other receivables by nature

Unit: RMB

Nature of other receivables	Closing balance	Opening balance
Deductible Brazil social contribution tax (Note 1)	282,797,050.25	226,407,457.32
Congo (DRC) VAT refunds receivable and other taxes (Note 2)	4,021,086,428.78	3,291,825,248.44
Deposits	61,785,659.63	25,484,157.08
Gains in close position (Note 3)	12,104,267.59	26,231,718.55
Others	367,185,234.27	434,327,814.88
Total	4,744,958,640.52	4,004,276,396.27

Note 1: Details are set out in note 3 of Note (VII), 21.

Note 2: It mainly refers to the VAT refundable amount generated from the export business of subsidiaries situated in Congo (DRC). The entity has applied for tax refunds from the government.

Note 3: It refers to the gains that will be received at the settlement after the period from the Group's forward commodity contracts that have been closed out.

- (2). Credit risk of other receivables

The Group has following other receivables, of which the loss allowance has been recognised based on ECL:

Unit: RMB

	30 June 2024			31 December 2023		
	Gross carrying amount	Loss allowance	Carrying amount	Gross carrying amount	Loss allowance	Carrying amount
Other receivables for which the loss allowance has been recognised based on ECL	4,744,958,640.52	33,894,344.60	4,711,064,295.92	4,004,276,396.27	28,411,716.22	3,975,864,680.05

At 30 June 2024, the management of the Group believes that there's no significant ECL on other receivables as their credit risk has not been increased significantly since the initial recognition, except for the receivables of RMB33,894,344.60 (31 December 2023: RMB28,411,716.22) that have become credit-impaired and for which impairment has been provided in full amount.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

7. Other receivables (Continued)

Other receivables (Continued)

(3). Details of bad debt provision

Unit: RMB

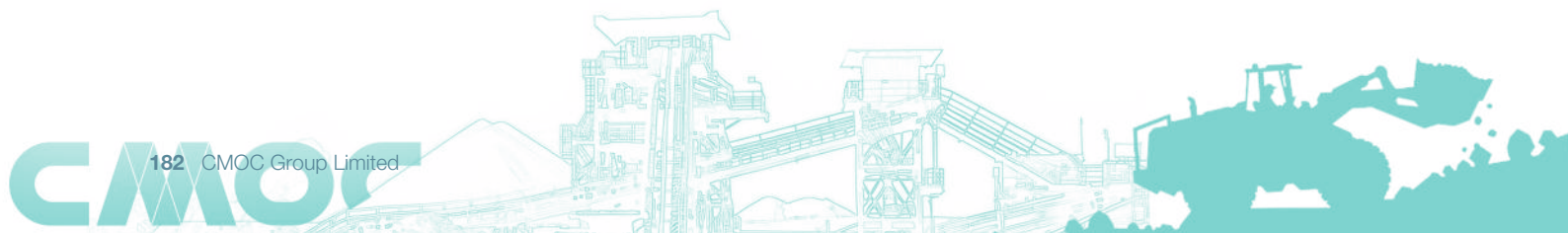
Category	Opening balance	Changes for the period		Closing balance
		Increase due to business combinations	Recovery or reversal	
Impairment provision	28,411,716.22	5,620,715.48	138,087.10	33,894,344.60
Total	28,411,716.22	5,620,715.48	138,087.10	33,894,344.60

Note: The expected credit loss allowance for other receivables has been made for those that have become credit impaired.

(4). Top five other receivables at the end of period by debtors

Unit: RMB

Name of entity	Closing balance	Proportion to total other receivables at the end of the period (%)	Nature of other receivables	Aging	Closing balance of bad debt provision
Congo (DRC) government	3,850,508,449.39	81.15	Tax refunds receivable	Within 4 year	-
Federal government of Brazil	282,797,050.25	5.96	Deductible tax	Within 2 year	-
Company BJ	154,218,540.62	3.25	Account current	Within 2 year	-
Company BK	43,858,119.67	0.92	Account current	Within 2 year	-
Company BL	43,070,224.41	0.91	Account current	Within 1 year	-
Total	4,374,452,384.34	92.19	/	/	-



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories

Item	30 June 2024 Carrying amount	31 December 2023 Carrying amount
Inventories:		
– Measured at cost	28,292,675,473.23	25,947,043,464.89
– Measured at fair value	10,771,220,155.67	12,620,111,905.70
Total	39,063,895,628.90	38,567,155,370.59

Note: As at 30 June 2024, the carrying amount of inventories measured at fair value, which were pledged by the Group to obtain short-term borrowings, was USD2,254,191,469.10, equivalent to RMB16,065,171,762.00 (31 December 2023: USD1,820,375,085.09, equivalent to RMB12,893,170,615.17).

Inventories measured at cost

(1). Category of inventories

Measured at cost	Closing balance			Opening balance		
	Gross carrying amount	Provision for decline in value of inventories	Carrying amount	Gross carrying amount	Provision for decline in value of inventories	Carrying amount
Current:						
Raw materials	6,703,006,636.95	44,158,322.56	6,658,848,314.39	5,854,562,293.87	43,695,082.42	5,810,867,211.45
Work in progress	5,673,000,679.70	60,577,800.00	5,612,422,879.70	5,076,700,334.99	60,202,950.00	5,016,497,384.99
Finished goods	4,733,207,537.06	-	4,733,207,537.06	4,396,462,793.89	1,783,359.59	4,394,679,434.30
Trading inventories	4,224,422,589.76	-	4,224,422,589.76	3,704,863,492.78	-	3,704,863,492.78
Total	21,333,637,443.47	104,736,122.56	21,228,901,320.91	19,032,588,915.53	105,681,392.01	18,926,907,523.52

Non-current:	Closing balance			Opening balance		
	Gross carrying amount	Provision for decline in value of inventories	Carrying amount	Gross carrying amount	Provision for decline in value of inventories	Carrying amount
Raw materials (Note)	7,063,774,152.32	-	7,063,774,152.32	7,020,135,941.37	-	7,020,135,941.37
Total	7,063,774,152.32	-	7,063,774,152.32	7,020,135,941.37	-	7,020,135,941.37

Note: Non-current raw materials are minerals reserved by the Group for future production or sales, mainly including the low-grade ores produced from Tenke Copper-Cobalt mine in Congo (DRC). As the ore recovery process is further demanded in the future, the management estimates that these ores will not be ready for sale within one year, so they are presented as non-current assets.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

Inventories measured at cost (Continued)

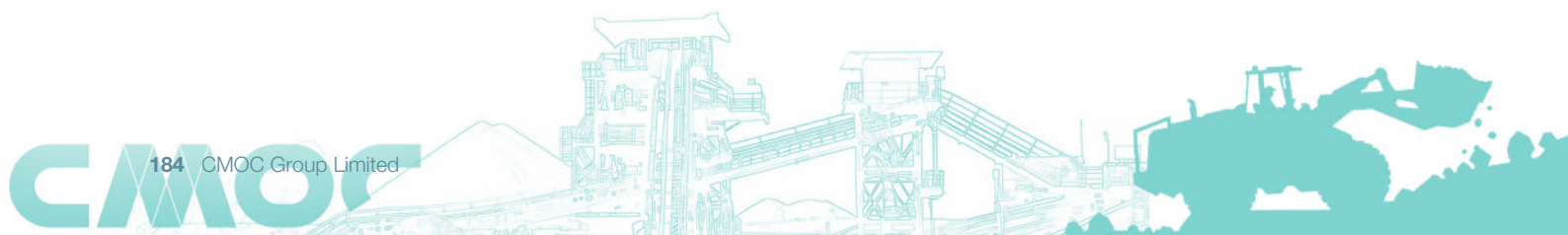
(2). Provision for decline in value of inventories

Current

Unit: RMB

Item	Opening balance	Increase		Reversal or write-off	Decrease		Closing balance
		Provision	Others (Note)		Others		
Raw materials	43,695,082.42	-	463,240.14	-	-	-	44,158,322.56
Work in progress	60,202,950.00	-	374,850.00	-	-	-	60,577,800.00
Finished goods	1,783,359.59	-	-	1,783,359.59	-	-	-
Total	105,681,392.01	-	838,090.14	1,783,359.59	-	-	104,736,122.56

Note: The increase of others in this period is translation difference of financial statements denominated in foreign currencies.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

8. Inventories (Continued)

Inventories measured at fair value

(1) Category of inventories

Unit: RMB

Item	30 June 2024	31 December 2023
Current: Trading inventories outside the PRC	10,639,532,056.64	12,503,588,496.71
Non-current: Consumable biological assets	131,688,099.03	116,523,408.99
Total	10,771,220,155.67	12,620,111,905.70

(2) Changes in consumable biological assets are set out below

Unit: RMB

Item	Quantity	31 December 2023	Increase			Translation differences of financial statements denominated in foreign currencies	30 June 2024
			Transfer from construction in progress	Changes in fair value	Decrease Utilization		
Eucalyptus forest in Brazil	1,951 hectares	116,523,408.99	3,298,537.42	12,524,555.11	1,428,602.53	770,200.04	131,688,099.03

9. Non-current assets due within one year

Unit: RMB

Item	Closing balance	Opening balance
Loans receivable from SNEL (Note (VII), 21)	85,543,885.08	85,014,547.11
Loans to suppliers (Note (VII), 21)	16,143,562.93	7,082,700.00
Certificate of deposit due within one year (Note (VII), 21)	284,999,444.55	1,000,492,291.92
Total	386,686,892.56	1,092,589,539.03

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

10. Other current assets

Unit: RMB

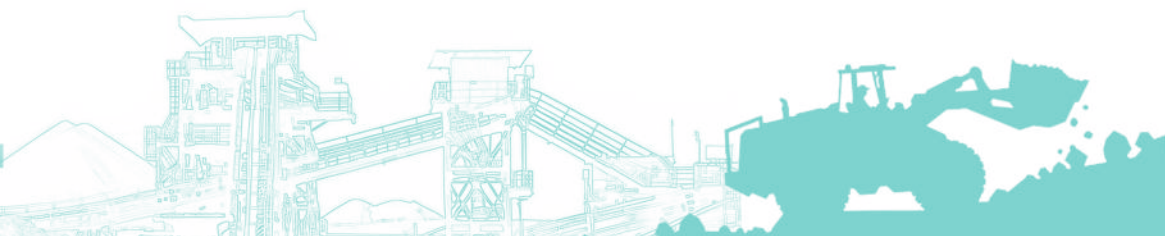
Item	Closing balance	Opening balance
Derivative financial instruments deposits (Note 1)	3,370,296,652.19	1,964,801,843.90
Prepayment of VAT/input VAT to be deducted	974,517,374.69	796,453,224.29
Prepayment of enterprise income tax	401,617,298.20	290,049,878.37
Prepaid insurance expenses (Note 2)	27,933,709.29	4,839,619.44
Others	64,971,220.84	27,862,210.18
Total	4,839,336,255.21	3,084,006,776.18

Other descriptions:

The Group accounts for the expected credit loss allowance for relevant financial assets in other current assets using ECL model. At 30 June 2024, the Group's management believes that the credit risk on relevant financial assets is low.

Note 1: This represents the deposits paid by the Group to acquire derivative financial instruments.

Note 2: This represents the insurance expenses paid by the Group for the overseas business, which are amortised over the corresponding period of benefits.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments

(1). Details of long-term equity investments

Unit: RMB

Investee	Opening balance	Changes for the period					Closing balance	Closing balance of impairment provision				
		Additional investments	Decreased investments	Investment income (loss) recognised under equity method	Adjustment to other comprehensive income	Other changes in equity			Cash dividends or profits declared for distribution	Provision for impairment losses	Others	Translation differences of financial statements denominated in foreign currencies
I. Joint ventures												
Luoyang Huayu Molybdenum Co., Ltd. ("Huan Yu") (Note 1)	479,159,658.15	-	-	106,902,244.12	-	-	-	-	-	-	566,061,902.27	-
USHAKA CARGO TERMINAL PROPRIETARY LIMITED ("USHAKA") (Note 14)	1,929,619.29	-	-	-3,509,253.02	-	-	-	-	-119,500.73	-	-1,700,134.46	-
Sub-total	481,089,277.44	-	-	103,392,991.10	-	-	-	-	-119,500.73	-	584,361,767.81	-
II. Associates												
Luoyang Yulu Mining Co., Ltd. ("Yulu Mining") (Note 2)	77,813,496.06	-	-	43,309,713.84	-	-	-	-	-	-	76,123,209.90	-
Cay Nanomoly Development, Inc. ("Nanomoly Development") (Note 3)	-	-	-	-	-	-	-	-	-	-	-	-
Luoyang Shenyu Molybdenum Co., Ltd. ("Luoyang Shenyu") (Note 4)	5,264,497.21	-	-	1,240,924.32	-	-	-	-	-	-	6,505,421.53	-
Younging Trade (Note 5)	5,842,179.47	-	-	-2,170,975.42	-	-	-	-	-	-	3,671,204.05	-
Walvis Bay Cargo Terminal Pty. Ltd. ("Walvis Bay") (Note 6)	23,928,615.95	-	-	6,583,546.48	-	-	-	-	-	-	22,600,747.70	-
PT Huayue Nickel Cobalt ("Huayue Nickel Cobalt") (Note 7)	1,623,145,735.20	-	-	200,666,363.77	-	-	-	6,268,343.16	-	10,748,651.81	1,840,829,093.94	-
Beijing Youhong Yongsheng Science & Technology Co., Ltd. ("Beijing Youhong") (Note 8)	-	-	-	-	-	-	-	-	-	-	-	-
Tongxiang Huarang (Note 9)	3,439,948.60	-	-	2,145,147.39	-	-	-	-	-	-	5,585,095.99	-
ENERLOGSA (Note 10)	240,811.82	-	-	-	-	-	-	-	1,499.40	-	242,311.22	-
Hong Kong CBC Investment Limited ("CBC") (Note 11)	-	-	-	-	-	-	-	-	-	-	-	-
Ningbo Bengta Trading Co., Ltd. (Note 12)	4,045,660.00	-	-	-1,131,756.73	-	-	-	-	-	-	2,913,903.27	-
Guochuang Intelligent Mining Equipment Research Institute (Luoyang Co., Ltd. (Note 13)	3,927,560.33	-	-	82,336.60	-	-	-	-	-	-	4,009,896.93	-
Sub-total	1,747,646,504.64	-	-	250,725,300.25	-	-	-	6,268,343.16	10,311,678.32	-	1,962,460,884.53	-
Total	2,228,736,782.08	-	-	354,118,291.35	-	-	-	6,268,343.16	10,192,177.59	-	2,546,842,652.34	-

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments (Continued)

(1). Details of long-term equity investments (Continued)

Other descriptions:

Note 1: Huan Yu, a joint venture of the Group (holding 50% equity in the joint venture), holds 90% of equity in Luoyang Fuchuan Mining Co., Ltd. ("Fu Chuan Mining"). Meanwhile, the Group holds 10% of equity in Fu Chuan Mining directly. According to the agreement with local government, the local government has the right to 8% dividends of Fu Chuan Mining, therefore the Group is entitled to 47% profit or loss of Fu Chuan Mining under equity method.

Note 2: According to the resolution of Yulu Mining's 2007 annual general meeting of shareholders, both investors would share the net profit at the ratio of 1:1 since year 2008. Therefore, the Group holds 40% equity in Yulu Mining but recognises investment income at 50% out of its net profit.

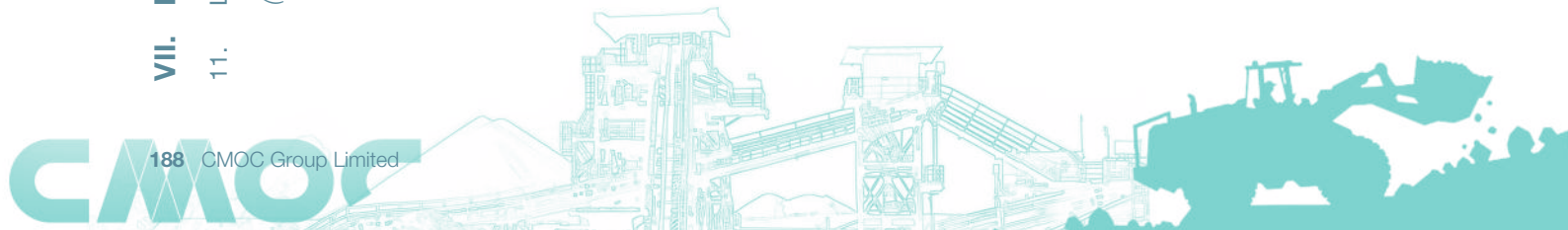
Note 3: The Group holds 40% equity in Nanomoly Development and accounts for the investment therein using equity method. In accordance with Articles of Association of Nanomoly Development, the Group does not assume any additional liabilities for excess loss. As at the end of the period, the Group has written down its investment in Nanomoly Development to zero.

Note 4: On 7 April 2016, the Company entered into a collaboration agreement with a third party to establish Luoyang Shenyu, with capital contribution of RMB1.5 million by way of intangible assets from the Company and RMB8.5 million in cash from the counterparty respectively. Meanwhile, the Company assigned a director and a supervisor to Luoyang Shenyu. Therefore, the Company has significant influence over Luoyang Shenyu and accounts for it as an associate.

Note 5: On 11 October 2019, the Company signed an equity transfer agreement with a third party. According to the agreement, the Company purchases 30% equity of You Qing Trade held by the third party at cash consideration of RMB1.5 million. In 2022, in accordance with the Articles of Association, the Company supplemented its capital by RMB1.5 million, and the shareholding ratio remained unchanged. At the same time, the Company assigned two directors and one supervisor. Therefore, it is accounted for as an associate due to the Company's significant influence.

Note 6: Walvis Bay is an associate of IXM Holding SA, which is a wholly-owned subsidiary of the Company.

Note 7: In November 2019, the Group's wholly-owned subsidiary CMOC Limited signed an equity transfer agreement with Newstride Limited. According to the agreement, CMOC Limited acquires 100% equity of W-Source Holding Limited ("W-Source Holding") at the consideration of USD1,125.87 so as to indirectly acquire 21% share of PT.Huayue Nickel Cobalt held by W-Source Holding. On 25 July 2020, CMOC Limited increased its equity in Huayue Nickel Cobalt to 30% through subscription of the additional registered capital of Huayue Nickel Cobalt via W-Source Holding. W-Source Holding assigned a director and a supervisor to Huayue Nickel Cobalt. Therefore, the Group has significant influence over Huayue Nickel Cobalt and accounts for it as an associate.



VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

11. Long-term equity investments (Continued)

(1). Details of long-term equity investments (Continued)

Other descriptions: (Continued)

Note 8: Beijing Youhong was incorporated on 27 August 2020 and the Company, as a shareholder with 30% equity therein, contributed RMB900,000 in cash and assigned one director and one supervisor. Therefore, Beijing Youhong is accounted for as an associate due to the Company's significant influence.

Note 9: Tongxiang Huang was incorporated on 31 August 2019 and the Company, as a shareholder with 30% equity therein, contributed RMB600,000 in cash. In 2022, in accordance with the Articles of Association, the Company supplemented its capital by RMB900,000, and the shareholding ratio remained unchanged. The Company assigned one director and one supervisor. Therefore, Tongxiang Huang is accounted for as an associate due to the Company's significant influence.

Note 10: On 14 July 2021, the Company, as a shareholder with 34% equity therein, contributed USD34,000 in cash. Therefore, ENERLOG SA is accounted for as an associate due to the Company's significant influence.

Note 11: In March 2022, the Company, as a shareholder with 34% equity therein, contributed USD3,400 and assigned one director. Therefore, CBC is accounted for as an associate due to the Company's significant influence. CBC transferred shareholder's borrowings of USD1,020,000 to capital for 2023, and the shareholding ratio of the Company remained unchanged. The Group has no additional obligation for excess losses. As at the ended of the period, the Group's investment in CBC has been written down to nil.

Note 12: On 10 April 2023, the Group contributed USD6.8 million in cash to Ningbo Bangya Trading Co., Ltd., entitling an equity of 34%. Therefore, Ningbo Bangya Trading Co., Ltd. is accounted for as an associate due to the Group's significant influence.

Note 13: Guochuang Intelligent Mining Equipment Research Institute (Luoyang) Co., Ltd. was incorporated in February 2023, and the Group, as a shareholder with 20% equity therein, contributed RMB4 million in cash and assigned one director. Therefore, Guochuang Intelligent Mining Equipment Research Institute (Luoyang) Co., Ltd. is accounted for as an associate due to the Group's significant influence.

Note 14: USHAKA was incorporated in April 2023 and the Group, as a shareholder with 50% equity therein, contributed ZAR5 million in cash in October 2023. USHAKA is accounted for as a joint venture.

No significant limits exist regarding cash transfer to the investees.

The entities invested by the Group are all unlisted entities.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

12. Investments in other equity instruments

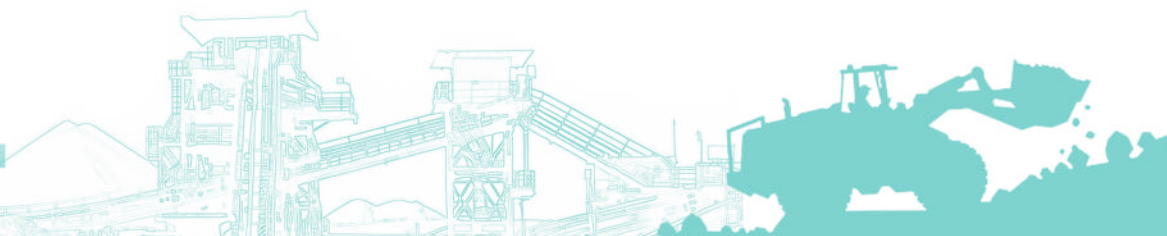
Unit: RMB

Item	Closing balance	Opening balance	Accumulated gain (loss) recognized in other comprehensive income
Z company equity	1,933,614.16	1,933,614.16	-98,066,385.84
AA company equity	5,795,576.24	5,795,576.24	–
AB company equity	–	–	-425,592.24
Total	7,729,190.40	7,729,190.40	-98,491,978.08

13. Other non-current financial assets

Unit: RMB

Item	Closing balance	Opening balance
Entrusted wealth management products of banking financial institutions (Note 1)	41,621,770.42	68,034,904.38
AC Partnership shares (Note 2)	440,851,252.19	538,110,778.70
AD Partnership shares	138,728,723.36	138,728,723.36
AE Partnership shares	67,676,827.72	67,258,049.58
AF Fund shares	250,461,411.83	250,312,154.42
Target asset management plans (Note 3)	1,126,704,174.95	1,117,850,742.75
AI company equity	185,725.83	184,576.58
AJ company equity	121,925,832.62	121,171,366.49
AK Fund shares	564,549,379.54	575,169,599.23
AL Partnership	303,439,384.04	252,188,533.24
AM company equity	861,847.77	1,557,466.61
AX Fund investments (Note 4)	75,474,495.91	68,812,606.67
Others	5,352.98	5,352.98
Total	3,132,486,179.16	3,199,384,854.99



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

13. Other non-current financial assets (Continued)

Other descriptions:

Note 1: This represents the non-principle preservation wealth management product with floating yield purchased by the Group from domestic banking financial institutions, with an expected yield of 5.00% over a period of 5 years.

Note 2: This represents the Group's partnership shares.

Note 3: This represents the Group's target asset management plans, which mainly include shares and fund investments.

Note 4: This represents the investment in Ecient Pure Trend Fund by IXM, a wholly-owned subsidiary of the Company. The Fund mainly invests in commodities and related derivative instruments.

14. Fixed assets

Presentation of items

Unit: RMB

Item	Closing balance	Opening balance
Fixed assets	41,621,381,034.62	35,603,658,029.61
Total	41,621,381,034.62	35,603,658,029.61

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Fixed assets (Continued)

Fixed assets

(1). Details of fixed assets

Unit: RMB

Item	Land, buildings and mining structures	Machinery and equipment	Transportation devices	Electronic equipment, fixture and furniture	Total
I. Original carrying amount:					
1. Opening balance	24,258,470,246.18	28,610,363,440.15	147,889,401.34	283,107,247.75	53,299,830,335.42
2. Increase in the current period	3,277,844,349.32	4,664,841,044.41	3,680,362.95	5,385,245.26	7,951,751,001.94
(1) Purchase	708,457,377.87	8,815,602.44	256,371.68	2,387,249.09	719,916,601.08
(2) Transfer from CIP	2,560,442,829.45	4,449,265,804.35	2,734,550.52	1,452,935.16	7,013,896,119.48
(3) Increase due to business combinations	50,143,992.78	17,221,958.68	251,101.09	937,115.57	68,554,168.12
(4) Revaluation of rehabilitation and asset disposal cost	-172,627,650.83	-	-	-	-172,627,650.83
(5) Translation differences of financial statements denominated in foreign currencies	131,427,800.05	189,537,678.94	438,339.66	607,945.44	322,011,764.09
3. Decrease in the current period	5,975,021.22	147,668,544.16	1,038,183.54	25,820,774.76	180,502,523.68
(1) Disposal or scrap	5,975,021.22	147,668,544.16	1,038,183.54	25,820,774.76	180,502,523.68
4. Closing balance	27,530,339,574.28	33,127,535,940.40	150,531,580.75	262,671,718.25	61,071,078,813.68
II. Accumulated depreciation					
1. Opening balance	7,193,488,857.73	10,174,952,136.23	58,449,963.65	191,656,781.83	17,618,547,739.44
2. Increase in the current period	841,392,585.21	1,055,273,489.50	7,721,301.75	16,412,942.14	1,920,800,318.60
(1) Provision	811,794,763.46	996,437,439.72	7,631,339.45	16,262,920.82	1,832,126,463.45
(2) Translation differences of financial statements denominated in foreign currencies	29,597,821.75	58,836,049.78	89,962.30	150,021.32	88,673,855.15
3. Decrease in the current period	4,004,934.06	134,174,373.32	977,219.32	15,483,166.74	154,639,693.44
(1) Disposal or scrap	4,004,934.06	134,174,373.32	977,219.32	15,483,166.74	154,639,693.44
4. Closing balance	8,030,876,508.88	11,096,051,252.41	65,194,046.08	192,586,557.23	19,384,708,364.60
III. Impairment provision					
1. Opening balance	28,624,485.76	47,310,312.34	108,398.92	1,581,369.35	77,624,566.37
2. Increase in the current period	-	117,240.13	-	99.46	117,339.59
(1) Provision	-	-	-	-	-
(2) Translation differences of financial statements denominated in foreign currencies	-	117,240.13	-	99.46	117,339.59
3. Decrease in the current period	-	12,299,847.14	36,420.88	416,223.48	12,752,491.50
(1) Disposal or scrap	-	12,299,847.14	36,420.88	416,223.48	12,752,491.50
4. Closing balance	28,624,485.76	35,127,705.33	71,978.04	1,165,245.33	64,989,414.46
IV. Carrying amount					
1. Closing carrying amount	19,470,838,579.64	21,996,356,982.66	85,265,556.63	68,919,915.69	41,621,381,034.62
2. Opening carrying amount	17,036,356,902.69	18,388,100,991.58	89,331,038.77	89,869,096.57	35,603,658,029.61

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

14. Fixed assets (Continued)

Fixed assets (Continued)

- (2). Details of the fixed assets without certificate of titles

Unit: RMB

Item	Carrying amount	Reason why the certificates of titles are not obtained
High-pressure roller mill workshop	19,866,217.05	Completed and settled, asset right transaction is in progress
High-pressure roller mill slope retaining	6,286,482.53	Completed and settled, asset right transaction is in progress
Tungsten and molybdenum extraction and separation workshop	4,984,061.73	Completed and settled, asset right transaction is in progress
Main decomposition workshop	4,891,681.17	Completed and settled, asset right transaction is in progress
Main extraction workshop	4,803,752.59	Completed and settled, asset right transaction is in progress
Office staff dining hall	4,525,219.72	Completed and settled, asset right transaction is in progress
Main crystallisation workshop	4,030,242.54	Completed and settled, asset right transaction is in progress
Sandaogou tailings pond pressure pump house	2,895,738.43	Completed and settled, asset right transaction is in progress
Others	13,185,392.85	Completed and settled, asset right transaction is in progress
Total	65,468,788.61	

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Construction in progress

Presentation of items

Unit: RMB

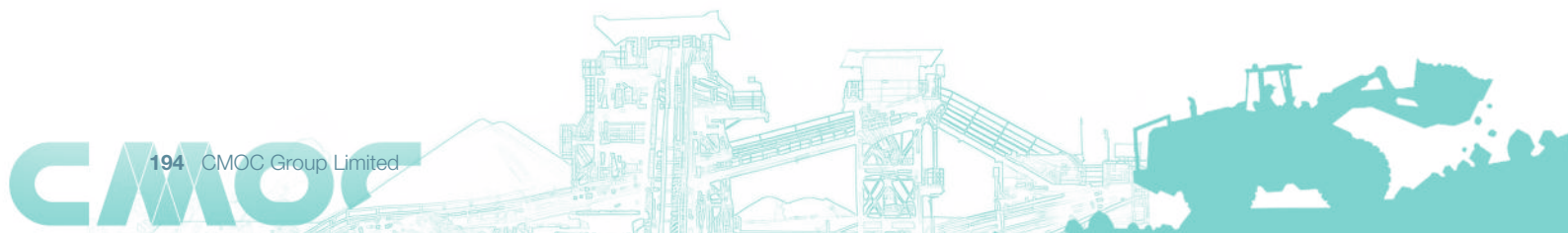
Item	Closing balance	Opening balance
Construction in progress	5,492,091,576.97	10,621,107,850.33
Total	5,492,091,576.97	10,621,107,850.33

Construction in progress

(1). Details of construction in progress

Unit: RMB

Item	Closing balance			Opening balance		
	Gross carrying amount	Impairment provision	Carrying amount	Gross carrying amount	Impairment provision	Carrying amount
Upfront cost of KFM development	43,480,397.48	-	43,480,397.48	43,211,344.68	-	43,211,344.68
TFM copper-cobalt mixed ore project	1,151,252,549.78	-	1,151,252,549.78	7,459,720,387.62	-	7,459,720,387.62
TFM dehydration equipment installation project	56,459,519.18	-	56,459,519.18	45,790,343.73	-	45,790,343.73
TFM mine transportation road repair and construction project	36,309,493.07	-	36,309,493.07	36,084,813.18	-	36,084,813.18
TFM mine power distribution project	28,391,328.78	-	28,391,328.78	26,471,172.59	-	26,471,172.59
TFM production process modeling and evaluation project	21,894,238.43	-	21,894,238.43	10,022,679.62	-	10,022,679.62



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Construction in progress (Continued)

Construction in progress (Continued)

(1). Details of construction in progress (Continued)

Item	Closing balance			Opening balance		
	Gross carrying amount	Impairment provision	Carrying amount	Gross carrying amount	Impairment provision	Carrying amount
Copebras phosphorus production plant maintenance project	398,613,577.74	-	398,613,577.74	397,864,370.88	-	397,864,370.88
Copebras phosphorus production process improvement project	70,432,216.86	-	70,432,216.86	53,673,051.62	-	53,673,051.62
Niobras Niobium production plant maintenance project	181,446,207.92	-	181,446,207.92	131,691,511.86	-	131,691,511.86
Niobras tailings dam heightening project	27,429,585.01	-	27,429,585.01	16,783,997.00	-	16,783,997.00
KFM preliminary project	554,196,859.72	-	554,196,859.72	157,099,703.97	-	157,099,703.97
Hotel house acquisition and decoration project	1,015,255,224.63	-	1,015,255,224.63	1,002,710,747.10	-	1,002,710,747.10
Molybdenum mine project in East Gobi	107,955,545.17	31,615,388.19	76,340,156.98	105,515,426.89	31,615,388.19	73,900,038.70
Project replacing Xuansan Tailing	164,524,827.97	-	164,524,827.97	94,825,326.46	-	94,825,326.46
Tungsten No. 2 Company sandaogou tailing pond phase II construction project	27,106,606.44	-	27,106,606.44	21,933,071.48	-	21,933,071.48
Others	1,638,958,786.98	-	1,638,958,786.98	1,049,325,289.84	-	1,049,325,289.84
Total	5,523,706,965.16	31,615,388.19	5,492,091,576.97	10,652,723,238.52	31,615,388.19	10,621,107,850.33

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Construction in progress (Continued)

Construction in progress (Continued)

(2). Change in significant construction in progress in the current period

Unit: RMB

Name of project	Budget	Opening balance	Increase in the current period	Transfer to fixed assets	Transfer to intangible assets	Translation differences of financial statements denominated in foreign currencies	Other decreases in the current period	Closing balance	Proportion of project investment to budget amount (%)	Accumulated capitalisation for the current period	Including: interest capitalisation for the current period	Capitalisation rate for the current period (%)	Source of fund
Nidbras tailings dam heightening project	155,672,302.66	16,783,897.00	22,501,281.15	11,992,811.32	-	137,118.18	-	27,429,585.01	92.45	-	-	-	Funds in hand
Copebras phosphorus production plant maintenance project	1,451,084,139.23	397,864,370.88	105,288,266.70	106,990,991.63	-	2,471,931.69	-	398,613,577.74	66.25	-	-	-	Funds in hand
Copebras phosphorus production process improvement project	329,914,508.74	53,673,051.62	25,181,750.50	8,807,595.38	-	385,010.12	-	70,432,216.86	92.63	-	-	-	Funds in hand
Nidbras Niobium production plant maintenance project	721,779,835.91	131,691,511.86	102,106,366.57	53,323,611.54	-	971,371.03	-	181,446,207.92	75.15	-	-	-	Funds in hand
TFM dehydration equipment installation project	120,942,060.39	45,790,343.73	10,351,366.84	-	-	317,238.61	-	56,459,519.18	99.00	-	-	-	Funds in hand
TFM mine transportation road repair and construction project	167,163,674.64	36,084,813.18	-	-	-	224,679.89	-	36,309,493.07	45.00	-	-	-	Funds in hand
TFM production process modelling and evaluation project	2,177,221,980.00	10,022,679.62	11,772,616.22	-	-	98,942.59	-	21,894,238.43	98.54	-	-	-	Funds in hand
TFM mine power distribution project	100,970,971.20	26,471,172.59	1,749,304.40	-	-	170,251.79	-	28,391,328.78	97.73	-	-	-	Funds in hand

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

15. Construction in progress (Continued)

Construction in progress (Continued)

(2). Change in significant construction in progress in the current period (Continued)

Name of project	Budget	Opening balance	Increase in the current period	Transfer to fixed assets	Transfer to intangible assets	Translation differences of financial statements denominated in foreign currencies	Other decreases in the current period	Closing balance	Proportion of project investment to budget amount (%)	Accumulated capitalisation for the current period	Including interest capitalisation for the current period	Capitalisation rate for the current period (%)	Source of fund
Hotel house acquisition and decoration project	1,080,919,330.67	1,002,710,747.10	12,544,477.53	-	-	-	-	1,015,255,224.63	94.16	-	-	-	Funds in hand
Molybdenum mine project in East Cobbi	2,849,000,000.00	73,900,038.70	2,711,877.58	271,759.30	-	-	-	76,340,166.98	3.10	-	-	-	Funds in hand
Project replacing Xiansan Tailing	697,460,000.00	94,825,326.46	69,699,501.51	-	-	-	-	164,524,827.97	36.99	-	-	-	Funds in hand
Upright cost of KFM development	12,162,167,166.10	43,211,344.68	-	-	-	269,052.80	-	43,480,397.48	56.00	-	-	-	Funds in hand
KFM preliminary project	917,191,376.63	157,099,703.97	422,793,945.56	28,123,687.30	-	2,428,897.49	-	554,196,659.72	95.10	-	-	-	Funds in hand
Tungsten No.2 Company sandaogou tailing pond phase II construction project	87,600,000.00	21,933,071.48	5,173,534.96	-	-	-	-	27,106,606.44	45.91	-	-	-	Funds in hand
TFM copper-cobalt mixed ore project	17,777,577,000.00	7,459,720,367.62	367,029,205.36	6,708,759,819.01	-	33,262,775.81	-	1,151,252,549.78	83.06	309,406,343.79	81,601,600.57	7.00	Funds in hand/ Raised

At 30 June 2024, the balance of impairment provision for the Group's construction in progress was RMB31,615,388.19 (31 December 2023: RMB31,615,388.19).

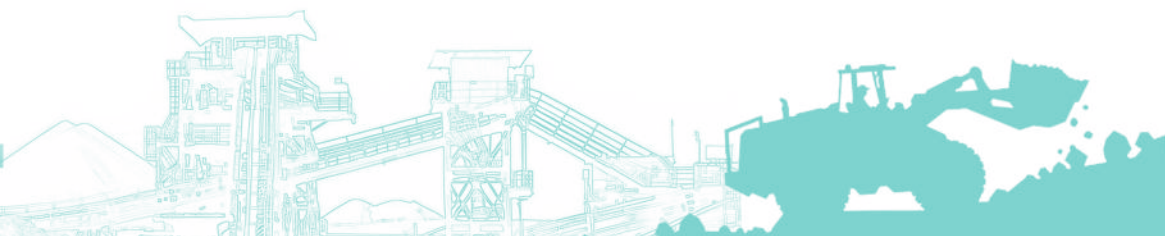
SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. Right-of-use assets

Unit: RMB

Item	Land, buildings and mining structures	Machinery and equipment	Total
I. Original carrying amount			
1. Opening balance	418,975,951.56	205,812,503.86	624,788,455.42
2. Increase in the current period	16,611,576.01	50,257,920.93	66,869,496.94
(1) Leased in	15,165,680.85	48,827,687.37	63,993,368.22
(2) Translation differences of financial statements denominated in foreign currencies	1,445,895.16	1,430,233.56	2,876,128.72
3. Decrease in the current period	–	–	–
4. Closing balance	435,587,527.57	256,070,424.79	691,657,952.36
II. Accumulated depreciation			
1. Opening balance	221,351,033.03	57,731,189.28	279,082,222.31
2. Increase in the current period	34,093,112.20	40,038,567.01	74,131,679.21
(1) Provision	33,284,017.19	39,559,118.27	72,843,135.46
(2) Translation differences of financial statements denominated in foreign currencies	809,095.01	479,448.74	1,288,543.75
3. Decrease in the current period	–	–	–
4. Closing balance	255,444,145.23	97,769,756.29	353,213,901.52
III. Impairment provision			
1. Opening balance	–	–	–
2. Increase in the current period	–	–	–
3. Decrease in the current period	–	–	–
4. Closing balance	–	–	–
IV. Carrying amount			
1. Closing carrying amount	180,143,382.34	158,300,668.50	338,444,050.84
2. Opening carrying amount	197,624,918.53	148,081,314.58	345,706,233.11



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Intangible assets

Unit: RMB

Item	Land use rights	Exploration and mining rights	Copper supply concessions (Note 1)	Supplier relationship (Note 2)	Others	Total
I. Original carrying amount						
1. Opening balance	319,814,053.29	31,462,239,821.46	135,843,500.03	290,390,700.00	408,559,692.35	32,616,847,767.13
2. Increase in the current period	9,166,659.61	186,703,407.48	958,673.07	1,808,100.00	14,838,954.80	213,475,794.96
(1) Purchase	-	-	-	-	11,193,697.41	11,193,697.41
(2) Increase due to business combinations	8,869,159.61	-	-	-	254,180.03	9,123,339.64
(3) Transfer from CIP	297,500.00	-	-	-	835,766.19	1,133,266.19
(4) Translation differences of financial statements denominated in foreign currencies	-	186,703,407.48	958,673.07	1,808,100.00	2,555,311.17	192,025,491.72
3. Decrease in the current period	9,009,132.86	-	-	-	-	9,009,132.86
(1) Disposal	9,009,132.86	-	-	-	-	9,009,132.86
4. Closing balance	319,971,580.04	31,648,943,228.94	136,802,173.10	292,198,800.00	423,398,647.15	32,821,314,429.23
II. Accumulated amortisation						
1. Opening balance	102,619,693.25	9,160,235,118.98	74,709,915.19	67,153,211.26	231,260,690.97	9,635,978,629.65
2. Increase in the current period	3,647,428.70	834,317,691.05	8,428,971.03	10,272,345.02	15,299,903.74	871,966,339.54
(1) Provision	3,647,428.70	777,463,322.79	7,909,832.92	9,709,825.02	13,687,619.71	812,418,029.14
(2) Translation differences of financial statements denominated in foreign currencies	-	56,854,368.26	519,138.11	562,520.00	1,612,284.03	59,548,310.40
3. Decrease in the current period	3,494,232.46	-	-	-	-	3,494,232.46
(1) Disposal	3,494,232.46	-	-	-	-	3,494,232.46
4. Closing balance	102,772,889.49	9,994,552,810.03	83,138,886.22	77,425,556.28	246,560,594.71	10,504,450,736.73

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

17. Intangible assets (Continued)

Details of Intangible assets (Continued)

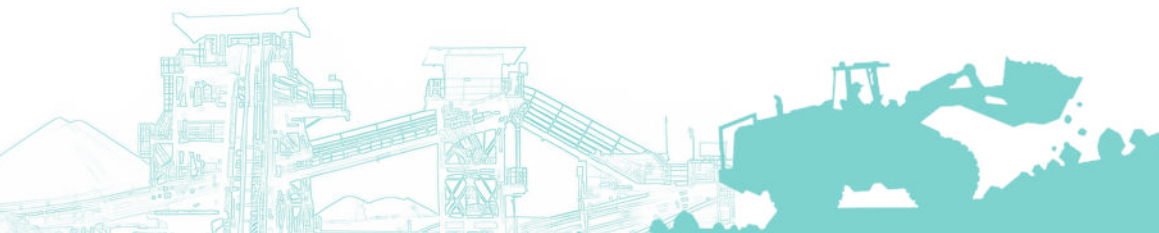
Item	Land use rights	Exploration and mining rights	Copper supply concessions (Note 1)	Supplier relationship (Note 2)	Others	Total
III. Impairment provision						
1. Opening balance	-	20,484,319.60	-	-	-	20,484,319.60
2. Increase in the current period	-	-	-	-	-	-
3. Decrease in the current period	-	-	-	-	-	-
4. Closing balance	-	20,484,319.60	-	-	-	20,484,319.60
IV. Carrying amount						
1. Closing carrying amount	217,198,690.55	21,633,906,099.31	53,663,286.88	214,773,243.72	176,838,052.44	22,296,379,372.90
2. Opening carrying amount	217,194,360.04	22,281,520,382.88	61,133,584.84	223,237,488.74	177,299,001.38	22,960,384,817.88

Note 1: Copper supply concessions are acquired through acquisition of IXM.

Note 2: Supplier relationship is acquired through acquisition of IXM.

As at the end of the period, there are no land use rights or mining rights used as collateral.

The land use rights are acquired with the lease period of 50 years and are situated in the PRC.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Goodwill

(1). Original carrying amount of goodwill

Unit: RMB

Name of investee or events generating goodwill	Opening balance	Increase in the period		Decrease in the period	
		Business combination	Translation differences of financial statements denominated in foreign currencies	Disposal	Closing balance
Brazil phosphorus business	669,535,608.82	–	4,168,822.67	–	673,704,431.49
Total	669,535,608.82	–	4,168,822.67	–	673,704,431.49

(2). Provision for impairment of goodwill

Unit: RMB

Name of investee or events generating goodwill	Opening balance	Increase in the period		Decrease in the period	
		Provision	Translation differences of financial statements denominated in foreign currencies	Disposal	Closing balance
Brazil phosphorus business	239,394,468.09	–	1,490,575.07	–	240,885,043.16
Total	239,394,468.09	–	1,490,575.07	–	240,885,043.16

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

18. Goodwill (Continued)

(3) Information of the asset group or portfolio of asset groups with goodwill

Unit: RMB

Name	Constitution and basis of the asset group or portfolio	Operating segment and basis	Consistent with prior years or not?
Brazil phosphorus business	Major cash inflows from Brazil phosphorus business of CMOC Brazil are independent of other assets or asset groups	Niobium-and-phosphorus-related products segment Classified according to product types	Yes

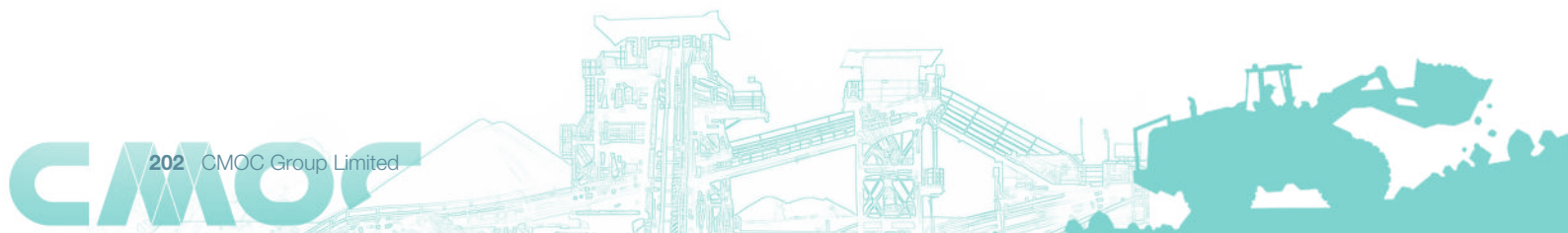
(4) Specific determination of recoverable amount

The recoverable amount is determined according to the present value of the expected future cash flows

Unit: RMB

Item	Carrying amount	Recoverable amount	Impairment amount	Length of the expected period	Key parameters in the expected period	Basis of parameters in the expected period	Key parameters in the stable period	Basis of key parameters in the stable period
Brazil phosphorus business	5,353,253,472.55	5,674,664,612.40	-	5 years	Budgeted gross profit, discount rate, raw material price inflation	Market price of metal, remaining years of mining rights	Budgeted gross profit, discount rate	Market price of metal, remaining years of mining rights

The recoverable amount of the asset group of Brazil phosphorus business is determined according to the present value of the expected future cash flows. Future cash flows are determined based on the financial budget of the next five years approved by the management and based on the production life of available reserves and future mining plans, and discount rate of 10.64% is used. As the sale of the products in phosphorus mining business is priced in USD and settled in BRL, the management believes that the inflation risk faced with by the relevant business in the operation process mainly comes from the inflation risk in the environment denominated in USD. Therefore, the inflation rate used to infer the cash flow from the asset group after 5 years is 2.30% (based on the USD environment).



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

19. Long-term prepaid expenses

Unit: RMB

Item	Opening balance	Increase for the current period	Amortisation for the current period	Translation difference of financial statements denominated in foreign currencies	Closing balance
Relocation compensation (Note 1)	39,613,339.22	724,312.84	2,918,532.43	-	37,419,119.63
Geological Museum project (Note 2)	23,400,000.00	-	300,000.00	-	23,100,000.00
Tailings pond maintenance fees (Note 3)	59,475,238.65	-	4,248,231.33	-	55,227,007.32
Others	105,277,839.27	5,592,816.13	19,699,810.15	7,480.80	91,178,326.05
Total	227,766,417.14	6,317,128.97	27,166,573.91	7,480.80	206,924,453.00

Other descriptions:

Note 1: The Company paid relocation compensation to the villagers around the areas of tailing dams.

Note 2: According to the Geological Museum use right agreement entered into between and by the Company and Luanchuan Finance Bureau on 18 December 2012, the Company would be allocated with 2,000 square meters showroom area in the Geological Museum for promoting the Company's products for 50 years from 1 January 2013.

Note 3: This represents the construction fees for seepage-proofing Phase II of Cecaohu tailings pond paid by the Company.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

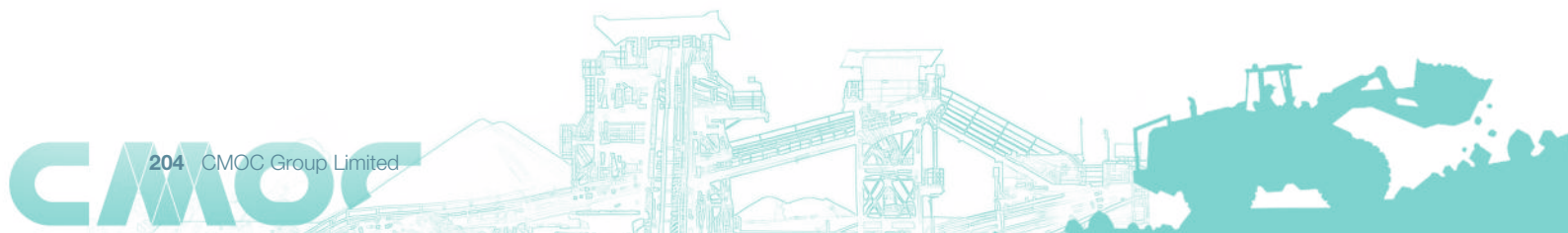
VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

20. Deferred tax assets/deferred tax liabilities

(1). *Deferred tax assets before offsetting*

Unit: RMB

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for asset impairment	283,132,389.77	78,095,779.86	387,413,825.73	113,657,899.29
Deductible losses	411,769,345.88	91,218,282.28	242,324,697.12	60,115,890.17
Differences in inventory costs	81,016,243.72	24,304,873.12	–	–
Unrealised gross profit	6,917,757,814.47	1,622,594,987.40	6,239,028,221.59	1,363,087,054.46
Deferred income from government grants	33,397,555.72	6,644,102.93	37,092,783.50	7,548,630.59
Gains or losses from fair value changes	250,839,053.78	57,085,406.64	56,702,232.74	14,993,951.71
Outstanding expenses – net	2,620,191,008.46	596,119,475.09	2,556,199,156.68	563,214,051.91
Equity incentives not yet unlocked	62,616,189.64	15,654,047.41	34,888,798.56	8,722,199.64
Differences in depreciation of fixed assets	21,286,119.26	6,128,202.43	16,857,022.33	4,838,663.16
Lease liabilities	360,640,170.03	106,963,099.85	360,645,474.23	104,809,050.87
Others	207,869,966.01	54,930,042.01	152,000,942.01	44,671,639.79
Total	11,250,515,856.74	2,659,738,299.02	10,083,153,154.49	2,285,659,031.59



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

(2). *Deferred tax liabilities before offsetting*

Unit: RMB

Item	Closing balance		Opening balance	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Accrued interest income	389,298,110.92	59,201,884.45	429,482,483.62	73,512,461.72
Effect of exchange rate of non-monetary items (Note 1)	1,403,491,860.98	491,954,556.21	599,298,603.77	216,275,987.93
Differences in depreciation of fixed assets	8,785,724,365.59	2,639,783,150.71	8,152,435,110.79	2,451,579,819.27
Gains or losses from fair value changes	281,038,486.76	43,363,472.14	698,450,651.52	141,466,134.37
Additional provision under Switzerland tax laws (Note 2)	3,336,806,924.40	500,652,267.30	3,315,289,617.99	497,293,442.68
Adjustment to the fair value of assets in business combination not involving enterprises under common control (Note 3)	9,997,540,059.28	3,031,706,480.69	10,454,616,334.27	3,117,372,476.04
Differences in inventory costs	-	-	14,383,653.40	4,315,096.02
Right-of-use assets	335,627,954.40	98,211,341.96	337,534,633.50	97,861,819.00
Others	133,547,445.66	30,582,211.83	46,632,601.84	11,717,640.63
Total	24,663,075,207.99	6,895,455,365.29	24,048,123,690.70	6,611,394,877.66

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

(2). Deferred tax liabilities before offsetting (Continued)

Note 1: Certain enterprises of the Group's business in Brazil adopt USD as functional currency, while make tax declaration and annual filing in BRL for the operating activities in Brazil in accordance with local tax regulations in Brazil. Management recognises tax losses in the related financial statements denominated in BRL as a deferred tax assets and makes it an adjusting item for tax. In the meanwhile, the non-monetary items including inventories and fixed assets of such enterprises on the balance sheet are recognised and subsequently measured at historical exchange rate, resulting temporary difference between their tax bases and carrying amounts upon tax accounting, the Company accordingly recognise the relevant temporary difference as one deferred tax asset/liability.

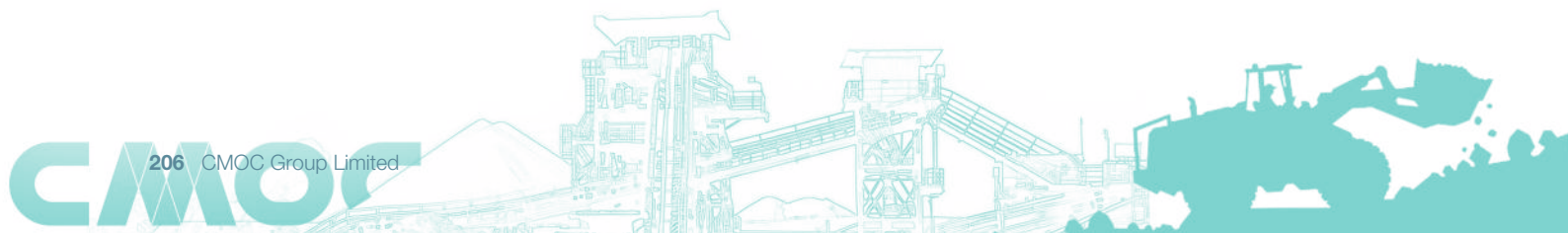
Note 2: It represents the taxable temporary differences arising from additional provision made to certain extent based on the carrying amount of inventories under Switzerland tax laws.

Note 3: It mainly represents the deferred tax liabilities arising from the adjustments on fair values of assets in the acquisitions of Congo (DRC) business in 2016, Brazil business in 2016 and Switzerland metal trading platform business in 2019. The Group made structural reorganisation in 2020 to consolidate the three legal entities of the niobium phosphorus business in Brazil, redetermine the tax basis of their carrying assets and liabilities and adjust the deferred income tax liabilities mentioned above.

(3). Deferred tax assets or liabilities at net after offsetting

Unit: RMB

Item	Closing set-off amount of deferred tax assets and deferred tax liabilities	Closing balance of deferred tax assets and deferred tax liabilities after offsetting	Opening set-off amount of deferred tax assets and deferred tax liabilities	Opening balance of deferred tax assets and deferred tax liabilities after offsetting
Deferred tax assets	579,830,561.83	2,079,907,737.19	620,215,951.75	1,665,443,079.84
Deferred tax liabilities	579,830,561.83	6,315,624,803.46	620,215,951.75	5,991,178,925.91



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

(4). Details of unrecognised deferred tax assets

Unit: RMB

Item	Closing balance	Opening balance
Deductible temporary differences	88,008,070.31	76,615,194.42
Deductible losses	100,988,341.24	162,391,568.52
Total	188,996,411.55	239,006,762.94

Note: Deferred income tax assets are not recognised as there is uncertainty as to whether sufficient taxable income will be available in the future.

(5). Deductible losses, for which deferred tax assets are not recognised, will expire in the following years

Unit: RMB

Year	Closing balance	Opening balance	Note
2023	–	21,539,923.95	/
2024	18,396,894.55	31,388,110.61	/
2025	22,311,823.59	49,202,064.55	/
2026	37,997,904.03	47,401,866.63	/
2027	21,553,648.67	12,859,602.78	/
2028	728,070.40	–	/
Total	100,988,341.24	162,391,568.52	/

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

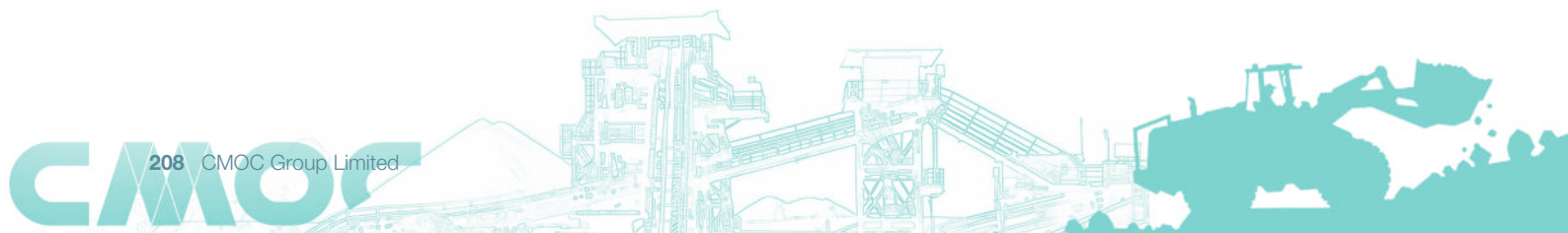
21. Other non-current assets

Unit: RMB

Item	Closing balance			Opening balance		
	Gross carrying amount	Impairment provision	Carrying amount	Gross carrying amount	Impairment provision	Carrying amount
Loans receivable from SNEL (Note 1)	1,765,408,796.50	-	1,765,408,796.50	1,793,209,596.46	-	1,793,209,596.46
Amount due from TFM minority shareholders (Note 2)	-	-	-	495,458,667.48	-	495,458,667.48
Deductible Brazil social contribution tax (Note 3)	118,153,005.90	-	118,153,005.90	134,012,223.75	-	134,012,223.75
Prepayments for water charges (Note 4)	63,000,000.00	-	63,000,000.00	63,000,000.00	-	63,000,000.00
Compensatory assets (Note 5)	139,173,369.30	-	139,173,369.30	133,411,133.27	-	133,411,133.27
Litigation guarantee (Note 6)	86,126,710.58	-	86,126,710.58	69,579,701.33	-	69,579,701.33
Loans to suppliers (Note 7)	33,960,562.15	-	33,960,562.15	28,330,800.00	-	28,330,800.00
Related party borrowings (Note 8)	407,183,295.76	-	407,183,295.76	404,663,682.00	-	404,663,682.00
Certificates of deposit due after one year (Note 9)	968,449,094.37	-	968,449,094.37	1,673,016,233.39	-	1,673,016,233.39
Prepayments for construction and equipment	1,539,129,448.63	-	1,539,129,448.63	1,186,620,198.94	-	1,186,620,198.94
Others	117,362,823.50	-	117,362,823.50	11,516,909.89	-	11,516,909.89
Less: Non-current assets due within one year	386,686,892.56	-	386,686,892.56	1,092,589,539.03	-	1,092,589,539.03
Total	4,851,260,214.13	-	4,851,260,214.13	4,900,229,607.48	-	4,900,229,607.48

Other descriptions:

The Group recognises ECL provision of relevant financial assets in the other non-current assets on the basis of ECL. At 30 June 2024, the management of the Group believes that the credit risk of the relevant financial assets has not increased significantly since initial recognition, and has no significant ECL.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

21. Other non-current assets (Continued)

Note 1: This represents The Congo (DRC) subsidiary's loans receivable from SNEL. The applicable interest rate for the loan is determined at 6-months Libor interest rate plus 3%, which will be charged against electricity charges payable in the future. The details of the portion expected to be deductible within one year are set out in Note (VII).9.

Note 2: It represents Congo (DRC) subsidiary's loan due from La Générale des Carrières et des Mines ("Gécamines"). As at the end of the period, the loan has been settled.

Note 3: Brazil social contribution tax applicable to CMOC Brazil, of which the tax base is the balance of income from the sales of goods and rendering of services in Brazil after deducting deductible cost. As it is not required to pay the social contribution tax and goods circulation tax for export goods, no tax credit is formed at the end of the year. The social contribution tax is levied by the Federal government of Brazil, so the tax credit can be used to deduct the enterprise income tax levied by the federal government without expiry date. The portion expected to be deducted within one year is accounted for as other receivables by the Group. See Note (VII) 7 for details.

Note 4: It represents prepayments for water charges of Xin Kuang Luo Mu.

Note 5: Based on the agreement between the Group and Anglo American in the course of the acquisition of the Brazilian Niobium Phosphorus business, if CMOC Brazil subsidiary has incurred cash outflows in the course of the business due to tax-related contingencies, compensation will be provided by Anglo American. The Group recognised a provision for CMOC Brazil subsidiary related contingencies at fair value (Note (VII) 37), and accordingly recognises the right of relevant tax related compensation as non-current assets.

Note 6: It represents CMOC Brazil's disputes and litigation arising from some of the tax, labor and civil related legal proceedings in the course of business. Some of these proceedings require the submission of litigation collateral at the request of the court. The deposit is restricted for use and the interest is calculated at the Brazilian benchmark interest rate during this period. After the end of the litigation, according to the results, the Company can call back the deposit or settle the litigation by the deposit.

Note 7: It represents loans that IXM provided to its suppliers. As at 30 June 2024, balance of loans to suppliers amounted to USD4,765,190.85, equivalent to RMB33,960,562.15, representing the loan provided to third party suppliers B and C by the Group, with interest rate of 6.24% per annum. Therein, the details of the portion due within 1 year are set out in Note (VII) 9.

Note 8: It represents the shareholder loan provided by the Group to Huayue Nickel Cobalt.

Note 9: At 30 June 2024, the Group pledged the certificates of deposit due after one year with carrying amount of RMB650,000,000.00 to obtain long-term borrowings. Details for the certificates of deposit due within one year are set out in Note (VII) 9.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

22. Short-term borrowings

(1). Categories of short-term borrowings

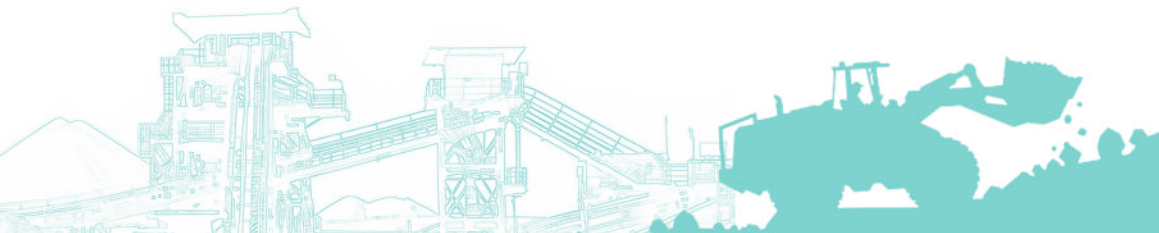
Unit: RMB

Item	Closing balance	Opening balance
Secured borrowings (Note)	24,656,107,057.91	20,732,412,285.30
Credit borrowings	5,479,120,752.07	4,221,837,631.73
Total	30,135,227,809.98	24,954,249,917.03

Note: For security details of secured borrowings, refer to Note (VII).1, 2 and 8.

(2). Details of outstanding overdue short-term borrowings

At the end of the period, the Group had no outstanding overdue short-term borrowings.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

23. Held-for-trading financial liabilities

Unit: RMB

Item	Closing balance	Opening balance
Held-for-trading financial liabilities	3,698,643,410.96	2,948,580,363.16
Including:		
1. Liabilities from forward commodity contracts and gold lease measured at fair value (note 1)	–	418,253,537.70
2. Payables at fair value through profit or loss (note 2)	3,698,643,410.96	2,530,326,825.46
Total	3,698,643,410.96	2,948,580,363.16

Other descriptions:

Note 1: The Group concluded gold lease agreement with the bank. During the lease term, the Group may sell the leased gold to a third party, and then return the gold in the same specification and weight to the bank upon expiry of the lease term. The obligation of the Group to return the gold is recognised as a financial liability at fair value. Meanwhile, in order to hedge the risk in commodity price of related liabilities, the Group uses gold forward contract to manage the risk in the obligations to return the gold with the same quantity and quality to the bank under the gold lease agreement so as to evade the risk undertaken by the Group due to the fluctuation of fair value of held-for-trading financial liabilities with the fluctuation of gold market price.

Note 2: The major products of the Group are copper, lead and zinc concentrates and cobaltous hydroxide etc., purchasing price of which is provisionally determined according to the market price upon delivery. Generally, the price is finally determined according to the monthly average spot price quoted by the London Metals Exchange (LME) or other agreed pricing methods within a specified period or a period subsequent to the delivery. The Group classifies the payables from relevant business as financial liabilities designated at FVTPL.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

24. Derivative financial liabilities

Unit: RMB

Item	Closing balance	Opening balance
Derivative financial instrument of which hedge relationship is not designated (Note 1)		
Commodity futures contracts	1,408,006,359.45	452,681,705.25
Forward foreign exchange contracts and exchange rate option contracts	174,344,519.89	203,227,841.98
Forward commodity contracts	513,553,947.50	411,077,859.85
Derivative financial instrument of which hedge relationship is designated		
Commodity futures contracts (Note 2)	60,885,771.83	41,808,874.96
Total	2,156,790,598.67	1,108,796,282.04

Other descriptions:

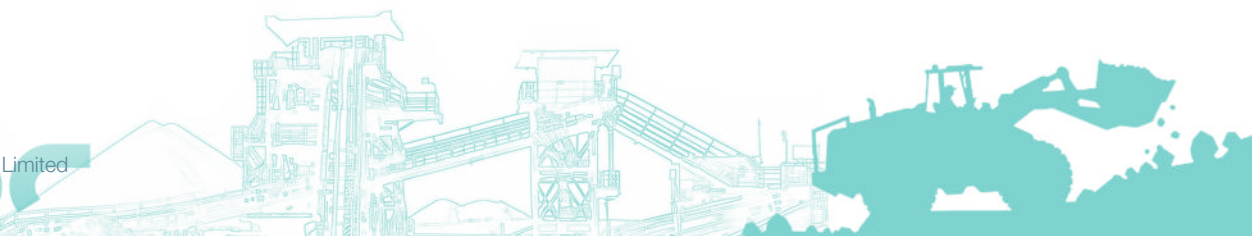
Note 1: For details, please refer to the Note (VII).3(1).

Note 2: This represents the commodity futures contracts purchased by the Group, which are used to hedge the fair value risk arising from price fluctuation of a part of the Group's cooper products or the cash flow risk arising from expected sales. The Group accounted for the above hedging instrument and corresponding hedged items according to hedge accounting. Refer to Note (XI).2 for details.

25. Notes payable

Unit: RMB

Categories	Closing balance	Opening balance
Commercial acceptances	248,233,905.97	222,858.31
Bank acceptances	183,227,879.77	1,141,803,023.40
Total	431,461,785.74	1,142,025,881.71



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

26. Accounts payable

(1). Details of accounts payable

Unit: RMB

Item	Closing balance	Opening balance
Payables for purchase of goods	3,967,001,995.83	2,334,813,883.56
Others	1,988,454,456.68	1,221,338,733.42
Total	5,955,456,452.51	3,556,152,616.98

(2). The aging analysis of accounts payable is as follows:

Unit: RMB

Item	Closing balance	Opening balance
Within 1 year	5,033,725,028.84	3,353,086,776.83
1 to 2 years	907,276,491.61	190,080,109.00
Over 2 years	14,454,932.06	12,985,731.15
Total	5,955,456,452.51	3,556,152,616.98

27. Contract liabilities

(1). Details of contract liabilities

Unit: RMB

Item	Closing balance	Opening balance
Receipts in advance for sales of goods (Note)	2,637,116,909.14	2,515,301,405.33
Total	2,637,116,909.14	2,515,301,405.33

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

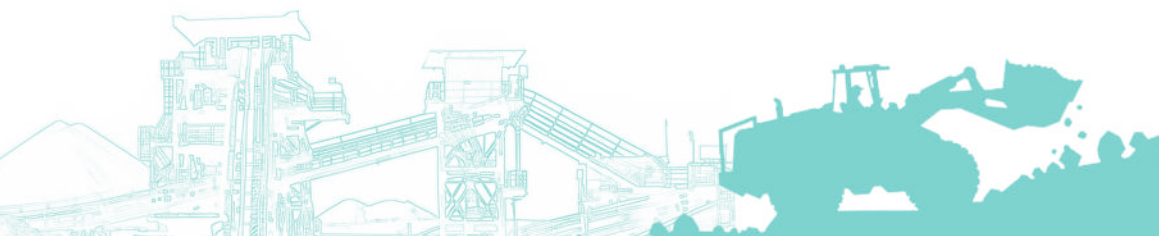
27. Contract liabilities (Continued)

(1). *Details of contract liabilities (Continued)*

Other descriptions:

Note: The Group accounts for the receipts in advance collected on a basis of commodity sales contract as contract liabilities which are recognised as sales income when the control over the goods is transferred to the customers.

The receipts in advance for goods at the beginning of year have been recognised as income in the current period. At the end of period, the contract liabilities with carrying amount of RMB2,634,220,359.36 are expected to be recognised as income within one year, and the contract liabilities with carrying amount of RMB11,170,576,193.30 are expected to be recognised as income over one year.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Employee benefits payable

(1). Details of employee benefits payable

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
I. Short-term benefits	1,463,331,236.73	1,724,193,000.53	2,253,895,938.09	933,628,299.17
II. Post-employment benefits – defined contribution plan	3,299,849.43	48,781,076.56	48,777,310.10	3,303,615.89
III. Others (Note)	5,881,833.29	28,944,258.34	28,904,518.80	5,921,572.83
Total	1,472,512,919.45	1,801,918,335.43	2,331,577,766.99	942,853,487.89

Note: It represents the liabilities related to short-term paid leave which is provided by Group's subsidiary in Congo (DRC) to its employees, which are expected to be paid within 12 months.

(2). Details of short-term benefits

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
I. Wages or salaries, bonuses, allowances and subsidies	1,389,442,691.02	1,569,896,978.18	2,085,769,055.54	873,570,613.66
II. Staff welfare	379,733.22	14,574,747.70	14,668,529.59	285,951.33
III. Social security contributions	60,561,890.02	95,779,627.00	110,026,289.80	46,315,227.22
Including: Medical insurance	48,189,249.96	65,693,737.79	78,491,383.29	35,391,604.46
Work injury insurance	12,372,640.06	30,085,889.21	31,534,906.51	10,923,622.76
IV. Housing funds	1,507,045.05	37,934,129.68	37,794,557.10	1,646,617.63
V. Union running costs and employee education costs	11,439,877.42	6,007,517.97	5,637,506.06	11,809,889.33
Total	1,463,331,236.73	1,724,193,000.53	2,253,895,938.09	933,628,299.17

All the employee benefits payables are not overdue and not related to non-cash benefits.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

28. Employee benefits payable (Continued)

(3). Defined contribution plan

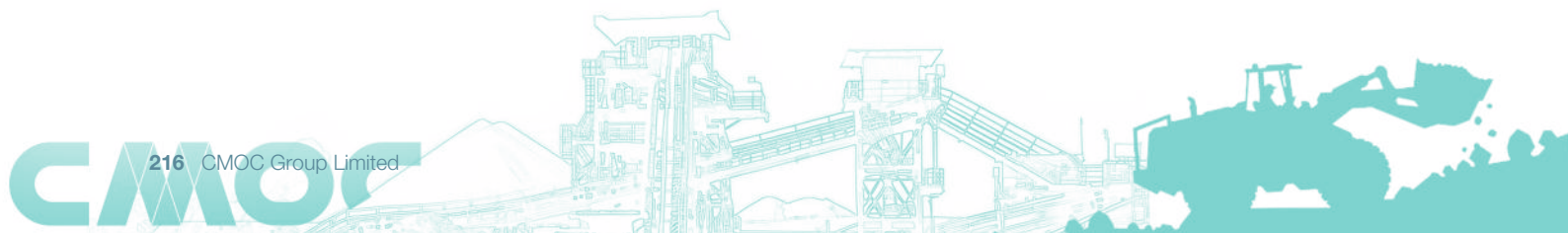
Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
1. Basic pension insurance	3,219,967.82	46,921,120.74	46,918,781.91	3,222,306.65
2. Unemployment insurance	79,881.61	1,859,955.82	1,858,528.19	81,309.24
Total	3,299,849.43	48,781,076.56	48,777,310.10	3,303,615.89

Other descriptions:

The Group participates, as required, in the pension insurance and unemployment insurance plan established by government institutions. According to such plans, the Group contributes monthly to such plans based on the employee's basic salary. Except for above monthly contributions, the Group does not assume further payment obligations. The related expenditures are either included in cost of related assets or charged to profit or loss in the period when they are incurred.

For the period from January to June 2024, the Group should contribute RMB46,921,120.74 and RMB1,859,955.82 (Jan to Jun 2023: RMB51,562,021.43 and RMB1,673,133.56) to pension insurance and unemployment insurance plans, respectively. As at 30 June 2024, the Group has contributions payable of RMB3,222,306.65 and RMB81,309.24 (31 December 2023: RMB3,219,967.82 and RMB79,881.61) which are due in this reporting period but not yet paid to pension insurance and unemployment plans respectively. The relevant contributions have been paid after the reporting period.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

29. Taxes payable

Unit: RMB

Item	Closing balance	Opening balance
VAT	82,027,959.87	112,923,796.42
China Enterprise income tax	111,592,304.84	160,086,783.27
Individual income tax	42,213,964.26	50,617,731.77
Urban maintenance and construction tax	2,508,630.26	2,936,757.63
Brazil enterprise income tax	305,259,708.92	87,298,132.76
Congo (DRC) enterprise income tax	3,031,180,681.89	1,144,364,915.93
UK enterprise income tax	652,571.71	17,829,819.28
Enterprise income tax of IXM and its subsidiaries	266,895,895.41	115,318,728.90
Resource tax and royalties of mineral rights	184,046,972.91	304,873,515.05
Education surcharges	2,505,336.36	2,837,094.81
Congo (DRC) exchange tax	5,191,105.96	6,002,486.40
Others	97,570,770.67	113,115,621.98
Total	4,131,645,903.06	2,118,205,384.20

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Other payables

(1). Presentation of items

Unit: RMB

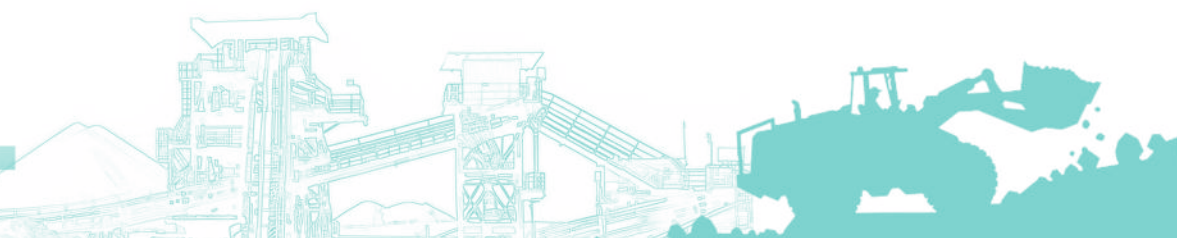
Item	Closing balance	Opening balance
Dividends payable	3,334,135,554.73	27,885,796.67
Other payables	3,070,636,304.31	4,745,915,934.31
Total	6,404,771,859.04	4,773,801,730.98

(2). Dividends payable

Unit: RMB

Item	Closing balance	Opening balance
Dividends of ordinary shares	3,300,072,344.65	–
Dividends payable – Luanchuan Taifeng Industry and Trading Co., Ltd. (Note)	6,623,109.24	6,623,109.24
Dividends payable – Luanchuan Hongji Mining Co., Ltd. (Note)	15,943,017.89	15,943,017.89
Dividends payable – Luanchuan Chengzhi Mining Co., Ltd. (Note)	11,497,082.95	5,319,669.54
Total	3,334,135,554.73	27,885,796.67

Note: The minority shareholders of the subsidiaries of the Group.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

30. Other payables (Continued)

(3). Other payables

Other payables presented by nature

Unit: RMB

Item	Closing balance	Opening balance
Project and equipment funds	1,439,861,990.88	1,972,602,370.20
Loyalties due to Gécamines	244,786,886.40	197,831,534.21
Service and transportation expenses	158,012,306.41	68,961,940.96
Deposits and advances	767,244,918.67	672,713,042.43
Service fees payable	137,158,270.09	483,703,789.24
Resource expenses payable	14,853,396.98	16,402,893.63
Production progress fees due to Gécamines (Note 1)	–	35,413,500.00
Obligations to repurchase restricted stock	39,210,628.85	39,210,628.85
Amounts due to related parties (Note 2)	–	973,871,250.00
Others	269,507,906.03	285,204,984.79
Total	3,070,636,304.31	4,745,915,934.31

Note 1: In accordance with the mining agreement entered into between the Group and Gécamines, Gécamines needs to charge TFM production progress fees of USD5 million. As at 30 June 2024, the amount was fully paid.

Note 2: On 21 July 2022, KFM Holding Limited (“KFM”) and one of its shareholders, Hongkong Brunp and CATL Co., Limited (“Brunp and CATL”), signed an agreement, pursuant to which Brunp and CATL should pay USD137,500,000.00 (equivalent to RMB973,871,250.00) to the Group as a related party payment. On 24 June 2024, KFM signed a debt-to-equity swap agreement with Brunp and CATL and another shareholder of KFM, Natural Resource Elite Investment Limited, which stipulated that the above-mentioned related party payment would be converted into the share capital of Brunp and CATL to KFM by debt-to-equity swap.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

31. Non-current liabilities due within one year

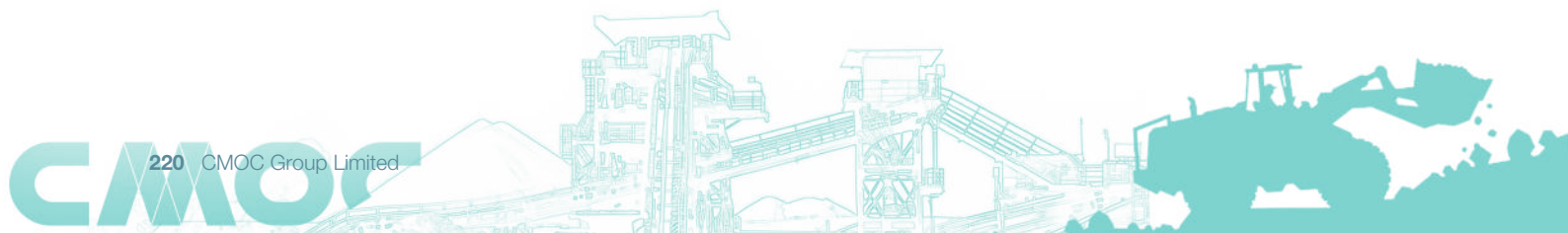
Unit: RMB

Item	Closing balance	Opening balance
Long-term borrowings due within one year	2,712,479,434.49	2,043,334,309.40
Bonds payable due within one year	2,173,811,917.90	211,004,520.60
Lease liabilities due within one year	164,913,728.63	167,419,827.96
Other liabilities due within one year	677,675,506.89	1,348,241,122.01
Total	5,728,880,587.91	3,769,999,779.97

32. Other current liabilities

Unit: RMB

Item	Closing balance	Opening balance
Other accrued expenses	889,627,325.84	620,646,123.74
Total	889,627,325.84	620,646,123.74



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

33. Long-term borrowings

(1). *Categories of long-term borrowings*

Unit: RMB

Item	Closing balance	Opening balance
Secured borrowings	6,490,373,713.78	7,374,391,266.67
Credit borrowings	13,311,317,814.59	13,436,660,587.66
Less: Long-term borrowings due within one year (Note (VII).31)	2,712,479,434.49	2,043,334,309.40
Total	17,089,212,093.88	18,767,717,544.93

Secured borrowings are bank borrowings obtained by the Group by pledging certificates of deposit and interests of subsidiaries. The details of pledged assets are set out in Note (VII).21. The Group pledged the 100% equity interest in CMOC Congo (DRC) to the bank and provided a joint guarantee.

(2). *The maturity analysis of long-term borrowings due over one year is as follows:*

Unit: RMB

Maturity	30 June 2024	31 December 2023
1 – 2 years	7,518,782,321.58	4,701,524,647.91
2 – 5 years	9,570,429,772.30	12,950,459,756.32
Over 5 years	-	1,115,733,140.70
Total	17,089,212,093.88	18,767,717,544.93

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

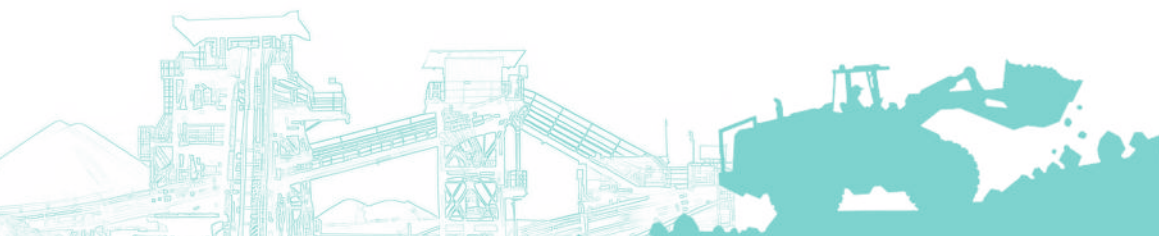
VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Bonds payable

(1). *Bonds payable*

Unit: RMB

Item	Closing balance	Opening balance
Medium-term note	2,173,811,917.90	2,211,004,520.60
Less: Bonds payable due within one year (<i>Note (VII).31</i>)	2,173,811,917.90	211,004,520.60
Total	–	2,000,000,000.00



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

34. Bonds payable (Continued)

(2). Details of bonds payable: (exclusive of other financial instruments such as preferred shares and perpetual bonds classified as financial liabilities)

Unit: RMB

Name	Par value (RMB)	Rate (%)	Issue date	Term	Issue amount	Opening balance	Issued amount for the period	Interest accrued based on par value	Amortisation of premium or discount	Repayment for the period	Closing balance	Bond default	Amounts due within one year
20 Luanchuan Molybdenum MTN001	1,000,000,000.00	4.20%	2020/5/28	5 years	1,000,000,000.00	1,000,000,000.00	-	20,942,465.75	-	42,000,000.00	-	No	1,004,027,397.25
21 Luanchuan Molybdenum MTN001 (Green)	150,000,000.00	3.90%	2021/7/16	3 years	150,000,000.00	-	-	2,916,986.32	-	-	-	No	155,625,616.56
22 Luanchuan Molybdenum MTN001 (sustainably linked)	1,000,000,000.00	3.80%	2022/2/16	3 years	1,000,000,000.00	1,000,000,000.00	-	18,947,945.20	-	38,000,000.00	-	No	1,014,158,904.09
Total	2,150,000,000.00	/	/	/	2,150,000,000.00	2,000,000,000.00	-	42,807,397.27	-	80,000,000.00	-	/	2,173,811,917.90

Note:

On 28 May 2020, the Company issued medium-term notes with a total par value of RMB1,000,000,000.00 ("20 Luanchuan Molybdenum MTN001"), which are traded and circulated in the National Inter-bank Bond Market. The proceeds from the issue of the medium-term financing bonds were used to fund the Company's and its subsidiaries' working capital and repayment of bank borrowings. The interest of the medium-term notes is accrued at a fixed rate of 4.20%, with a term of 5 years, and paid once a year over the lifetime.

On 16 July 2021, the Company issued green medium-term notes with a total par value of RMB150,000,000.00 ("21 Luanchuan Molybdenum MTN001 (Green)"), which are traded and circulated in the National Inter-bank Bond Market. The proceeds from issuing the green medium-term green financing bill are used in construction of low-carbon industrial transformation project. The interest on the issued medium-term notes is accrued at the fixed rate of 3.90%, with a term of 3 years, and paid once a year over the lifetime.

On 16 February 2022, the Company issued sustainably linked medium-term notes with a total par value of RMB1,000,000,000.00 ("22 Luanchuan Molybdenum MTN001 (sustainably linked)"), which are traded and circulated in the National Inter-bank Bond Market. The bonds take the energy efficiency improvement of the product of mining process unit of Sandaozhuang Mine as the key performance indicator, with annual interest rate of 3.80%. The term of the medium-term notes is 3 years, with interest paid once a year over the lifetime.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

35. Lease liabilities

Unit: RMB

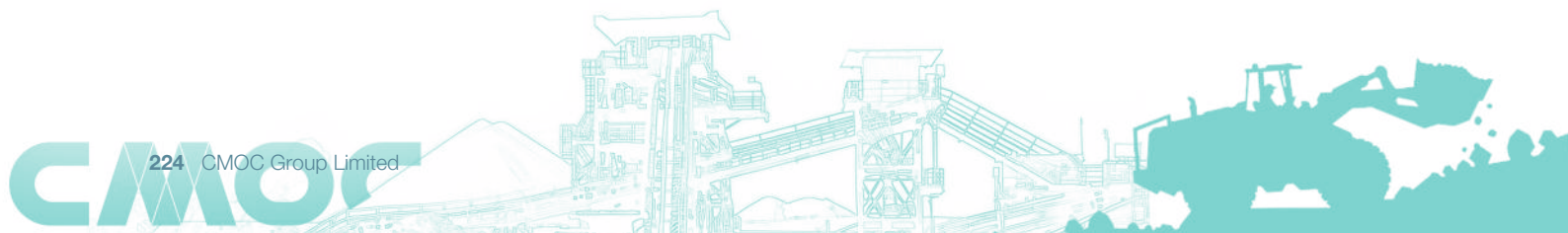
Item	Closing balance	Opening balance
Operating lease payables	357,020,680.36	398,358,355.54
Less: Lease liabilities due within one year (Note (VII).31)	164,913,728.63	167,419,827.96
Total	192,106,951.73	230,938,527.58

Other descriptions:

- (1) The maturity analysis of lease liabilities due over one year is as follows:

Unit: RMB

Maturity	Closing balance	Opening balance
1 – 2 years	77,677,907.74	56,634,717.82
2 – 5 years	79,901,815.94	131,395,218.72
Over 5 years	34,527,228.05	42,908,591.04
Total	192,106,951.73	230,938,527.58



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

36. Long-term employee benefits payable

Unit: RMB

Item	Closing balance	Opening balance
I. Post-employment benefits – net liability from defined benefit plan	485,112,874.43	459,735,819.08
II. Other long-term benefits		
– Including: Long service leave (Note)	8,162,945.00	9,694,433.30
– Others	2,244,528.64	2,230,639.70
Total	495,520,348.07	471,660,892.08

Note: It represents liabilities relating to annual leave and long service leave accrued for employees by overseas companies of the Group. Therein, the portion expected to be paid within 12 months is accounted for in employee benefits payable.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

37. Provisions

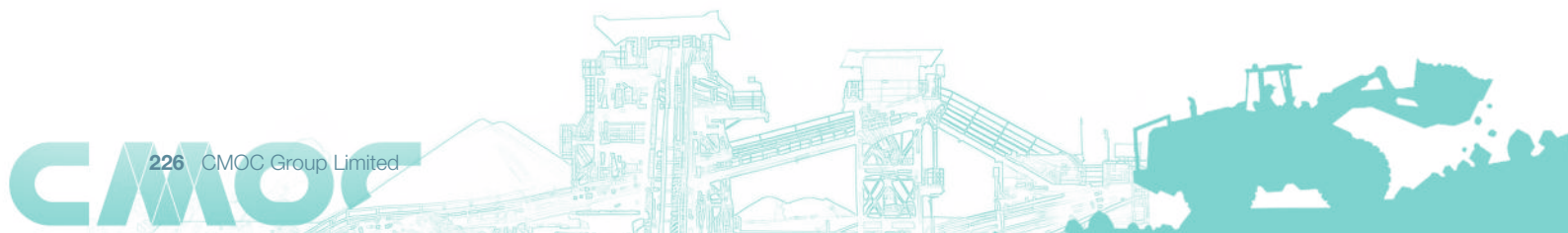
Unit: RMB

Item	Closing balance	Opening balance	Reasons
Pending litigation	257,488,345.41	277,283,554.68	Note 2
Rehabilitation and asset abandonment cost	2,506,482,026.11	2,559,804,098.29	Note 1
Total	2,763,970,371.52	2,837,087,652.97	/

Other descriptions, including the description of key assumptions and estimates of significant provisions:

Note 1: The Group has the obligation of rehabilitation, environmental restoration and dismantling of related assets due to the environmental impact caused by mineral production and development activities. The management recognises provisions by discounting its best estimate of future economic benefits outflow from the above obligations. The above estimate is determined based on the industry practices and the prevailing local laws and regulations. Significant changes in related laws and regulations may have a significant impact on the Group's estimates.

Note 2: The Group's Niobium-Phosphorus business in Brazil is facing with a series of local litigations and disputes related to tax matters, labours and other civil cases. When the relevant litigations are likely to lose and result in economic benefits outflow, the management of the Group estimates the amount of potential outflow of economic benefits and makes corresponding provisions.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

38. Deferred income

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
Refunds of land-transferring fees (Note 1)	13,045,652.90	–	192,792.90	12,852,860.00
Demonstration base project subsidies (Note 2)	19,847,130.60	–	3,502,434.90	16,344,695.70
Others	5,640,000.00	200,000.00	–	5,840,000.00
Total	38,532,783.50	200,000.00	3,695,227.80	35,037,555.70

Other descriptions:

Note 1: It represents the refunds of land-transferring fees received by the Group, which is included in deferred income, and amortised using straight-line method over the useful life of the land.

Note 2: It represents the special funds for major science and technology of Henan Province, the special funds for mineral resources conservation and comprehensive utilisation and the subsidies for the central mineral resources comprehensive utilisation demonstration base received by the Group, which are planned to be used for the study of key technologies for molybdenum-tungsten dressing and deep processing and included in deferred income, and will be recognised as other income in the future when related technology research costs are incurred.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

39. Other non-current liabilities

Unit: RMB

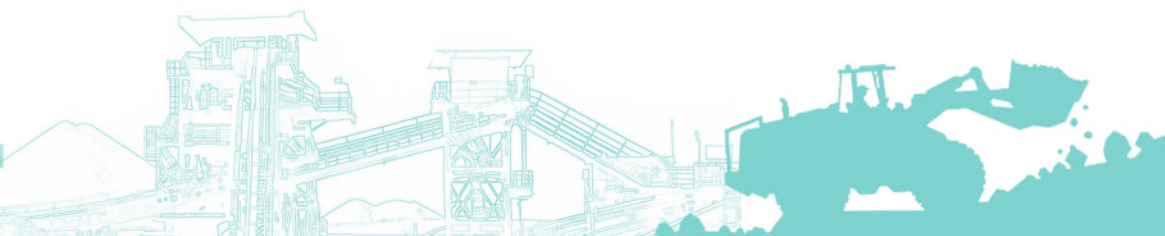
Item	Closing balance	Opening balance
Contract liabilities	11,167,679,643.52	12,472,267,950.66
Share-based payments	849,830.12	5,724,883.28
Metal streaming transaction contract liabilities (Note 1)	6,314,162,241.03	6,134,900,956.16
Equity fees payable (Note 2)	2,475,170,569.16	3,082,073,973.64
Others	3,141,027.70	–
Total	19,961,003,311.53	21,694,967,763.74

Other descriptions:

Note 1: On 9 December 2022, the Group and a third party signed a metal purchase and sale agreement. In accordance with relevant agreements, the third party is required to pay a prepayment of USD830 million in cash to the Group, and for mineral products delivered under the metal purchase and sale agreement, the third party shall pay an additional payment to the Group at a certain proportion of the spot price of the mineral products upon actual delivery. In accordance with the metal purchase and sale agreement, the Group is required to deliver a certain proportion of its own mineral products sold in its own mining area to a third party based on the metal purchase and sale agreement. The metal purchase and sale agreement does not stipulate a minimum delivery quantity. As at 30 June 2024, the liabilities under the above metal flow business are RMB6,314,162,241.03 (31 December 2023: RMB6,134,900,956.16).

Note 2: It represents the additional royalty for additional reserves of copper metal (hereinafter referred to as the “additional royalty”) calculated and paid by the Group to Gécamines (minority shareholder of the Group) in accordance with the Amended and Restated Mining Convention signed on 28 September 2005 and the Addendum No.1 to the Amended and Restated Mining Convention signed on 11 December 2010 by and between the DRC government, Gécamines, Lundin Holdings Limited (subsequently renamed as TF Holdings Limited) and TFM (hereinafter referred to as the “Mining Convention”), and the Amended and Restated Shareholders Agreement signed on 28 September 2005 and the Addendum No.1 to the Amended and Restated Shareholders Agreement signed on 11 December 2010 by and between TFM, Lundin Holdings Limited (subsequently renamed as TF Holdings Limited), Chui LTD, Faru LTD, Mboko LTD, Mofia LTD, Tembo LTD and Gécamines (together referred to as the “Shareholders Agreement”).

According to the settlement agreement signed with Gécamines, TFM shall pay Gécamines a total settlement of USD800 million, which will be paid in installments within six years from 2023 to 2028. The Group recognized the present value of the relevant settlement of USD701,982,485.00 (equivalent to RMB5,002,888,774.10) as an intangible asset. Meanwhile, the Group presented the relevant amount as other non-current liabilities and non-current liabilities due within one year according to the payment progress.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

40. Share capital

Unit: RMB

	Opening balance	Issuing new shares	Changes for the period (+, -)			Sub-total	Closing balance
			Bonus	Capitalisation of surplus reserve	Others		
Total shares	4,319,848,116.60	-	-	-	-	-	4,319,848,116.60

41. Other equity instruments

(1). *General information of outstanding preferred shares, perpetual bonds and other financial instruments*

Unit: RMB

Item	30 June 2024	31 December 2023
Renewable corporate bonds – phase I (Note)	1,000,000,000.00	1,000,000,000.00

Note: In December 2022, the Company publicly offered renewable corporate bonds – phase I to professional investors on the Shanghai Stock Exchange, with a total principal of RMB1 billion. According to the issuing terms of the bond, the Group has no contractual obligation to deliver cash or other financial assets. The Company believes that the bond fails to meet the definition of financial liabilities and includes it in other equity instruments instead.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

42. Capital reserve

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
Capital premium (share capital premium)	27,602,242,178.42	-	-	27,602,242,178.42
Other capital reserve	92,583,097.59	12,268,930.90	-	104,852,028.49
Total	27,694,825,276.01	12,268,930.90	-	27,707,094,206.91

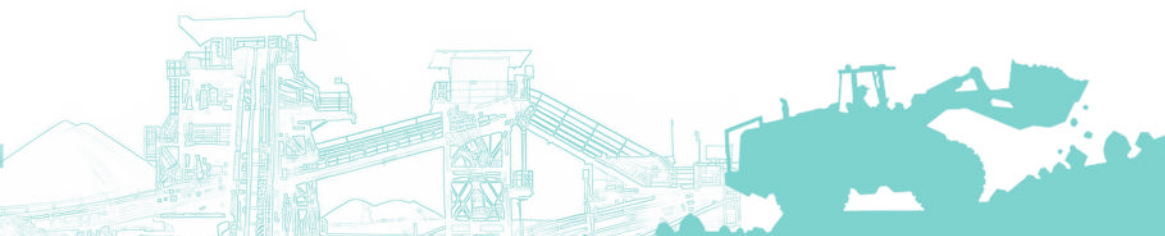
Other descriptions, including changes in the period and reasons for the changes:

Increase in other capital reserve represents the cost of incentives allocated from the restricted stock incentive plan.

43. Treasury shares

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
Repurchase of treasury shares	1,266,543,810.15	-	-	1,266,543,810.15
Total	1,266,543,810.15	-	-	1,266,543,810.15



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

44. Other comprehensive income

Unit: RMB

Item	Opening balance	Pre-tax amount incurred in the current period	Amount incurred in the current period				Closing balance
			Less: Amount included in other comprehensive income in prior period and transferred to profit or loss in the current period	Less: Income tax expenses	After-tax amount attributable to the parent company	After-tax amount attributable to minority shareholders	
I. Other comprehensive income that will not be reclassified to profit or loss	-68,364,405.33	-	-	-	-	-	-68,364,405.33
Including: Changes in defined benefit plan that result from re-measurements	13,679,730.30	-	-	-	-	-	13,679,730.30
Changes in fair value of other investments in equity instruments	-82,044,135.63	-	-	-	-	-	-82,044,135.63
II. Other comprehensive income that may be reclassified subsequently to profit or loss	1,642,628,127.66	164,366,549.66	-168,727,733.30	-2,113,390.52	257,693,128.42	77,514,545.06	1,900,321,256.08
Cash flow hedge reserve	-65,387,021.36	-247,871,211.98	-168,727,733.30	-2,113,390.52	-77,030,088.16	-	-142,417,109.52
Translation differences of financial statements denominated in foreign currencies	1,708,015,149.02	412,237,761.64	-	-	334,723,216.58	77,514,545.06	2,042,738,365.60
Total other comprehensive income	1,574,263,722.33	164,366,549.66	-168,727,733.30	-2,113,390.52	257,693,128.42	77,514,545.06	1,831,956,850.75

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

45. Special reserve

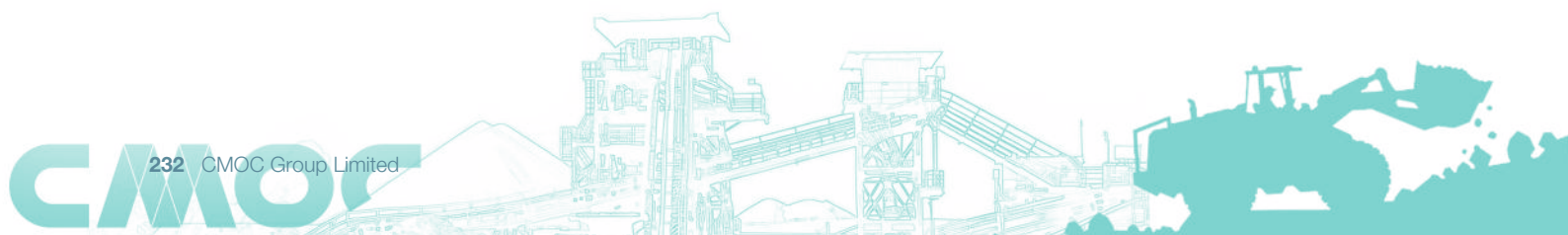
Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
Safety production expense	140,310,748.25	99,432,226.47	27,234,647.19	212,508,327.53
Total	140,310,748.25	99,432,226.47	27,234,647.19	212,508,327.53

46. Surplus reserve

Unit: RMB

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
Statutory surplus reserve	2,099,837,960.76	-	-	2,099,837,960.76
Total	2,099,837,960.76	-	-	2,099,837,960.76



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

47. Retained profits

Unit: RMB

Item	Current period	Prior year
Retained profits at the end of prior period (before adjustment)	23,977,727,693.23	18,019,893,163.56
Adjustment of total retained profits at the beginning of the current period (Add +, Less -)	-	
Retained profits at the beginning of the current period (after adjustment)	23,977,727,693.23	18,019,893,163.56
Add: Net profit attributable to owners of the parent company for the period	5,417,259,340.41	8,249,711,872.51
Less: Appropriation to statutory surplus reserve	-	415,449,433.07
Dividends of ordinary shares payable	3,300,072,344.65	1,820,227,909.77
Dividends of perpetual bonds payable		56,200,000.00
Retained profits at the end of current period	26,094,914,688.99	23,977,727,693.23

48. Operating income and operating costs

(1). *Details of operating income and operating costs*

Unit: RMB

Item	Jan. – Jun. 2024		Jan. – Jun. 2023	
	Income	Cost	Income	Cost
Principal operating activities	102,742,643,686.29	83,849,744,170.95	86,533,186,802.50	82,820,372,824.79
Other operating activities	75,788,002.27	74,219,732.99	193,068,851.69	183,659,253.47
Total	102,818,431,688.56	83,923,963,903.94	86,726,255,654.19	83,004,032,078.26

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

48. Operating income and operating costs (Continued)

(2). Principal operating activities (by products)

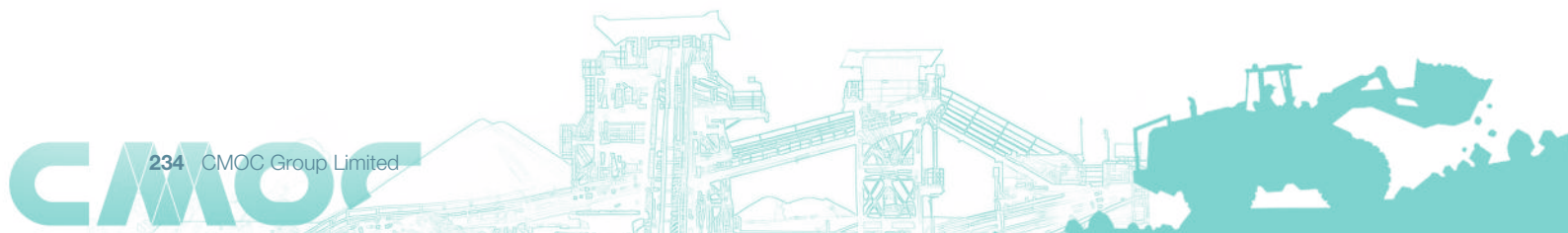
Unit: RMB

Name of product	Jan. – Jun. 2024		Jan. – Jun. 2023	
	Income	Cost	Income	Cost
Molybdenum, tungsten and related products	3,881,004,304.10	2,327,699,987.06	4,430,591,850.01	2,897,274,312.13
Niobium, phosphorus and related products	3,111,520,978.65	2,285,594,438.80	2,959,329,406.24	2,301,094,195.94
Copper, cobalt and related products	24,368,149,603.18	12,463,912,398.59	3,969,943,120.68	3,069,605,835.00
Copper, gold and related products	–	–	849,834,436.59	665,805,791.09
Concentrates metal trading	22,866,312,117.88	21,653,444,099.76	21,042,165,231.40	20,688,563,615.47
Refined metal trading	48,515,344,038.09	45,118,804,343.47	53,281,223,847.43	53,197,937,088.72
Others	312,644.39	288,903.27	98,910.15	91,986.44
Total	102,742,643,686.29	83,849,744,170.95	86,533,186,802.50	82,820,372,824.79

49. Taxes and levies

Unit: RMB

Item	Amount for the current period	Amount for the same period last year
Urban maintenance and construction tax	13,247,517.94	22,029,532.06
Education surcharge	13,223,151.08	21,982,380.19
Resource tax and royalties of mineral rights	1,786,981,361.38	667,245,209.21
Others	176,875,942.97	147,968,468.19
Total	1,990,327,973.37	859,225,589.65



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

50. Selling expenses

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Wages or salaries, bonus and allowances	21,818,181.85	23,294,933.51
Entertainment expenditures	568,248.84	1,058,414.84
Traveling expenses	868,423.00	1,304,508.07
Market consulting fees	2,021,211.44	22,875,518.17
Others	29,270,706.84	9,473,420.04
Total	54,546,771.97	58,006,794.63

51. Administrative expenses

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Wages or salaries, bonus and allowances	543,121,529.44	698,564,094.18
Depreciation and amortisation	98,243,479.76	106,931,569.85
Consulting and agency fees	84,290,959.94	87,695,399.38
Insurance costs	32,397,425.70	49,253,395.97
Others	407,548,600.41	267,848,285.32
Total	1,165,601,995.25	1,210,292,744.70

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

52. Research and development expenses

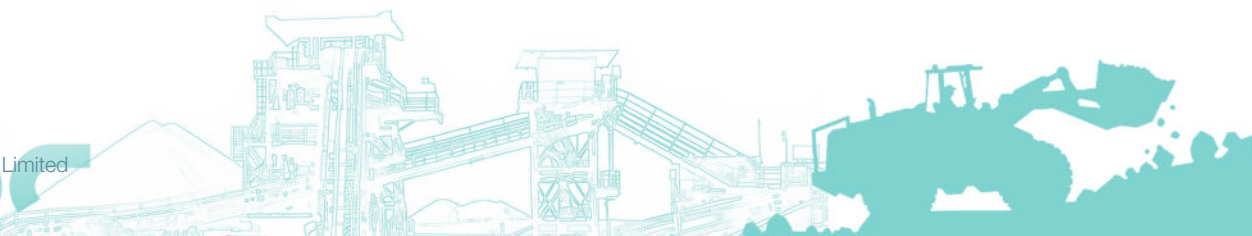
Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Technical R&D expenses	137,205,701.11	107,688,998.44
Total	137,205,701.11	107,688,998.44

53. Financial expenses

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Interest expenses on bonds	42,807,397.27	44,930,224.58
Interests on lease liabilities	16,814,636.75	15,856,455.06
Interest expenses on bank borrowings and others	1,888,704,250.20	1,968,531,917.74
Metal streaming financing costs	140,626,256.20	60,463,960.50
Less: Interest income	735,750,175.67	788,230,430.05
Exchange differences	225,042,210.41	6,799,761.85
Gold lease charges	1,104,264.00	2,924,450.50
Others	168,215,750.25	58,812,714.31
Total	1,747,564,589.41	1,370,089,054.49



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

54. Other income

Unit: RMB

Classified by nature	Jan. – Jun. 2024	Jan. – Jun. 2023
Government subsidies for stabilizing job posts	8,165,367.34	637,740.66
Nannihu land transfer compensation	192,792.90	192,792.90
Deferred income – subsidies for low-grade scheelite demonstration project	3,502,434.90	3,502,434.90
R&D rewards	–	2,100,000.00
Special manufacturing development fund	4,180,000.00	–
Tax refunds	11,109,762.41	46,483,591.95
Special awards and subsidies	4,000.00	1,596,028.92
Rewards for implementing policies	–	8,950,000.00
Others	2,678,139.59	5,732,128.33
Total	29,832,497.14	69,194,717.66

55. Investment income

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Gains from long-term equity investments under equity method	354,118,291.35	225,800,529.94
Investment income from holding other non-current financial assets	305,937.38	13,439,075.63
Interest on discounting of notes derecognised	-13,584,386.86	-18,212,844.11
Total	340,839,841.87	221,026,761.46

There are no significant restrictions on remittance of investment income.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

56. Gains from changes in fair value

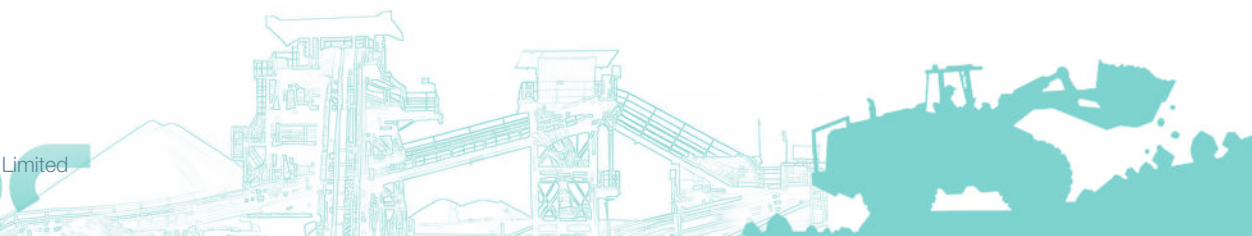
Unit: RMB

Sources resulting in gains from changes in fair value	Jan. – Jun. 2024	Jan. – Jun. 2023
Losses from changes in fair value of derivative financial instruments	-2,960,854,100.93	1,049,586,506.81
Gains from changes in fair value of held-for-trading financing liabilities	–	148,688,069.45
Losses from changes in fair values of gold lease and forward contract measured at fair value	-1,400,610.31	-2,030,080.10
Gains from changes in fair value of consumable biological assets	12,524,555.11	25,173,622.16
Gains (Losses) from changes in fair value of other non-current financial assets at FVTPL	-103,239,946.63	6,202,736.98
Gains (Losses) from changes in fair value of other held-for-trading financial assets	6,619,974.19	36,108,824.14
Total	-3,046,350,128.57	1,263,729,679.44

57. Losses from credit impairment

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Bad debt loss on accounts receivable	8,556,793.98	-822,985.71
Bad debt loss on other receivables	138,087.10	–
Total	8,694,881.08	-822,985.71



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

58. Asset impairment losses

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Losses on decline in value of inventories	-688,375.93	-28,956,088.47
Impairment losses on fixed assets	-	-16,003.08
Total	-688,375.93	-28,972,091.55

59. Gains from disposal of assets

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Gains from disposal of fixed assets	14,838,948.47	8,146,048.15
Total	14,838,948.47	8,146,048.15

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

60. Non-operating income

Unit: RMB

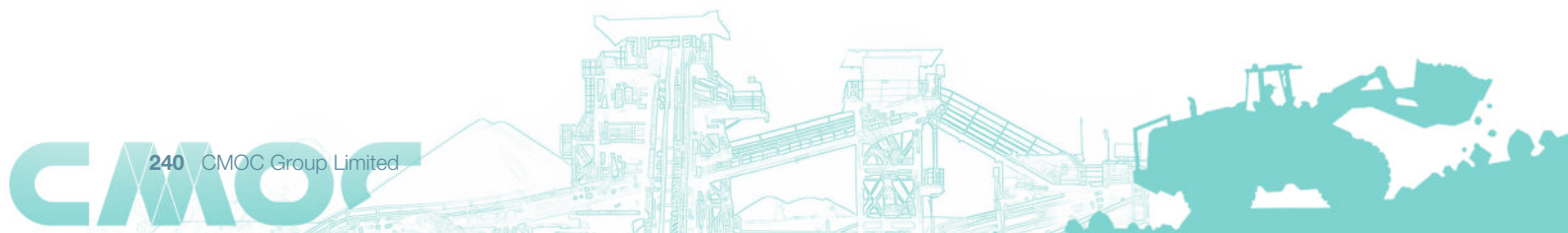
Item	Jan. – Jun. 2024	Jan. – Jun. 2023	Included in non-recurring profit or loss for the period
Government grants	–	180,000.00	–
Compensation	21,495,534.59	–	21,495,534.59
Others	885,820.21	1,148,289.94	885,820.21
Total	22,381,354.80	1,328,289.94	22,381,354.80

Other descriptions:

Government grants included in profit or loss for the period

Unit: RMB

Grant	Jan. – Jun. 2024	Jan. – Jun. 2023	Related to assets/income
Fiscal subsidy for the closure of Liushuigou tailings pond	–	180,000.00	Related to income



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

61. Non-operating expenses

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023	Included in non-recurring profit or loss for the period
Losses from retirement of non-current assets	1,277,243.81	3,986,939.61	1,277,243.81
Donations	8,602,310.40	9,057,420.31	8,602,310.40
Others	5,773,469.59	10,708,545.59	5,773,469.59
Total	15,653,023.80	23,752,905.51	15,653,023.80

62. Income tax expenses

(1) Statement of income tax expenses

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Current tax expenses	5,024,781,762.68	1,744,386,853.43
Deferred tax expenses	-210,463,504.14	-671,021,742.86
Differences arising on settlement of income tax for the prior year	8,406,946.66	-61,763,760.45
Total	4,822,725,205.20	1,011,601,350.12

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

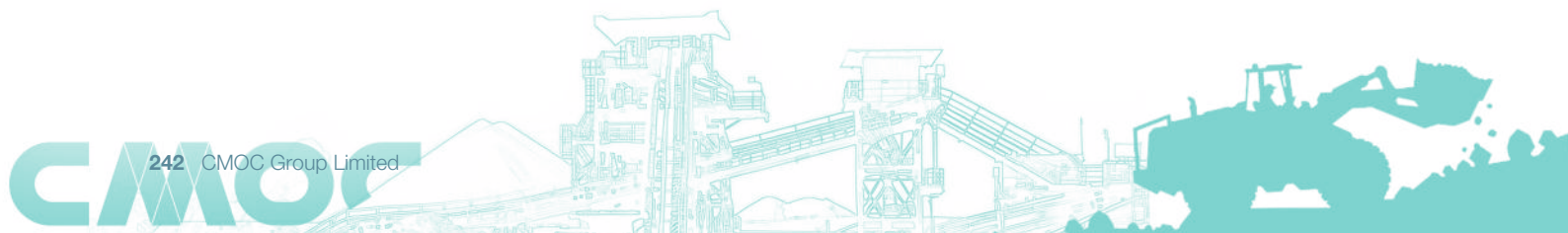
VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

62. Income tax expenses (Continued)

(2) Reconciliation of income tax expenses to the accounting profit is as follows

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Accounting profit	11,153,116,748.57	1,626,797,907.90
Income tax expenses calculated at statutory/applicable tax rate	1,672,967,512.29	244,019,686.19
Impact of different tax rate in subsidiaries in other jurisdictions	2,873,445,832.76	160,836,054.80
Impact of adjustment of income tax for previous periods	8,406,946.66	-61,763,760.45
Impact of tax-free income	-329,516,505.68	-114,759,369.64
Impact of non-deductible cost, expenses and losses	445,463,884.83	783,841,436.94
Impact of utilizing deductible losses for which deferred tax assets were not recognised in prior period	-9,704,724.40	-18,053,130.68
Impact of deductible temporary differences or deductible losses for which deferred tax assets are not recognised for the current period	2,203,171.69	1,147,616.45
Impact of non-currency monetary items	149,605,545.33	-10,903,243.15
Deductible losses generated from tax reports	9,637,357.00	29,192,135.80
Changes in deferred income tax due to changes in tax rate	–	-1,381,487.20
Others	216,184.72	-574,588.94
Income tax expenses	4,822,725,205.20	1,011,601,350.12



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

63. Other comprehensive income

Details are set out in Note (VII).44

64. Items in the cash flow statements

(1) Cash relating to operating activities

Other cash receipts relating to operating activities

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Receipts of compensation and penalty	10,270,018.64	207,996.72
Receipts of interest income	564,179,267.61	891,367,709.21
Receipts of subsidy income	14,596,259.62	32,546,537.75
Cash receipts from metal streaming transactions	–	1,631,896,000.00
Others	373,391,270.65	685,992,132.26
Total	962,436,816.52	3,242,010,375.94

Other cash payments relating to operating activities

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Payments for consulting fee, technology development fee and transportation fee, etc.	265,835,192.10	264,668,692.85
Payments of bank charges, etc.	7,907,960.91	18,898,345.35
Payments of donations and penalty, etc.	2,821,042.26	1,000,372.38
Others	311,686,013.39	206,048,866.10
Total	588,250,208.66	490,616,276.68

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Items in the cash flow statements (Continued)

(2) Cash relating to investing activities

Significant cash receipts relating to investing activities

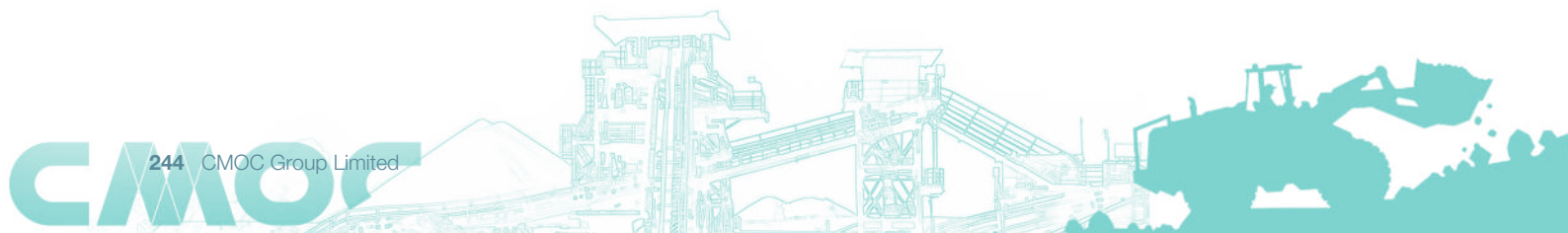
Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Cash receipts from withdrawal of bank structured deposits and wealth management products of other financial institutions	5,282,931,869.79	5,869,948,800.08
Cash receipts from withdrawal of other non-current financial assets	500,000,000.00	331,340,462.11

Significant cash payments relating to investing activities

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Cash payments for purchase of bank structured deposits and wealth management products of other financial institutions	8,440,744,011.54	8,153,376,832.96
Purchase of non-current financial assets	50,000,000.00	2,660,700.00
Settlement of derivative financial instruments	461,122,127.56	286,269,155.60
Cash payments for capital increase of long-term equity investments	106,571,250.00	10,800,000.00



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Items in the cash flow statements (Continued)

(2) Cash relating to investing activities (Continued)

Other cash receipts relating to investing activities

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Cash receipts of repayments from third parties and related parties	287,932,701.14	198,498,016.84
Others	58,565,513.78	46,923,122.66
Total	346,498,214.92	245,421,139.50

Other cash payments relating to investing activities

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Loans to third parties	–	349,557,037.55
Deposits for derivative financial instruments	355,237,500.00	12,492,947.76
Others	91,207,731.59	49,394,601.12
Total	446,445,231.59	411,444,586.43

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

64. Items in the cash flow statements (Continued)

(3) Cash relating to financing activities

Other cash receipts relating to financing activities

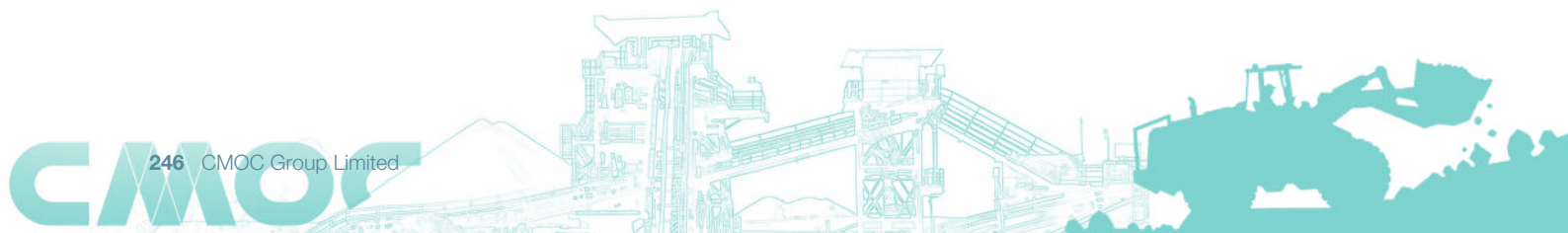
Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Cash receipts from gold lease business	–	415,518,801.15
Cash receipts from discharge of pledged certificates of deposits	375,000,000.00	–
Receipts of borrowing guarantee deposit and arrangement fee	956,980,235.71	–
Others	5,306,843.20	–
Total	1,337,287,078.91	415,518,801.15

Other cash payments relating to financing activities

Unit: RMB

Item	Jan. – Jun. 2024	Jan. – Jun. 2023
Cash payments for gold leasing business	420,758,412.01	677,611,623.00
Commission charge related to gold leasing business	–	2,226,035.73
Deposits for borrowing and arrangement fee	16,249,304.49	552,898,110.98
Cash payments for pledged certificates of deposit	1,300,000,000.00	–
Others	93,154,708.16	64,302,350.05
Total	1,830,162,424.66	1,297,038,119.76



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Supplementary information to the cash flow statement

(1) *Supplementary information to the cash flow statement*

Unit: RMB

Supplementary information	Amount in the current period	Amount in the prior period
1.Reconciliation of net profit to cash flow from operating activities:		
Net profit	6,330,391,543.37	615,196,557.78
Add: Provision for impairment of assets	688,375.93	28,972,091.55
Losses from credit impairment	-8,694,881.08	822,985.71
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of bearer biological assets	1,832,126,463.45	1,202,973,184.07
Amortisation of right-of-use assets	72,843,135.46	51,683,237.53
Amortisation of intangible assets	812,418,029.14	368,803,249.11
Amortisation of long-term prepaid expenses	27,166,573.91	27,591,475.33
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are indicated by "-")	-14,838,948.47	-8,146,048.15
Losses on retirement of fixed assets (gains are indicated by "-")	1,277,243.81	3,986,939.61
Losses on changes in fair values (gains are indicated by "-")	3,046,350,128.57	-1,263,729,679.44
Financial expenses (income is indicated by "-")	2,470,328,695.04	2,242,071,200.89
Investment loss (income is indicated by "-")	-340,839,841.87	-221,026,761.46
Decrease in deferred tax assets (increase is indicated by "-")	-418,500,770.82	-371,652,560.10
Increase in deferred tax liabilities (decrease is indicated by "-")	362,349,551.32	-95,297,841.61
Decrease in inventories (increase is indicated by "-")	-462,678,872.34	-894,358,378.86
Decrease in operating receivables (increase is indicated by "-")	-3,591,562,508.46	6,481,054,069.83
Increase in operating payables (decrease is indicated by "-")	329,490,054.95	511,537,044.40
Others	330,978,217.72	81,456,373.55
Net cash flows from operating activities	10,779,292,189.63	8,761,937,139.74
2.Significant investing and financing activities that do not involve cash receipts and payments:		
Conversion of debt into capital	979,935,000.00	-
Convertible bonds due within one year	-	-
Fixed assets held under finance lease	-	-
3.Net changes in cash and cash equivalents:		
Closing balance of cash	30,917,698,244.02	30,082,269,910.09
Less: Opening balance of cash	26,118,763,976.52	29,045,548,650.93
Add: Closing balance of cash equivalents	-	-
Less: Opening balance of cash equivalents	-	-
Net increase in cash and cash equivalents	4,798,934,267.50	1,036,721,259.16

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

65. Supplementary information to the cash flow statement (Continued)

(2) Net cash paid to acquire subsidiaries during the period

Unit: RMB

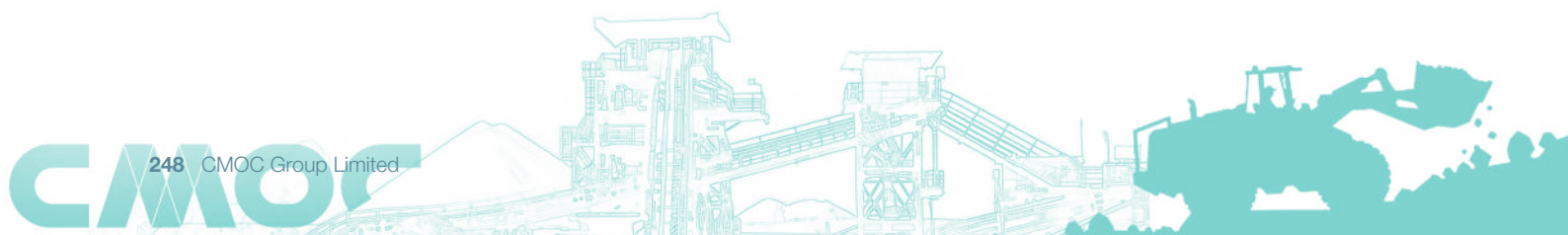
	Amount
Cash or cash equivalents paid in the current period for business combinations that occurred in the current period	20,000,000.00
Less: Cash and cash equivalents held by the company on the date of acquisition	15,014,211.46
Add: Cash or cash equivalents paid in the current period for business combinations that occurred in previous periods	–
Net cash paid to acquire subsidiaries	4,985,788.54

(3) Constitution of cash and cash equivalents

Unit: RMB

Item	Closing balance	Opening balance
I. Cash	30,917,698,244.02	26,118,763,976.52
Including: Cash on hand	5,416,232.38	3,109,309.28
Bank deposits that are readily available for payments	30,912,282,011.64	26,115,654,667.24
II. Cash equivalents	–	–
Including: Debt investments due within three months	–	–
III. Closing balance of cash and cash equivalents	30,917,698,244.02	26,118,763,976.52

Cash and cash equivalents exclude restricted cash and cash equivalents of the Company and subsidiaries as well as cash and bank balances due over 3 months.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Foreign currency monetary items

(1) Foreign currency monetary items

Unit: RMB

Item	Closing balance in foreign currency	Exchange rate	Closing balance in RMB
Cash and bank balances			
Including: RMB	13,551,483.63	1.0000	13,551,483.63
USD	382,969,339.24	7.1268	2,729,345,886.92
HKD	5,520,118.26	0.9127	5,038,211.94
EUR	810,403.35	7.6617	6,209,067.31
BRL	142,119,818.34	1.2821	182,205,025.97
GBP	37,849.34	9.0430	342,271.55
CDF	1,512,489,645.53	0.0028	4,248,443.27
ZAR	49,718,136.66	0.3856	19,169,901.54
SGD	295,022.13	5.2790	1,557,421.81
CHF	73,504.26	7.9471	584,145.74
CLP	15,587,486.00	0.0075	116,810.25
MXN	7,262,558.80	0.3857	2,801,168.93
PEN	1,015,947.17	1.8574	1,887,020.28
IDR	290,882,244.00	0.0004	126,452.38
ZWD	0.40	0.5250	0.21
Short-term borrowings			
Including: RMB	401,644,305.56	1.0000	401,644,305.56
MXN	554,652,219.21	0.3857	213,953,178.22
PEN	103,391,041.32	1.8574	192,037,339.91
Non-current liabilities due within one year			
Including: RMB	34,896,000.00	1.0000	34,896,000.00
Long-term borrowings			
Including: RMB	690,000,000.00	1.0000	690,000,000.00

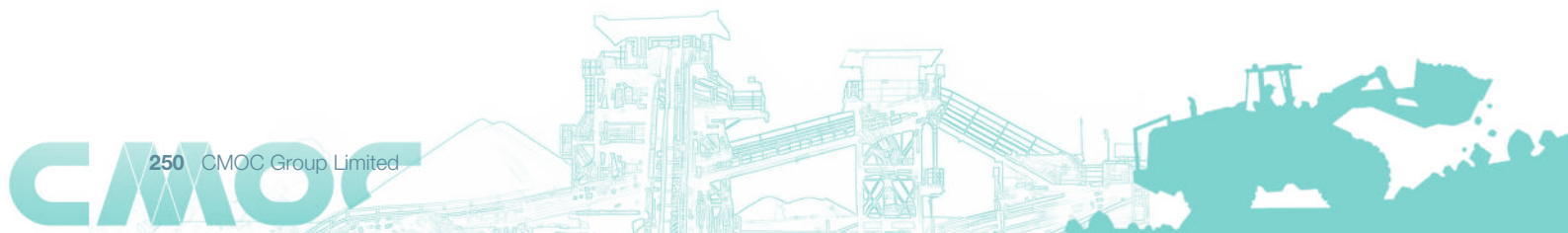
SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

66. Foreign currency monetary items (Continued)

(2) Description of overseas operations

Name of subsidiary	Main place of operation	Functional currency	Basis for determining the functional currency
COMC Brazil	Brazil	USD	Determined based on the primary economic environment in which it operates
TFM and KFM	Congo (DRC)	USD	Determined based on the primary economic environment in which it operates
Purveyors South Africa Mine Services CMOC ("CMOC South Africa")	Republic of South Africa	USD	Determined based on the primary economic environment in which it operates
IXM Holding SA	Switzerland	USD	Determined based on the primary economic environment in which it operates



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VIII. CHANGES IN SCOPE OF CONSOLIDATION

1. Business combinations not involving enterprises under common control

(1). *Business combinations not involving enterprises under common control incurred in the period*

Unit: RMB

Acquiree	Time point of equity acquisition	Acquisition costs	Percentage of shares (%)	Acquisition method	Acquisition date	Basis for determining the acquisition date	Income of	Net profit of	Cash flows
							the acquiree from the acquisition date to the end of the period	the acquiree from the acquisition date to the end of the period	of the acquiree from the acquisition date to the end of the period
Luanchuan Zhonghe Metallurgy Charging Co., Ltd. ("Zhonghe Metallurgy")	29 May 2024	20,000,000.00	51.00	Acquired by cash	29 May 2024	Control has been transferred	19,371,535.99	1,427,774.71	15,817,694.36

Other descriptions:

On 16 January 2024, the Company jointly entered into an equity transfer agreement with Luanchuan Zhongcheng Industry and Trade Co., Ltd., Luanchuan Xingtai Industry and Trade Co., Ltd. and Zhonghe Metallurgy, and as a transferee, to acquire 24.48% equity interests of Zhonghe Metallurgy held by Luanchuan Zhongcheng Industry and Trade Co., Ltd. and 26.52% equity interests of Zhonghe Metallurgy held by Luanchuan Xingtai Industry and Trade Co., Ltd at a consideration of RMB20,000,000.00. Such equity transfer was closed on 29 May 2024.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

VIII. CHANGES IN SCOPE OF CONSOLIDATION (CONTINUED)

1. Business combinations not involving enterprises under common control (Continued)

(2). Combination costs and goodwill

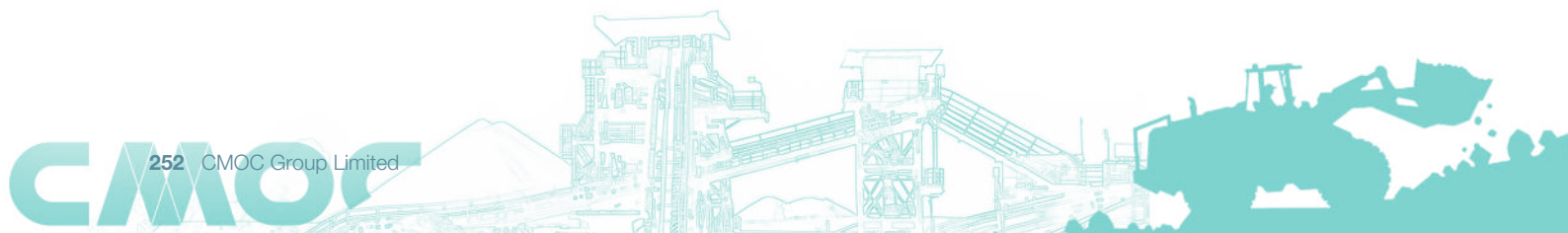
Unit: RMB

Combination costs	Zhonghe Metallurgy
– Cash	20,000,000.00
Total combination costs	20,000,000.00
Less: Share of fair value of net identifiable assets acquired	20,000,000.00
Amount by which goodwill/combination costs is/are less than share of fair value of identifiable net assets acquired	–

(3). Identifiable assets and liabilities of acquiree at the acquisition date

Unit: RMB

	Zhonghe Metallurgy	
	Fair value at the acquisition date	Carrying amount at the acquisition date
Assets:	125,739,850.69	79,137,179.21
Cash and bank balances	15,014,211.46	15,014,211.46
Accounts receivable	20,995,932.57	20,995,932.57
Prepayments	188,317.06	188,317.06
Other receivables	3,398,526.72	3,398,526.72
Inventories	6,910,295.02	6,910,295.02
Other current assets	1,555,060.10	1,555,060.10
Fixed assets	68,554,168.12	29,126,608.52
Intangible assets	9,123,339.64	1,948,227.76
Liabilities:	86,524,164.42	74,873,496.55
Accounts payable	24,132,735.79	24,132,735.79
Employee benefits payable	7,079,621.34	7,079,621.34
Taxes payable	3,829,890.96	3,829,890.96
Other payables	10,351,144.96	10,351,144.96
Other current liabilities	14,318,003.50	14,318,003.50
Provisions	15,162,100.00	15,162,100.00
Deferred tax liabilities	11,650,667.87	–
Net assets	39,215,686.27	4,263,682.66



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

IX. INTERESTS IN OTHER ENTITIES

1. Interests in subsidiaries

(1) Constitution of the Group

Unit: RMB

Name of the subsidiary	Main place of operation	Paid-in capital	Place of incorporation	Nature of business	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
China Molybdenum Metal Material Company Limited ("Metal Material")	China	RMB170,000,000.00	Luoyang, Henan	Processing and sales of mineral products	100	-	Investment establishment
China Molybdenum Tungsten Co., Ltd. ("Wu Ye")	China	RMB100,000,000.00	Luanchuan, Henan	Refining and sales of mineral products	100	-	Investment establishment
Luanchuan Fu Kai Trading Co., Ltd. ("Fu Kai")	China	RMB100,000.00	Luanchuan, Henan	Trading of molybdenum and tungstenic products	100	-	Investment establishment
China Molybdenum (Hong Kong) Company Limited ("CMOC HK")	Hong Kong, China	HKD2,148,552,236.38	Hong Kong, China	Sales of mineral products	100	-	Investment establishment
Luoyang Mudu International Hotel Co., Ltd. ("International Hotel")	China	RMB290,000,000.00	Luoyang, Henan	Hotel	100	-	Investment establishment
Xinjiang Luomu Mining Co., Ltd ("Xin Kuang Luo Mu")	China	RMB1,400,000,000.00	Hami	Selection and sales of mineral products	65.1	-	Investment establishment
Luanchuan County Jiuyang Mining Co., Ltd. ("Jiu Yang")	China	RMB33,390,000.00	Luanchuan, Henan	Refining and sales of mineral products	51	-	Investment establishment
Luanchuan County Sanqiang Molybdenum Tungsten Co., Ltd. ("San Qiang")	China	RMB55,480,000.00	Luanchuan, Henan	Refining and sales of mineral products	51	-	Investment establishment
Luanchuan County Dadongpo Tungsten Molybdenum Co., Ltd. ("Da Dong Po")	China	RMB65,654,411.50	Luanchuan, Henan	Refining and sales of mineral products	51	-	Investment establishment
China Molybdenum Sales Co., Ltd. ("Sales Company")	China	RMB50,000,000.00	Luanchuan, Henan	Sales of mineral products	100	-	Investment establishment
CMOC Limited	Hong Kong, China	USD4,327,349,273.10	Hong Kong, China	Investment holding	100	-	Investment establishment
Schmoke (Shanghai) International Trading Co., Ltd. ("Schmoke")	China	RMB660,000,000.00	Shanghai	Import and export of goods and technology	100	-	Investment establishment

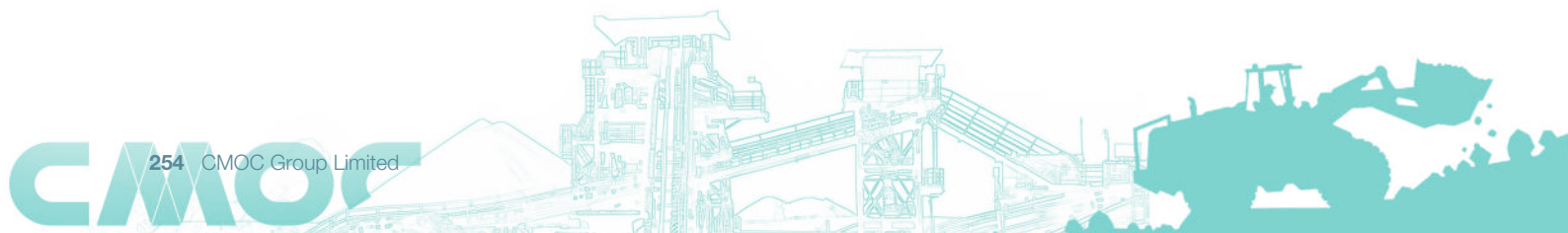
SECTION IX FINANCIAL STATEMENTS (CONTINUED)

IX. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Constitution of the Group (Continued)

Name of the subsidiary	Main place of operation	Paid-in capital	Place of incorporation	Nature of business	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Beijing Yongbo Resources Investment Holding Co., Ltd. ("Beijing Yongbo")	China	RMB267,800,000.00	Beijing	Consulting, asset management and sales	100	-	Investment establishment
CMOC DRC Limited ("CMOC DRC")	Hong Kong, China	-	Hong Kong, China	Mining services	-	100	Investment establishment
CMOC UK Limited ("CMOC UK")	UK	USD1.30	UK	Mining services and sales	-	100	Investment establishment
CMOC Luxembourg S.A.R.L. ("CMOC Luxembourg")	Luxembourg	USD600,020,000.00	Luxembourg	Investment holding	-	100	Investment establishment
CMOC Capital Limited ("CMOC Capital")	BVI	-	BVI	Investment holding	-	100	Investment establishment
Shanghai Ruichao Investment Co., Ltd. ("Rui Chao")	China	RMB250,000,000.00	Shanghai	Consulting, enterprise operating and management	-	100	Investment establishment
Tibet Schmocke Investment Co., Ltd. ("Tibet Schmocke")	China	RMB10,000,000.00	Tibet	Consulting, asset management and sales	-	100	Investment establishment
Shanghai Donghe Trading Co., Ltd. ("Dong He")	China	RMB50,000,000.00	Shanghai	Sales of metal materials, and mineral products	-	100	Investment establishment
Shanghai Hongmu Technology Services Co., Ltd.	China	-	Shanghai	Technology services	-	100	Investment establishment
Natural Resource Elite Investment Limited ("NREIL")	Hong Kong, China	USD212,400,000.00	Hong Kong, China	Investment holding	-	100	Investment establishment
W-Source Holding Limited	Hong Kong, China	USD1,125.87	Hong Kong, China	Investment holding	-	100	Business combinations not involving enterprises under common control
Ridgeway Commodities S.A.	Switzerland	USD99,108.42	Switzerland	Metal trading	-	100	Investment establishment
IXM Holding SA	Switzerland	USD102,818.49	Switzerland	Investment holding	-	100	Business combinations not involving enterprises under common control



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

IX. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Constitution of the Group (Continued)

Name of the subsidiary	Main place of operation	Paid-in capital	Place of incorporation	Nature of business	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
IXM B.V. and its subsidiaries	Switzerland	USD0.05	Netherland	Metal trading	-	100	Business combinations not involving enterprises under common control
Luoyang Dinghong Trading Co., Ltd. ("Dinghong")	China	RMB282,902,000.00	Luoyang, Henan	Sales of metal materials, and mineral products etc.	-	100	Investment establishment
CMOC Singapore Pte. Ltd.	Singapore	-	Singapore	Metal trading	-	100	Investment establishment
KFM Holding Limited.	Hong Kong, China	USD550,020,000.00	Hong Kong, China	Investment holding	-	75	Investment establishment
CMOC Brasil Mineração, Indústria e Participações Ltda. ("CMOC Brazil")	Brazil	USD830,000,000.00	Brazil	Mining, processing and sales of mineral products	-	100	Investment establishment
Ningbo Baiya Investment Co., Ltd. ("Ningbo Baiya")	China	RMB11,000,000.00	Ningbo, Zhejiang	Investment management	-	100	Investment establishment
Hainan Muxing Trading Co., Ltd.	China	RMB200,000,000.00	Haikou, Hainan	Import and export trading	-	100	Investment establishment
Purveyors South Africa Mine Services CMOC ("CMOC South Africa")	Republic of South Africa	-	Republic of South Africa	Logistics transportation	-	100	Business combinations not involving enterprises under common control
CMOC International DRC Holdings Limited ("CIDHL")	Bermuda	-	Bermuda	Investment holding	-	100	Business combinations not involving enterprises under common control
BHR Newwood Investment Management Limited ("BHR")	BVI	USD470,000,000.00	BVI	Investment holding	-	100	Business combinations not involving enterprises under common control
Congo Construction Company SARL	Congo (DRC)	USD100,000.00	Congo (DRC)	Refining and sales of mineral products	-	100	Business combinations not involving enterprises under common control

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

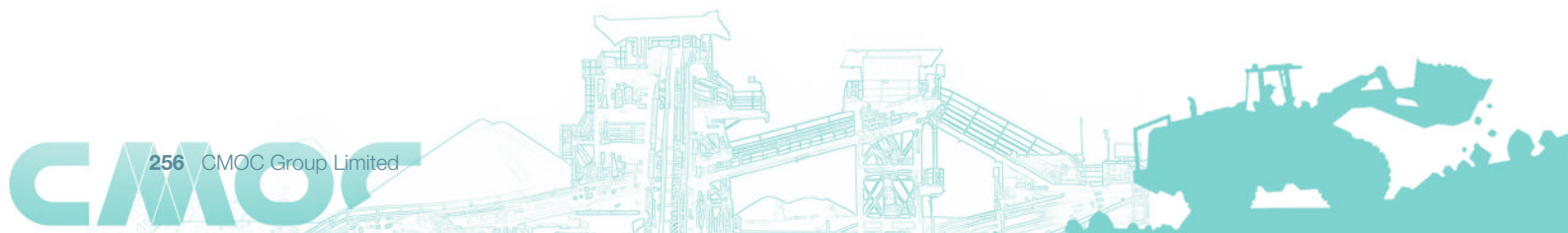
IX. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(1) Constitution of the Group (Continued)

Name of the subsidiary	Main place of operation	Paid-in capital	Place of incorporation	Nature of business	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
TF Holdings Limited ("TFHL")	Bermuda	USD8,400.00	Bermuda	Investment holding	-	100	Business combinations not involving enterprises under common control
Shanghai Aoyide Trading Co., Ltd. ("Shanghai Aoyide")	China	RMB60,000,000.00	Shanghai	Domestic non-ferrous trading	-	100	Investment establishment
Shanghai Moju Engineering Consulting Co., Ltd.	China	RMB10,000,000.00	Shanghai	Consulting	-	100	Investment establishment
Shanghai Fuyi Engineering Consulting Co., Ltd.	China	RMB10,000,000.00	Shanghai	Consulting	-	100	Investment establishment
Kisanfu Holding Ltd.	Bermuda	USD97,876,162.00	Bermuda	Investment holding	-	75	Asset acquisition
Tenke Fungurume Mining S.A.	Congo (DRC)	-	Congo (DRC)	Mining and processing	-	80	Business combinations not involving enterprises under common control
CMOC Kisanfu Mining SARL.	Congo (DRC)	USD102,132,800.00	Congo (DRC)	Mining and processing	-	71.25	Asset acquisition
CMOC Commodity	Hong Kong, China	-	Hong Kong, China	Investment holding	-	100	Investment establishment
Shanghai Muchao Enterprise Management Co., Ltd. ("Shanghai Muchao")	China	-	Shanghai	Consulting services	-	100	Investment establishment
Artemida Limited	Hong Kong, China	-	Hong Kong, China	Metal trading	-	100	Investment establishment
Hongde Kuangxin	China	RMB60,000,000.00	Shanghai	Technical services and software development	-	100	Investment establishment
Zhonghe Metallurgy (Note)	China	RMB20,000,000.00	Luanchuan, Henan	Selection and sales of mineral products	51	-	Business combinations not involving enterprises under common control

Note: Subsidiary of business combinations not involving enterprises under common control, please refer to Note (VIII).1.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

IX. INTERESTS IN OTHER ENTITIES (CONTINUED)

1. Interests in subsidiaries (Continued)

(2) Significant non-wholly-owned subsidiaries

Unit: RMB

Name of the subsidiary	Minority shareholder's shareholding ratio (%)	Profit or loss attributable to minority shareholders in the current period	Dividends distributed to minority shareholders in the current period	Closing balance of minority interests
TFM	20.00	233,486,387.91	-497,332,500.00	6,554,837,292.78

(3) Major financial information of significant non-wholly-owned subsidiaries

Unit: RMB

Name of the subsidiary	Closing balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total Liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total Liabilities
TFM	16,933,707,441.95	53,356,427,870.15	70,290,135,312.10	9,818,380,725.40	26,986,402,179.89	36,804,782,905.29	16,678,771,327.51	53,918,556,265.34	70,597,327,592.85	8,963,450,779.22	27,040,592,515.39	36,004,043,294.61

Name of the subsidiary	Amount for the current period				Amount for the prior period			
	Operating income	Net profit	Total comprehensive income	Cash flow from operating activities	Operating income	Net profit	Total comprehensive income	Cash flow from operating activities
TFM	14,450,265,610.84	1,167,431,939.53	1,167,431,939.53	7,629,188,400.11	4,560,698,004.33	487,250,039.47	487,250,039.47	-1,813,137,085.66

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

IX. INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint ventures or associates

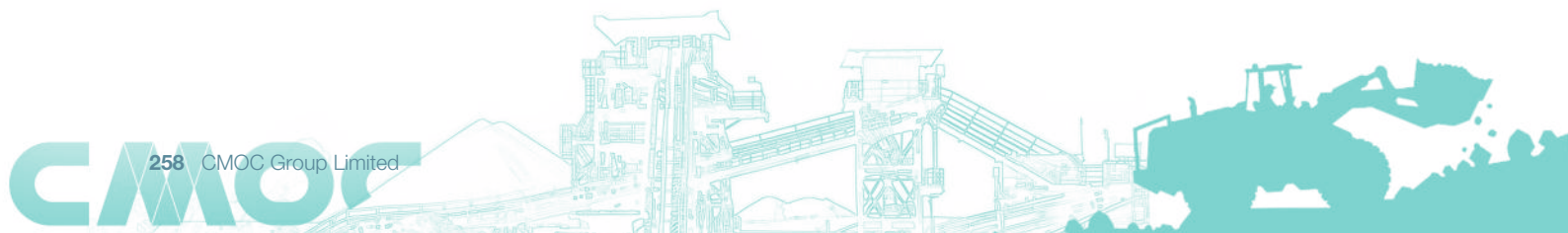
(1) Significant joint ventures or associates

Name	Main place of operation	Place of incorporation	Nature of business	Shareholding ratio (%)		Accounting treatments for investments in joint ventures or associates
				Direct	Indirect	
Huan Yu	Luoyang, Henan	Luoyang, Henan	Investment	50	-	Equity method
Yulu Mining	Luoyang, Henan	Luoyang, Henan	Refining and sales of mineral products	40	-	Equity method
Huayue Nickel Cobalt	Indonesia	Indonesia	Refining and sales of mineral products	-	30	Equity method

(2) Major financial information of significant joint ventures

Unit: RMB

	Closing balance/ Amount for the current period Huan Yu (Note 1)	Opening balance/ Amount for the prior period Huan Yu (Note 1)
Current assets	617,503,048.79	375,207,616.44
Including: Cash and cash equivalents	38,365,551.61	84,258,894.16
Non-current assets	1,701,277,727.90	1,738,227,617.64
Total assets	2,318,780,776.69	2,113,435,234.08
Current liabilities	921,705,181.38	944,763,453.61
Non-current liabilities	179,317,904.34	182,414,045.26
Total Liabilities	1,101,023,085.72	1,127,177,498.87



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

IX. INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint ventures or associates (Continued)

(2) Major financial information of significant joint ventures (Continued)

	Closing balance/ Amount for the current period Huan Yu (Note 1)	Opening balance/ Amount for the prior period Huan Yu (Note 1)
Minority interests	-33,021,841.49	-4,850,206.05
Equity attributable to shareholder of the Company	1,250,779,532.46	991,107,941.26
Share of net assets calculated based on shareholding ratio	625,389,766.23	495,553,970.63
Adjusting events (Note 2)	-39,327,863.96	-16,394,312.48
Carrying amount of equity investments in joint ventures	586,061,902.27	479,159,658.15
Fair value of equity investments in joint ventures where there is quoted price	N/A	N/A
Operating income	633,834,596.30	438,252,047.53
Financial expenses	14,344,337.34	20,219,697.63
Income tax expenses	109,974,018.11	48,956,522.75
Net profit	286,662,607.38	-18,214,176.78
Total comprehensive income	286,662,607.38	-18,214,176.78
Dividends received from joint ventures in the current year	-	-

Note 1: The joint venture of the Group, Huan Yu, has 90% equity interest in Fu Chuan; meanwhile, the Company directly holds the remaining 10% interest in Fu Chuan.

Note 2: According to the agreement with local government, the local government is entitled to 8% of the dividend rights of Fu Chuan. Thus, the Group actually holds 47% of the profit or loss of Fu Chuan under equity method.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

IX. INTERESTS IN OTHER ENTITIES (CONTINUED)

2. Interests in joint ventures or associates (Continued)

(3) Major financial information of significant associates

Unit: RMB

	Closing balance/Amount for the current period		Opening balance/Amount for the prior period	
	Yulu Mining (Note)	Huayue Nickel Cobalt	Yulu Mining (Note)	Huayue Nickel Cobalt
Current assets	185,001,420.08	3,806,560,264.90	163,477,163.93	3,357,236,547.81
Non-current assets	48,573,124.49	8,904,525,910.38	49,641,474.27	9,171,225,702.08
Total assets	233,574,544.57	12,711,086,175.28	213,118,638.20	12,528,462,249.89
Current liabilities	54,321,494.60	725,883,314.36	30,536,266.95	1,058,712,006.84
Non-current liabilities	-	5,849,105,881.12	-	6,059,264,459.05
Total Liabilities	54,321,494.60	6,574,989,195.48	30,536,266.95	7,117,976,465.89
Minority interests	-	-	-	-
Equity attributable to shareholder of the Company	179,253,049.97	6,136,096,979.80	182,582,371.25	5,410,485,784.00
Share of net assets calculated based on shareholding ratio	71,701,219.99	1,840,829,093.94	73,032,948.50	1,623,145,735.20
Adjusting events	4,421,989.91	-	4,780,547.56	-
Carrying amount of equity investments in associates	76,123,209.90	1,840,829,093.94	77,813,496.06	1,623,145,735.20
Fair value of equity investments in associates where there is quoted price	N/A	N/A	N/A	N/A
Operating income	190,766,061.71	3,530,811,865.76	170,061,559.74	3,668,061,927.35
Net profit	86,619,427.64	689,782,356.40	74,087,230.36	763,362,028.79
Total comprehensive income	86,619,427.64	725,611,195.80	74,087,230.36	763,362,028.79
Dividends received from associates in the current year	45,000,000.00	-	36,100,000.00	-

Note: The Group holds 40% equity interest in Yulu Mining, but shares 50% dividend rights.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

X. GOVERNMENT GRANTS

1. Items of liabilities related to government grants

Unit: RMB

Item	Opening balance	Increase	Transfer to other income	Closing balance	Related to assets/income
Deferred income	38,532,783.50	200,000.00	3,695,227.80	35,037,555.70	Related to assets
Total	38,532,783.50	200,000.00	3,695,227.80	35,037,555.70	/

2. Government grants included in profit or loss for the period

Unit: RMB

Category	Amount for the current period	Amount for the prior period
Related to assets	3,695,227.80	3,695,227.80
Related to income	26,137,269.34	65,679,489.86
Total	29,832,497.14	69,374,717.66

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

1. Risks of financial instruments

The Group's major financial instruments include cash and bank balances, held-for-trading financial assets, derivative financial assets, accounts receivable, financing with receivables, other receivables, non-current assets due within one year, other current assets, investments in other equity instruments, other non-current financial assets, other non-current assets, held-for-trading financing liabilities, derivative financial liabilities, notes payable, accounts payable, other payables, borrowings, other current liabilities, non-current derivative financial liabilities, non-current liabilities due within one year, bonds payable, other non-current liabilities, etc. Details of these financial instruments are disclosed in Note (VII). The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure the risks are monitored within a certain range.

Unit: RMB'000

	30 June 2024	31 December 2023
Financial assets		
At fair value through profit or loss		
Held-for-trading financial assets	14,389,303	8,284,638
Derivative financial assets	1,362,779	2,213,552
Other non-current financial assets	3,132,486	3,199,385
At fair value through other comprehensive income		
Financing with receivables	38,779	260,311
Investments in other equity instruments	7,729	7,729
At amortised cost		
Cash and bank balances	34,912,919	30,716,077
Accounts receivable	1,000,310	1,132,004
Other receivables	705,302	1,509,478
Other current assets	3,370,297	1,964,802
Non-current assets due within one year	301,143	1,007,575
Other non-current assets	1,333,750	1,301,427
Financial liabilities		
At fair value through profit or loss		
Held-for-trading financing liabilities	3,698,643	2,948,580
Derivative financial liabilities	2,156,791	1,108,796
At amortised cost		
Short-term borrowings	30,135,228	24,954,250
Notes payable	431,462	1,142,026
Accounts payable	5,955,456	3,556,153
Other payables	6,404,772	4,773,802
Non-current liabilities due within one year	5,563,967	3,602,580
Long-term borrowings	17,089,212	18,767,718
Bonds payable	–	2,000,000
Other non-current liabilities	1,885,102	3,082,074

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

The Group adopts sensitivity analysis technique to analyse how the profit or loss for the period or shareholders' equity would have been affected by reasonably possible changes in the relevant risk variables. As it is unlikely that risk variables will change in an isolated manner, and the interdependence among risk variables will have significant effect on the amount ultimately influenced by the changes in a single risk variable, the following are based on the assumption that the change in each risk variable is on a stand-alone basis.

1. *Risk management objectives, policies and procedures, and changes for the period*

The Group's risk management objectives are to achieve a proper balance between risks and benefits, minimise the adverse impacts of risks on the Group's operation performance, and maximise the benefits of the shareholders and other stakeholders. Based on these risk management objectives, the Group's basic risk management strategy is to identify and analyse the Group's exposure to various risks, establish an appropriate maximum tolerance to risk and practice risk management, and monitor these exposures regularly and effectively to ensure the risks are controlled within a certain range.

1.1 Market risk

1.1.1. *Foreign exchange risk*

Foreign exchange risk refers to the risk of loss due to exchange rate changes. The Group is exposed to foreign exchange risk mainly related to USD, RMB and BRL. The principal business activities of the subsidiaries in the PRC are denominated and settled in RMB. The principal business activities of the subsidiaries in Australia are mainly denominated and settled in AUD or USD. The Group's Niobium and Phosphorus businesses in Brazil are principally denominated and settled in USD and BRL and the Group's Copper-Cobalt business in Congo (DRC) is principally denominated and settled in USD and CDF. Foreign currency transactions are mainly financing activities of domestic and Hong Kong subsidiaries settled in USD, operating activities of subsidiaries in Brazil of which the functional currency is USD settled in BRL, and operating activities of subsidiaries in Congo (DRC) of which the functional currency is USD settled in CDF. The Group pays close attention to the influence of exchange rate changes on the foreign exchange risk, and manages foreign exchange risk by purchasing forward exchange contracts and exchange rate option contracts. For details, refer to Note (VII). 3 and 24.

As at 30 June 2024, the Group's financial assets and financial liabilities denominated in foreign currencies are presented as follows. The foreign exchange risk arising from the assets and liabilities of such foreign currency balances may have an impact on the Group's operating results.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

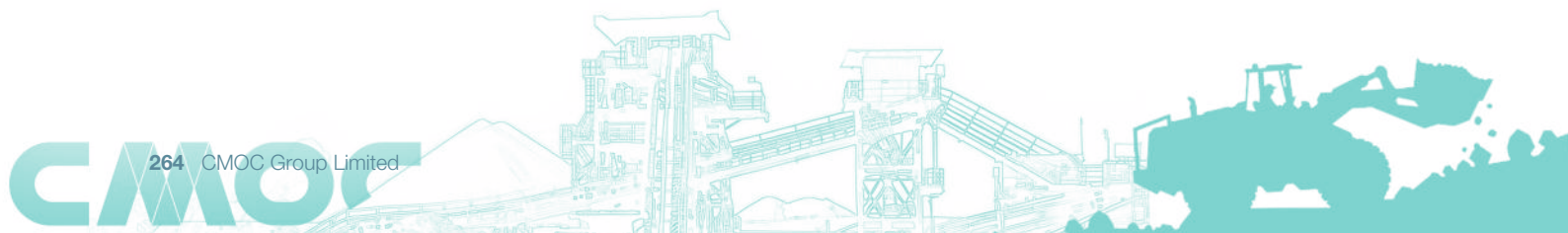
1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1 Market risk (Continued)

1.1.1. Foreign exchange risk (Continued)

Unit: RMB'000

	30 June 2024	31 December 2023
USD		
Cash and bank balances	2,729,346	999,946
Sub-total	2,729,346	999,946
RMB		
Cash and bank balances	13,551	7,862
Short-term borrowings	-401,644	-
Non-current liabilities due within one year	-34,896	-35,054
Long-term borrowings	-690,000	-703,235
Sub-total	-1,112,989	-730,427
BRL		
Cash and bank balances	182,205	147,600
Sub-total	182,205	147,600
CDF		
Cash and bank balances	4,248	59,994
Sub-total	4,248	59,994
AUD		
Cash and bank balances	0	1
Sub-total	0	1



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1 Market risk (Continued)

1.1.1. Foreign exchange risk (Continued)

The following table is a sensitivity analysis on exchange rate risk, which reflects that, where all other variables are held constant, the reasonably possible changes in the foreign exchange rate of foreign currencies (USD, RMB, BRL, etc.) may have the following pre-tax effect on the profit or loss for the period and shareholders' equity. The Group does not consider the effect of current forward foreign exchange contracts and foreign exchange option contracts in the sensitivity analysis as below.

Unit: RMB'000

Item	Changes in exchange rates	Jan. – Jun. 2024		Jan. – Jun. 2023	
		Effect on profit	Effect on shareholders' equity	Effect on profit	Effect on shareholders' equity
Entities choosing RMB as functional currency					
Pre-tax profit and equity	Depreciation by 10% of USD against RMB	-272,935	-272,935	-194,115	-194,115
Entities choosing USD as functional currency					
Pre-tax profit and equity	Depreciation by 10% of RMB against USD	111,299	111,299	10,541	10,541
	Depreciation by 10% of BRL against USD	-18,221	-18,221	-66,984	-66,984

The management of the Group believes that the period-end foreign exchange risk cannot reflect the foreign exchange risk of the period, and the sensitivity analysis cannot reflect the inherent foreign exchange risk.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1 Market risk (Continued)

1.1.2 Interest rate risk

The Group's interest rate risk mainly arises from interest-bearing debts such as long-term bank borrowings and short-term bank borrowings. Financial liabilities with floating interest rate expose the Group to cash flow interest rate risk, while financial liabilities with fixed interest rate expose the Group to fair value interest rate risk. The Group determines the relative proportion of fixed interest rate and floating interest rate contracts according to the market environment at that time. See Note (VII) 22 and 33 for details of the Group's bank borrowings, among which the balance of the Group's borrowings with floating interest rate at the end of the period is RMB38,114,003,000. The Group pays close attention to the effect on cash flow change risks from the changes in interest rate and also hedges part of the interest rate risk assumed by the Group through interest rate swap contracts.

Sensitivity analysis on interest rate risk assumes: Changes in market interest rates affect the interest income or expenses of floating-rate financial instruments.

On the basis of the above assumption, where all other variables are held constantly, the reasonably possible changes in the interest rate may have the following pre-tax effect on the profit or loss for the period and shareholders' equity:

Unit: RMB'000

Item	Changes in interest rates	Jan. - Jun. 2024		Jan. - Jun. 2023	
		Effect on profit	Effect on shareholders' equity	Effect on profit	Effect on shareholders' equity
Floating interest rate	Increase 50 base points of interest rate	-190,570	-190,570	-168,892	-168,892
Floating interest rate	Decrease 50 base points of interest rate	190,570	190,570	168,892	168,892

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.1 Market risk (Continued)

1.1.3. Commodity price risk

International copper prices have a significant impact on the operating results of the Group's subsidiaries in Congo (DRC). Copper prices fluctuated in the past and the factors causing the fluctuation were beyond the control of the Group. The Group does not hedge against the fluctuation risk of copper prices. In addition, IXM engages in business related to metal trading platform, of which the operating result is significantly affected by the international price fluctuation of metals such as aluminum and nickel. IXM hedges the risk of the metal price fluctuation through commodity futures contract and commodity option contract. Details are set out in Note (VII) 3 and 24.

The table below shows the sensitivity analysis of the price of copper on the balance sheet date, which reflects the pre-tax effect of unpricing accounts receivable of the Group at the end of the period on the total profit and shareholders' equity when the market price of copper is changed reasonably and possibly under the assumption that other variables remain unchanged.

Unit: RMB'000

Item	Increase/(Decrease) percentage	Jan. - Jun. 2024		Jan. - Jun. 2023	
		Effect on profit	Effect on shareholders' equity	Effect on profit	Effect on shareholders' equity
Market price of copper	5%	-	-	19,724	19,724
Market price of copper	(5%)	-	-	-19,724	-19,724

1.1.4. Other price risk

The equity instrument investments held by the Group, including other non-current financial assets measured at fair value, are measured at fair value at each balance sheet date. As at the end of the period, the equity instrument investments held by the Group mainly comprise listed securities and assets management plans, therefore, the Group is directly or indirectly exposed to the risk of fluctuation of securities market price. If the equity price of the equity instrument investments held by the Group increases or decreases by 5% while other variables remain unchanged, the shareholders' equity and profit or loss of the Group will increase or decrease by RMB93,699,000 at the end of the period (excluding the impact of income tax) (Same period of last year: RMB84,211,000).

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.2 Credit risk

As at 30 June 2024, the Group's maximum exposure to credit risk which will cause a financial loss to the Group is due to the failure of counterparties to fulfill an obligation, including the carrying amount of the financial assets recognised in the balance sheet of the Group.

In order to minimise the credit risk, the Group has specific personnel of the credit management department responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of financial assets at each balance sheet date to ensure that adequate expected credit losses are made for irrecoverable amounts. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

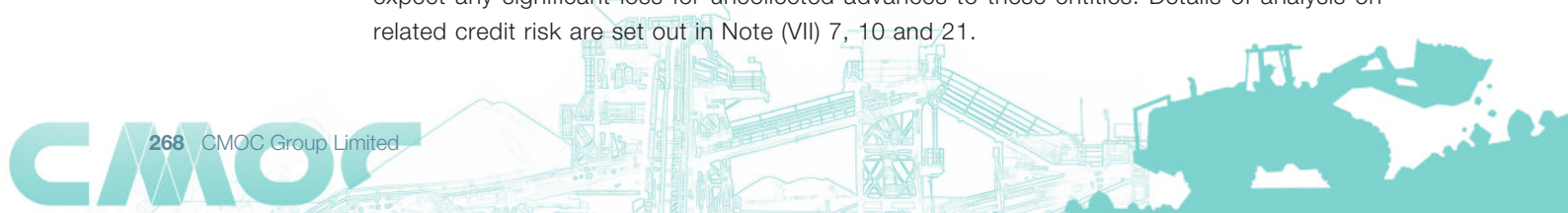
The Group's policies on assessment of significant increase in credit risk since initial recognition, basis for determination of credit impairment on financial assets, classification of financial instruments on expected credit loss on a portfolio basis, and direct written-down of financial instruments are set out in Note (V) 11.2.1, Note (V) 11.2.2, Note (V) 11.2.3 and Note (V) 11.2.4.

The credit risk on cash and bank balances is low because they are deposited with banks with high credit ratings.

The Group holds bank acceptances, of which most bank acceptances are issued by banks with higher credit rating, therefore, the management of the Group believes relevant credit risk on bank acceptances is low. Details are set out in Note (VII) 5.

The Group only trades with recognised, creditworthy customers. Total amount of top five entities with the largest balances of accounts receivable as at 30 June 2024 accounts for 61.10% of the amount of total accounts receivable (31 December 2023:58.49%). Accounts receivable balances are monitored on an ongoing basis with the result that the Group's exposure to credit risk is controlled. Products are sold only to companies whose credit information is in an acceptable range. Credit limits have been set for most of the customers and they are monitored systematically. For overseas sales, letters of credit are generally used. Details of analysis on related credit risk are set out in Note (VII) 4.

For credit risk arising from other receivables, other current assets and other non-current assets, the Group's exposure to credit risk arising from default of counterparties is limited as most of the counterparties are entities with good credit standing and the Group does not expect any significant loss for uncollected advances to these entities. Details of analysis on related credit risk are set out in Note (VII) 7, 10 and 21.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.3 Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The following is the maturity analysis for financial liabilities held by the Group which is based on undiscounted remaining contractual obligations:

Unit: RMB'000

30 June 2024	Within 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Non-derivative financial liabilities					
Short-term borrowings	31,943,341	-	-	-	31,943,341
Long-term borrowings	2,875,228	8,448,104	11,719,752	-	23,043,084
Held-for-trading financing liabilities	3,698,643	-	-	-	3,698,643
Notes payable	431,462	-	-	-	431,462
Accounts payable	6,177,316	-	-	-	6,177,316
Other payables	6,404,772	-	-	-	6,404,772
Bonds payable	2,213,377	-	-	-	2,213,377
Lease liabilities	171,840	84,340	92,861	44,194	393,235
Other non-current liabilities	867,680	867,680	1,890,360	-	3,625,720
Derivative financial instruments					
Derivative financial liabilities	2,156,791	-	-	-	2,156,791
Total	56,940,450	9,400,124	13,702,973	44,194	80,087,741

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

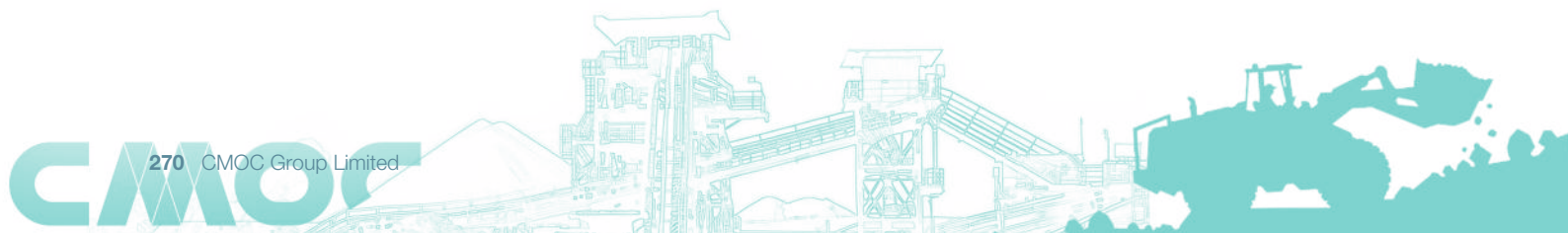
1. Risks of financial instruments (Continued)

1. Risk management objectives, policies and procedures, and changes for the period (Continued)

1.3 Liquidity risk (Continued)

Unit: RMB'000

31 December 2023	Within 1 year	1 to 2 years	2 to 5 years	More than 5 years	Total
Non-derivative financial liabilities					
Short-term borrowings	25,609,299	-	-	-	25,609,299
Long-term borrowings	2,316,909	4,975,099	13,394,862	1,125,656	21,812,526
Held-for-trading financing liabilities	2,948,580	-	-	-	2,948,580
Notes payable	1,142,026	-	-	-	1,142,026
Accounts payable	3,556,153	-	-	-	3,556,153
Other payables	4,773,802	-	-	-	4,773,802
Bonds payable	234,551	2,022,228	-	-	2,256,779
Lease liabilities	174,451	61,492	153,286	54,923	444,152
Other non-current liabilities	1,571,540	863,270	2,589,810	-	5,024,620
Derivative financial instruments					
Derivative financial liabilities	1,108,796	-	-	-	1,108,796
Total	43,436,107	7,922,089	16,137,958	1,180,579	68,676,733



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XI. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (CONTINUED)

2. Hedge

(1) *The Company started hedging business for risk management*

The Group is engaged in mining and sales business of copper products and expects that the copper products sold will be exposed to cash flow risks arising from changes in copper prices. Therefore, the Group adopts the futures contract of copper to reduce cash flow risks arising from changes in prices of commodities expected to be sold. The refined copper produced and sold by the Group is the same as the corresponding refined copper in the futures contract of copper, the Group determines that the proportion of hedging instruments and hedged items is 1:1 through qualitative analysis and believes that it is highly effective.

(2) *The Company conducts qualifying hedging operations and applies hedge accounting*

Unit: RMB

Item	Carrying amount related to hedged items and hedging instruments ^(note)	Sources of hedge effectiveness and hedge ineffectiveness	Impact of hedge accounting on the Company's financial statements
Type of hedging risk			
Cash flow risk hedging of commodity price volatility	60,885,771.83	The Company's spot and futures pricing mechanisms using hedge accounting are derived from the same contracts on the same exchanges and for the same months, and the futures and spot prices are fully hedged. The Company's commodity futures hedges are highly effective.	Gains and losses from changes in the fair value of cash flow hedging instruments recognised in other comprehensive income for the period amounted to RMB-247,871,211.98. During the period, the Group reclassified an amount of RMB-168,727,733.30 from other comprehensive income to profit or loss.

Note: The carrying amount of the hedging instruments is the derivative financial liabilities.

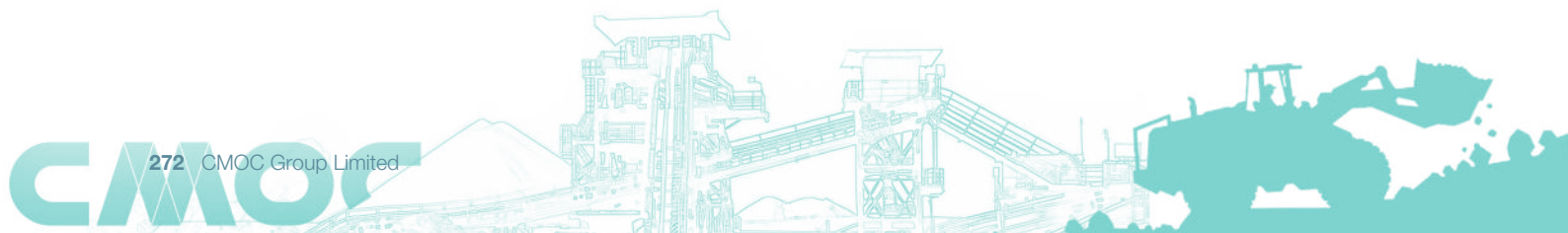
SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XII. DISCLOSURE OF FAIR VALUE

1. Closing fair value of assets and liabilities measured at fair value

Unit: RMB'000

Item	Closing fair value			Total
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	
Continuous fair value measurement				
(I) Held-for-trading financial assets	-	10,825,801	3,563,501	14,389,302
1. Financial assets at FVTPL				
(1) Accounts receivable	-	10,804,633	-	10,804,633
(2) Others	-	21,168	3,563,501	3,584,669
(II) Investments in other equity instruments	-	-	7,729	7,729
(III) Financing with receivables	-	-	38,779	38,779
(IV) Other non-current financial assets	1,048	-	3,131,438	3,132,486
1. Wealth management products entrusted by banks	-	-	41,622	41,622
2. Share of partnership	-	-	950,696	950,696
3. Share of funds	-	-	885,562	885,562
4. Directional capital management plan	-	-	1,126,704	1,126,704
5. Equity in unlisted companies	-	-	126,854	126,854
6. Equity in listed companies	1,048	-	-	1,048
(V) Derivative financial assets	433,577	929,202	-	1,362,779
(VI) Inventories	-	10,639,532	131,688	10,771,220
1. Trading inventories	-	10,639,532	-	10,639,532
2. Consumable biological assets	-	-	131,688	131,688
Total assets measured continuously at fair value	434,625	22,394,535	6,873,135	29,702,295
(VII) Held-for-trading financing liabilities	-	3,698,643	-	3,698,643
1. Financial liabilities designated as at FVTPL	-	3,698,643	-	3,698,643
Including: Accounts payable	-	3,698,643	-	3,698,643
(VIII) Derivative financial liabilities	1,468,892	687,898	-	2,156,790
Total liabilities measured continuously at fair value	1,468,892	4,386,541	-	5,855,433



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XII. DISCLOSURE OF FAIR VALUE (CONTINUED)

2. Qualitative and quantitative information of valuation technique and key parameters used for items that are continuously and non-continuously measured at level 2 fair value

Items that are continuously measured at level 2 fair value include accounts receivable, fund products of financial institutions, trading inventories, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities at FVTPL, and the related fair value is determined with reference to the quoted price of similar assets or liabilities in active market or other inputs other than the quoted price, the premium/discount prices in the place of origin or nearby regions in the industry research report, long-term offer and the yield rate of similar debt instruments in open market.

3. Qualitative and quantitative information of valuation technique and key parameters used for items that are continuously and non-continuously measured at level 3 fair value

Items that are continuously measured at level 3 fair value include held-for-trading financial assets, financing with receivables, consumable biological assets, derivative financial assets, investments in other equity instruments and other non-current financial assets. The fair value of held-for-trading assets and wealth management products included in other non-current financial assets is measured based on the expected yield rate provided by the third party financial institution and discounting of the future cash flow. The fair value of consumable biological assets is measured based on the prices of the same kind of wood, the growth period of tree and the discounting of the subsequent input and maintenance fee. The fair value of financing with receivables is based on the note discount rate provided by the third-party financial institution and discounting of the future cash flow. The fair values of share of partnership, share of funds, directional capital management plan and equity in unlisted companies included in other equity instruments and other non-current financial assets are determined based on the comparable company analysis, the agreed price for transfer or the valuation report provided by third-party financial institutions, or the financial statements provided by the investee with appropriate adjustments.

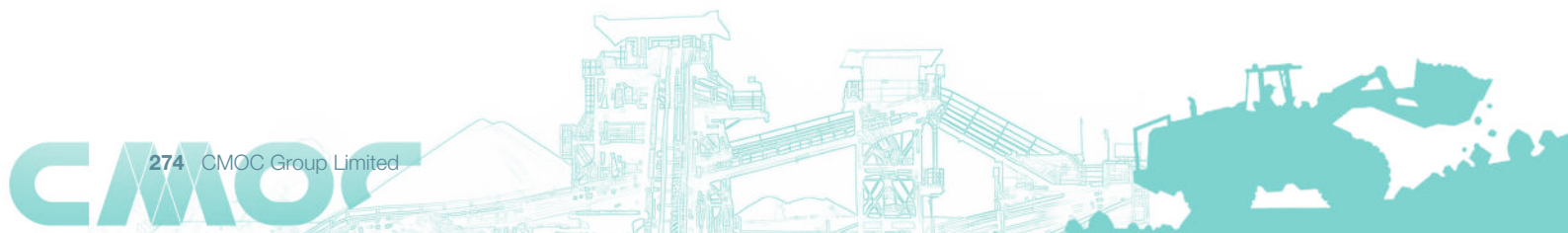
SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XII. DISCLOSURE OF FAIR VALUE (CONTINUED)

3. Qualitative and quantitative information of valuation technique and key parameters used for items that are continuously and non-continuously measured at level 3 fair value (Continued)

Unit: RMB'000

Assets/liabilities measured at fair value	Fair value at 30 June 2024	Valuation techniques	Parameters	Significant input data that cannot be observed	Relationship between the input data that cannot be observed and the fair value
Held-for-trading financial assets/other non-current financial assets	3,605,123	Discounted cash flow method	Expected cash flows of the products, yield of similar financial products in private market	Yield of similar financial products in private market	Higher yield of similar financial products in private market, lower fair value
Investments in other equity instruments/other non-current financial assets	3,097,545	Comparable companies analysis/Negotiating transfer price/Net asset adjustment method	Price-to-sales, recent transaction price, DLOM-discount of lack of marketability, lock-up period discount	DLOM-discount of lack of marketability/lock-up period discount	Higher discount rate, lower fair value
Consumable biological assets	131,688	Discounted cash flow method	Wood price, growth cycle, and follow-up estimated investment	Follow-up estimated investment	Higher follow-up estimated investment, lower fair value
Financing with receivables	38,779	Discounted cash flow method	Expected cash flow of notes, note discount rate in private market	Note discount rate in private market	Higher note discount rate in private market, lower fair value



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XII. DISCLOSURE OF FAIR VALUE (CONTINUED)

4. Fair value of financial assets and financial liabilities not measured at fair value

The management of the Group has assessed cash and bank balances, accounts receivable, other receivables, other current assets, non-current assets due within one year, short-term borrowings, notes payable, accounts payable, other payables, non-current liabilities due within one year, other current liabilities, etc. As the remaining term is not long, fair values are approximate to the carrying amounts.

The Group's financial assets and financial liabilities which are subsequently not measured at fair value include other non-current assets, and long-term borrowings, bonds payable and other non-current liabilities respectively. The floating interest rate of the Group's long-term borrowings is linked to the market interest rate.

XIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

1. Parent of the Company

Unit: RMB'0000

Name of the parent	Place of registration	Nature of business	Registered capital	Proportion of the Company's ownership interest held by the parent	Proportion of the Company's voting power held by the parent
CFC	Shanghai	Investment management	18,181.82	24.69%	24.69%

Information about the parent of the Company

As at 30 June 2024, CFC actually holds 5,333,220,000 shares of the Company, accounting for 24.69% of the total share capital of the Company.

CFC is the actual controller of the Company.

2. Subsidiaries of the Company

For details of the subsidiaries of the Company, please refer to Note (IX). 1.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

3. Joint ventures and associates of the Company

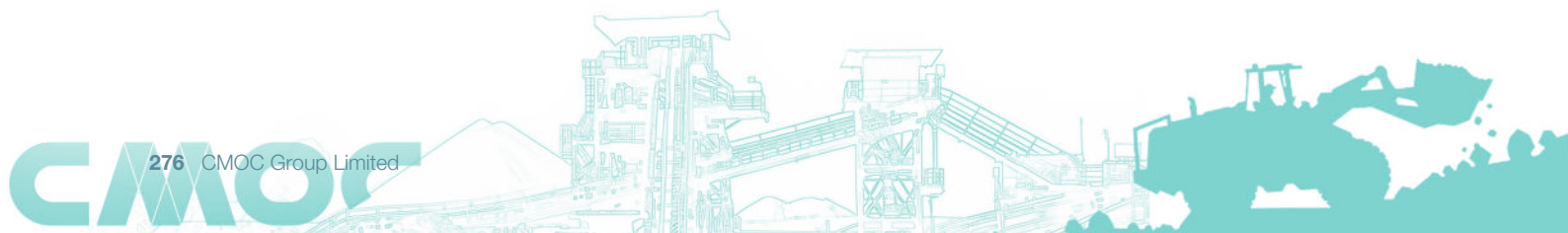
For details of significant joint ventures and associates of the Company, please refer to Note (IX).2.

Other joint ventures or associates which have transactions with the Company in the current period or in previous periods are as follows:

Joint ventures or associates	Relationship with the Company
Fu Chuan	Subsidiary of the joint venture
Luanchuan Fuxing Ore Processing Co., Ltd. (“ Fu Xing ”)	Subsidiary of the joint venture
Luanchuan Qixing Mining Co., Ltd. (“ Qi Xing ”)	Subsidiary of the joint venture
Yulu Mining	Associate
Luoyang Shenyu	Associate
Guochuang Intelligent Mining Equipment Research Institute (Luoyang) Co., Ltd.	Associate
Huayue Nickel Cobalt	Associate

4. Other related parties

Other related parties	Relationship with the Company
LMG	Shareholder of the Company
CFC	Shareholder of the Company
Contemporary Amperex Technology Co., Limited (“CATL”)	Shareholder of the Company
Shanghai Shangju Industrial Co., Ltd. (“Shangju”)	Subsidiary of the shareholder
Shanghai Yunsheng International Trade Co., Ltd. (“Yunsheng”)	Subsidiary of the shareholder
Hu’nan Brunp Recycling Technology Co. Ltd. (“HBRT”)	Subsidiary of the shareholder
HKBRRT	Subsidiary of the shareholder
Yichun Times New Energy Technology Co., LTD. (“Yichun Times”)	Subsidiary of the shareholder
Contemporary Green Energy Co., Ltd. (“CGE”)	Subsidiary of the shareholder
Brunp and CATL	Subsidiary of the shareholder



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions

(1). Sales and purchase of goods, rendering and receipt of services

Purchase of goods/receipt of services

Unit: RMB

Related party	Details of transaction	Amount for the current period	Amount for the same period last year
Luoyang Shenyu	Purchase of products	–	6,180,204.47
Yulu Mining	Purchase of products	74,091,018.28	65,047,623.28
Fu Chuan	Purchase of products	519,263,502.67	286,711,894.97
Fu Chuan	Purchase of services	1,988,801.14	1,332,792.62
Fu Xing	Purchase of services	383,043.96	–
Huayue Nickel Cobalt	Purchase of products	1,060,917,584.37	1,269,218,805.19
Brunp and CATL	Purchase of products	–	399,431.38
HKBRRT	Interest expenses	344,107,533.92	363,455,021.72

Sales of goods/rendering of services

Unit: RMB

Related party	Details of transaction	Amount for the current period	Amount for the same period last year
Luoyang Shenyu	Sales of products	14,512,778.58	33,705,616.91
Yulu Mining	Sales of products	177,396.96	–
Yulu Mining	Rendering of services	7,433,628.32	6,995,428.43
Fu Chuan	Sales of products	7,427,297.79	17,919,511.44
Fu Chuan	Rendering of services	6,702,397.52	4,921,895.27
Fu Xing	Rendering of services	320,737.62	447,829.04
HBRT	Sales of products	–	7,881,057.26
Yichun Times	Rendering of services	1,756,844.00	–
HKBRRT	Sales of products	3,068,491,284.47	–
Qi Xing	Rendering of services	96,676.94	–
Huayue Nickel Cobalt	Interest income	12,144,341.22	12,061,379.59

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

5. Related party transactions (Continued)

(2). Related party leases

The Company as the lessee:

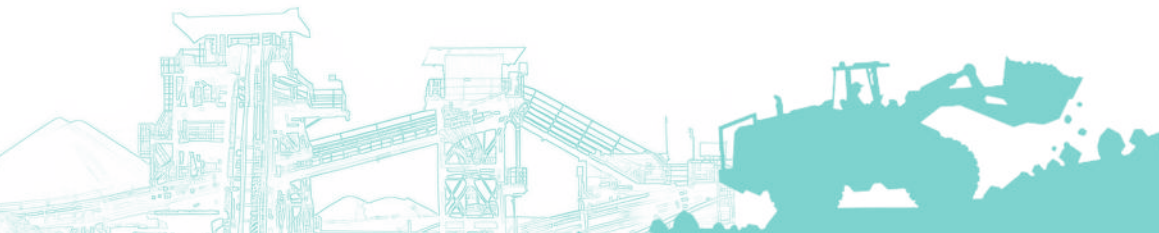
Unit: RMB

Lessor	Category of leased assets	Rent paid		Interest expenses on lease liabilities		Increase in right-of-use assets	
		Amount for the current period	Amount for the prior period	Amount for the current period	Amount for the prior period	Amount for the current period	Amount for the prior period
Shangju	Buildings	12,955,748.04	9,433,198.74	699,051.66	936,178.32	15,666,259.23	-
Yunsheng	Buildings	2,564,464.47	5,128,928.94	321,651.89	509,009.96	-	-

(3). Compensation for key management personnel

Unit: RMB'000

Item	Amount for the current period	Amount for the prior period
Compensation for key management personnel	16,946	31,304



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Unsettled items receivable from/payable to related parties

(1) Items receivable

Unit: RMB

Item	Related party	Closing balance		Opening balance	
		Gross carrying amount	Bad debt provision	Gross carrying amount	Bad debt provision
Accounts receivable	Yulu Mining	39,637.30	55.18	-	-
Accounts receivable	Fu Chuan	6,464,992.47	152,987.58	4,433,250.57	112,356.30
Other receivables	Fu Chuan	4,201,777.36	-	-	-
Other receivables	Shangju	6,477,874.02	-	4,716,599.37	-
Other receivables	Yunsheng	2,564,464.47	-	2,564,464.47	-
Accounts receivable	Fu Xing	296,384.85	7,013.65	28,082.17	711.71
Interest receivable	Huayue Nickel Cobalt	134,378,169.76	-	121,439,999.13	-
Other non-current assets	Huayue Nickel Cobalt	407,183,295.76	-	404,663,682.00	-
Accounts receivable	HKBRRT	473,918,856.28	-	520,744,775.10	-
Other receivables	Qi Xing	131,521.14	-	131,521.14	-

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

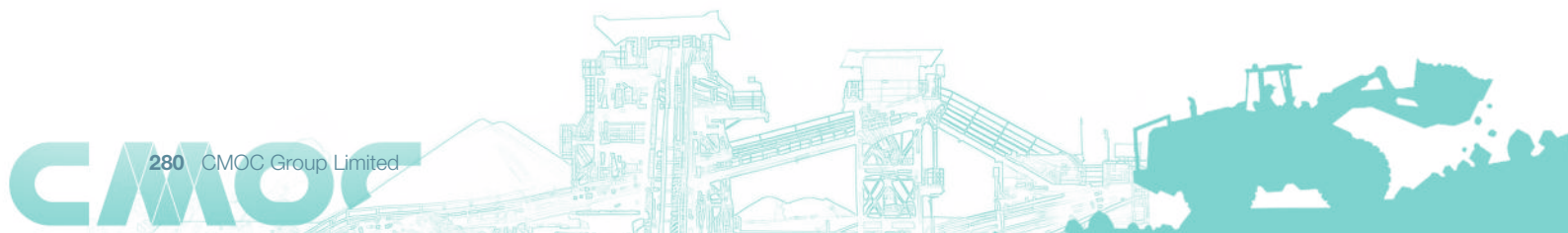
XIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONTINUED)

6. Unsettled items receivable from/payable to related parties (Continued)

(2) Items payable

Unit: RMB

Item	Related party	Closing balance	Opening balance
Accounts payable	Yulu Mining	16,250,871.93	13,552,405.84
Contract liabilities	Luoyang Shenyu	178,476.34	908,816.14
Other payables	Luoyang Shenyu	14,966.65	14,966.65
Accounts payable	Fu Chuan	303,479,076.85	12,862,348.59
Other payables	Fu Chuan	1,163,573.68	2,050,758.00
Non-current liabilities due			
within one year	Shangju	23,935,527.39	21,454,613.59
Lease liabilities	Shangju	6,115,734.92	13,196,920.12
Non-current liabilities due			
within one year	Yunsheng	9,418,131.33	11,665,097.38
Lease liabilities	Yunsheng	2,416,880.40	7,175,303.70
Accounts payable	Fu Xing	–	48,358.75
Other payables	Fu Xing	232,280.39	102,629.36
Accounts payable	Huayue Nickel Cobalt	586,255,776.41	592,741,926.45
Other non-current liabilities	HKBRRT	11,167,679,643.52	12,472,267,950.66
Contract liabilities	HKBRRT	1,942,641,980.56	1,986,007,022.04
Accounts payable	Qi Xing	–	37,800.83
Other payables	Qi Xing	96,676.94	18,833.89
Other payables	CGE	–	100,000.00
Other payables	Brunp and CATL	–	973,871,250.00



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XIV. SHARE-BASED PAYMENTS

2021 Phase I Employee Stock Ownership Plan

As approved by the General Meeting of Shareholders of CMOC held on 21 May 2021, CMOC intends to grant the Employee Stock Ownership Plan to five incentive recipients (“Holders”). The grant date of the Employee Stock Ownership Plan is 21 May 2021, and the source of the shares is the A-share ordinary shares of CMOC repurchased by the Company’s dedicated repurchase account. The total number of shares granted to the incentive recipients is 48,513,287 shares, and the grant price is RMB2 per share.

According to the Employee Stock Ownership Plan, the term of the plan shall not exceed 48 months and the lock-up period of the underlying shares acquired shall be 12 months, which is calculated from the date when the Employee Stock Ownership Plan is approved by the General Meeting of Shareholders of the Company and the Company announces the last transfer of the underlying shares into the dedicated repurchase account (17 June 2021). After the expiration of the lock-up period of the underlying shares, the interests of the Employee Stock Ownership Plan shall be allocated to the holders in three installments based on the results of the performance assessment, with the allocation ratio of 30%, 30% and 40% respectively. If the performance assessment criteria are not met in any of the assessment periods, the interests corresponding to the allocation period shall not be allocated, and the relevant interests shall be mandatorily withdrawn by the Management Committee at the grant price and transferred to other eligible employees of the Employee Stock Ownership Plan at the price decided by the Management Committee.

On 10 June 2022, the second holders’ meeting of the 2021 Phase I Employee Stock Ownership Plan, the fifth extraordinary meeting of the sixth session of board of directors and the ninth meeting of the sixth session of board of supervisors reviewed and approved the Proposal on Adjusting the 2021 Phase I Employee Stock Ownership Plan of China Molybdenum Co., Ltd., the Proposal on Amending the 2021 Phase I Employee Stock Ownership Plan of China Molybdenum Co., Ltd. and the Proposal on Amending the Management Measures for the 2021 Phase I Employee Stock Ownership Plan of China Molybdenum Co., Ltd.. Since an employee who participated in the Company’s employee stock ownership plan resigned, the Company recovered the unvested shares of the employee stock ownership plan held by the resigned employee and awarded it to a new employee determined by the Company, who meets the requirement of the Company’s employee stock ownership plan. The new employee received the relevant shares held by the resigned employee, totaling 7,500,000 shares.

The equity-settled share-based payments of the Group are subsequently measured.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XIV. SHARE-BASED PAYMENTS (CONTINUED)

1. Equity instruments

Share options outstanding at the end of the period or other equity instruments

Category of grant recipient	Share options outstanding at the end of the period	
	Range of exercise price	Remaining contractual life
Directors	RMB2	–
Senior management	RMB2	About 1 year
Management	RMB2	–

2. Equity-settled share-based payments

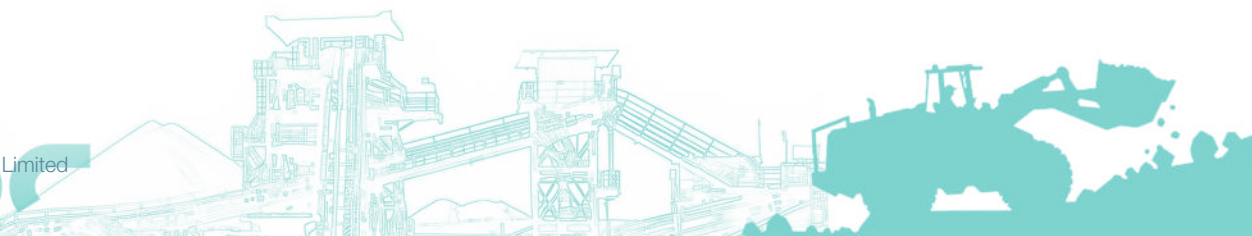
Unit: RMB

The method of determining the fair value of equity instruments at the grant date	Based on the closing price of A shares of the Company at the grant date
The basis of determining the number of equity instruments expected to be vested	If the holders meet the requirements stipulated in the “Disposal of the holders’ interests” of the stock ownership plan and satisfies the assessment criteria for the Company’s performance and personal performance, the corresponding equity instruments are exercisable.
Amounts of equity-settled share-based payments accumulated in capital reserve	104,852,028.51
Total expenses recognised arising from equity-settled share-based payments	12,268,930.92

3. Share-based payments in the current period

Unit: RMB

Category of grant recipient	Equity-settled share-based payments
Directors	7,112,264.25
Senior management	3,565,000.00
Management	1,591,666.67
Total	12,268,930.92



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XV. COMMITMENTS AND CONTINGENCIES

1. Significant commitments

Significant commitments and their nature and amount at the balance sheet date

Capital commitments

Unit: RMB'000

	30 June 2024	31 December 2023
Contracted but not recognised in the financial statements:		
– Commitment for acquisition and construction of long-term assets	2,571,526	3,141,146
– Commitment for external investment (Note)	155,228	205,196
Total	2,726,754	3,346,342

Note: The above commitment for external investment included the Group's investment in an other non-current financial asset.

As at 30 June 2024, the Group had no other commitments that need to be disclosed.

2. Contingencies

(1). Significant contingencies at the balance sheet date

Pending litigations

Copper-Cobalt business of the Group in Congo (DRC)

The Group's Copper-Cobalt business in Congo (DRC) may have some lawsuits, claims and liability claims in the daily operation. The management believes that the results of such contingencies will not have a material adverse effect on the financial position, operating results or cash flows of the business based on the information currently available.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XV. COMMITMENTS AND CONTINGENCIES (CONTINUED)

2. Contingencies (Continued)

(1). Significant contingencies at the balance sheet date (Continued)

Niobium-Phosphorus business of the Group in Brazil

The Group's Niobium-Phosphorus business in Brazil may involve various litigations in its daily operation. The management determines the possibility of losing the litigations and consequent economic benefits outflow in accordance with the information available and the professional advice of external legal experts. If the possibility of economic benefits outflow is low, the management would determine them as contingencies. The results of such contingencies will not have a material adverse effect on the financial position, operating results or cash flows of the business based on the information currently available.

XVI. EVENTS AFTER THE BALANCE SHEET DATE

On 19 June 2024, the Company entered into an Equity Transfer Agreement with CITIC Guoan Industrial Group Co., Ltd. ("CITIC Guoan"), an unrelated third party, to transfer 65.1% equity interest held by the Company in Xin Kuang Luo Mu to CITIC Guoan for a consideration of RMB2.9 billion. As of the date of these financial statements, the equity disposal transaction has not been completed.

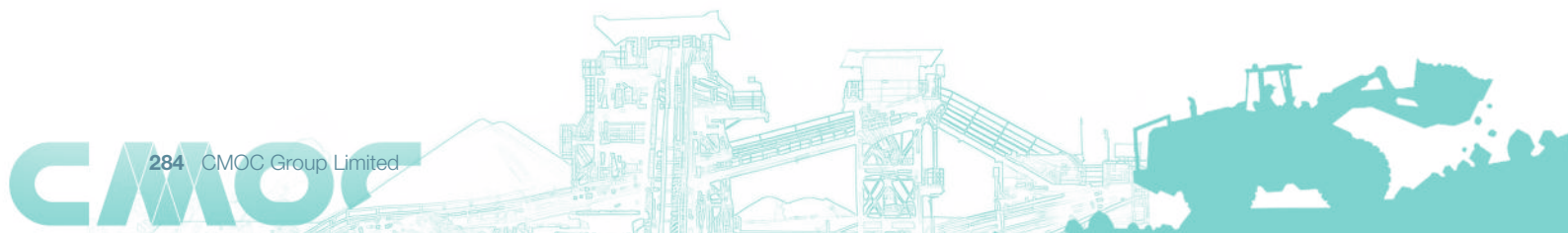
XVII. OTHER SIGNIFICANT MATTERS

1. Segment information

(1). Reporting segment's determination basis and accounting policies

The management divided the Group's business into five operating segments, namely Molybdenum Tungsten related products, Niobium and Phosphorus related products, Copper and Cobalt related products, metal business and others on the basis of the Group's internal organisation structure, management requirements and internal reporting system. The Group's management evaluates the operating results of these segments regularly, in order to determine the allocation of resources and assess their performance. The operating segment of copper, gold and related products business was discontinued at the end of the previous year and was not included in the segment reports for the period from January to June this year.

These reporting segments are determined on the basis of internal management and reporting system. Information on segment reporting is disclosed according to accounting policies and measurement standards adopted by segments when reporting to the management, which should be consistent with those adopted in the preparation of the financial statements. The segment reports for Jan.-Jun. 2023 have been restated on the same basis.



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XVII. OTHER SIGNIFICANT MATTERS (CONTINUED)

1. Segment information (Continued)

(2). Reporting segment's financial information

Jan. – Jun. 2024

RMB'000

Item	Molybdenum Tungsten related products	Niobium and Phosphorus related products	Copper and Cobalt related products	Metal business	Others	Unallocated item	Intersegment eliminations	Total
Operating revenue								
Trading revenue	3,881,004	3,111,521	24,368,150	92,973,054	76,101	-	-21,591,398	102,818,432
Total segment operating revenue	3,881,004	3,111,521	24,368,150	92,973,054	76,101	-	-21,591,398	102,818,432
Total operating income in the financial statements	3,881,004	3,111,521	24,368,150	92,973,054	76,101	-	-21,591,398	102,818,432
Operating cost	2,327,700	2,285,594	12,051,660	88,363,647	74,509	-	-21,179,146	83,923,964
Taxes and levies	-	-	-	-	-	1,990,328	-	1,990,328
Selling expenses	-	-	-	-	-	54,547	-	54,547
Administrative expenses	-	-	-	-	-	1,165,602	-	1,165,602
Research and development expenses	-	-	-	-	-	137,206	-	137,206
Financial expenses	-	-	-	-	-	1,747,565	-	1,747,565
Add: Gains (losses) from assets impairment	-	-	-	-	-	-688	-	-688
Gains (losses) from credit impairment	-	-	-	-	-	8,695	-	8,695
Profit or loss on changes in fair value	-	-	-	-	-	-3,046,350	-	-3,046,350
Investment income	-	-	-	-	-	340,840	-	340,840
Gains (losses) from disposal of assets	-	-	-	-	-	14,839	-	14,839
Other income	-	-	-	-	-	29,832	-	29,832
Segment operating profit	-	-	-	-	-	11,146,388	-	11,146,388
Operating profit in the financial statements	-	-	-	-	-	11,146,388	-	11,146,388
Add: Non-operating income	-	-	-	-	-	22,381	-	22,381
Less: Non-operating expenses	-	-	-	-	-	15,653	-	15,653
Total profit	-	-	-	-	-	11,153,116	-	11,153,116
Less: Income tax expenses	-	-	-	-	-	4,822,725	-	4,822,725
Net profit	-	-	-	-	-	6,330,391	-	6,330,391

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XVII. OTHER SIGNIFICANT MATTERS (CONTINUED)

1. Segment information (Continued)

(2). Reporting segment's financial information (Continued)

Jan. – Jun. 2023

RMB'000

Item	Molybdenum Tungsten related products	Niobium and Phosphorus related products	Copper and Cobalt related products	Metal business	Others	Unallocated item	Intersegment eliminations	Total
Operating revenue								
Trading revenue	4,430,592	2,959,329	3,969,943	77,419,019	193,169	-	-3,095,630	85,876,422
Total segment operating revenue	4,430,592	2,959,329	3,969,943	77,419,019	193,169	-	-3,095,630	85,876,422
Total operating revenue in the financial statements	4,430,592	2,959,329	3,969,943	77,419,019	193,169	-	-3,095,630	85,876,422
Operating cost	2,897,274	2,301,094	3,069,606	76,390,178	183,751	-	-2,503,677	82,338,226
Taxes and levies	-	-	-	-	-	820,992	-	820,992
Selling expenses	-	-	-	-	-	52,515	-	52,515
Administrative expenses	-	-	-	-	-	1,192,385	-	1,192,385
Research and development expenses	-	-	-	-	-	107,689	-	107,689
Financial expenses	-	-	-	-	-	1,331,375	-	1,331,375
Add: Profit or loss on changes in fair value	-	-	-	-	-	1,212,338	-	1,212,338
Investment income	-	-	-	-	-	221,027	-	221,027
Gains (losses) from disposal of assets	-	-	-	-	-	8,126	-	8,126
Other income	-	-	-	-	-	69,195	-	69,195
Gains (losses) from assets impairment	-	-	-	-	-	-16,904	-	-16,904
Gains (losses) from credit impairment	-	-	-	-	-	-823	-	-823
Segment operating profit	-	-	-	-	-	1,526,199	-	1,526,199
Operating profit in the financial statements	-	-	-	-	-	1,526,199	-	1,526,199
Add: Non-operating income	-	-	-	-	-	1,328	-	1,328
Less: Non-operating expenses	-	-	-	-	-	22,493	-	22,493
Total profit	-	-	-	-	-	1,505,034	-	1,505,034
Less: Income tax expenses	-	-	-	-	-	966,115	-	966,115
Net profit	-	-	-	-	-	538,919	-	538,919

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XVIII. NOTES TO MAJOR ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

1. Accounts receivable

Unit: RMB

Category	30 June 2024	31 December 2023
Accounts receivable	720,014,383.62	1,013,718,567.21
Total	720,014,383.62	1,013,718,567.21

The accounts receivable for which the loss allowance is recognised based on expected credit loss are as follows:

Unit: RMB

Category	Closing balance			Opening balance		
	Gross carrying amount	Bad debt provision	Carrying amount	Gross carrying amount	Bad debt provision	Carrying amount
Accounts receivable for which the loss allowance is recognised based on expected credit loss	735,897,972.44	15,883,588.82	720,014,383.62	1,028,291,114.76	14,572,547.55	1,013,718,567.21

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XVIII. NOTES TO MAJOR ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

2. Other receivables

Unit: RMB

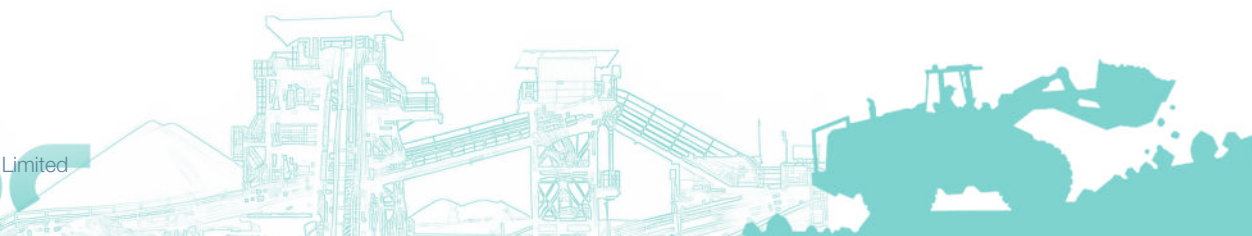
Item	Closing balance	Opening balance
Interest receivable	337,407,054.78	295,803,008.94
Dividends receivable	1,544,006,084.08	1,544,006,084.08
Other receivables	8,576,361,502.37	7,042,852,354.53
Total	10,457,774,641.23	8,882,661,447.55

Credit risk of other receivables:

The other receivables for which the loss allowance is recognised based on expected credit loss are as follows:

Unit: RMB

Category	Closing balance			Opening balance		
	Gross carrying amount	Bad debt provision	Carrying amount	Gross carrying amount	Bad debt provision	Carrying amount
Other receivables for which the loss allowance is recognised based on expected credit loss	8,604,136,339.73	27,774,837.36	8,576,361,502.37	7,070,558,191.89	27,705,837.36	7,042,852,354.53



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XVIII. NOTES TO MAJOR ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments

Unit: RMB

Item	Gross carrying amount	Closing balance		Gross carrying amount	Opening balance	
		Bad debt provision	Carrying amount		Bad debt provision	Carrying amount
Investments in subsidiaries	35,110,665,876.01	53,451,524.66	35,057,214,351.35	35,383,326,761.21	53,451,524.66	35,329,875,236.55
Investments in associates and joint ventures	444,345,928.74	-	444,345,928.74	337,810,709.86	-	337,810,709.86
Total	35,555,011,804.75	53,451,524.66	35,501,560,280.09	35,721,137,471.07	53,451,524.66	35,667,685,946.41

(1) Investments in subsidiaries

Unit: RMB

Investee	Opening balance	Increase for the current period	Decrease for the current period	Closing balance	Impairment	Impairment
					provision for the current period	provision at the end of the period
Ye Lian	305,638,250.27	-	305,638,250.27	-	-	-
Da Dong Po	33,483,749.86	-	-	33,483,749.86	-	19,926,488.19
Jiu Yang	17,028,900.00	-	-	17,028,900.00	-	17,028,900.00
San Qiang	33,397,038.41	-	-	33,397,038.41	-	16,496,136.47
International Hotel	290,000,000.00	-	-	290,000,000.00	-	-
Wu Ye	100,000,000.00	-	-	100,000,000.00	-	-
CMOC HK	1,869,455,300.96	-	-	1,869,455,300.96	-	-
Metal Material	170,000,000.00	-	-	170,000,000.00	-	-
Xinjiang Luo Mu	980,000,000.00	-	-	980,000,000.00	-	-
Luanchuan Fukai Trading Co., Ltd.	261,520,000.00	-	-	261,520,000.00	-	-
Sales Company	50,700,000.00	-	-	50,700,000.00	-	-
CMOC Limited	30,175,675,029.48	708,434.15	-	30,176,383,463.63	-	-
Schmocke	660,000,000.00	-	-	660,000,000.00	-	-
Beijing Yongbo	267,800,000.00	-	-	267,800,000.00	-	-
Shanghai Muchao (Note)	168,628,492.23	12,268,930.92	-	180,897,423.15	-	-
Zhonghe Metallurgy	-	20,000,000.00	-	20,000,000.00	-	-
Total	35,383,326,761.21	32,977,365.07	305,638,250.27	35,110,665,876.01	-	53,451,524.66

Note: Investment cost recognized by the Company for settlement of employee stock ownership plan of subsidiaries.

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

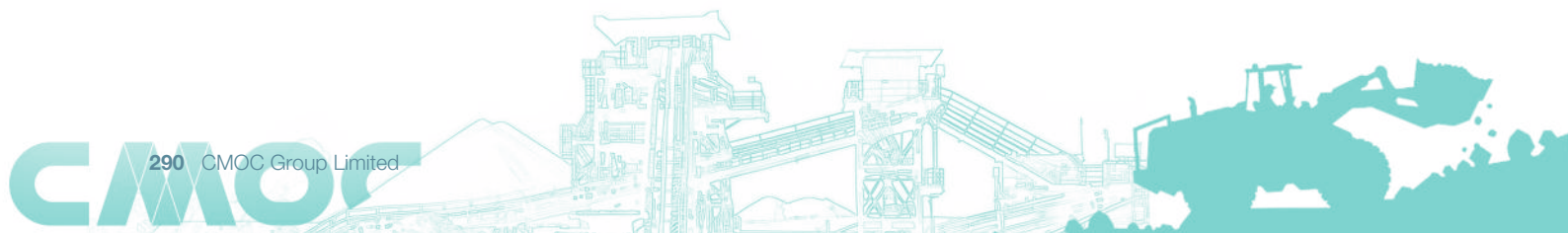
XVIII. NOTES TO MAJOR ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

3. Long-term equity investments (Continued)

(2) Investments in associates and joint ventures

Unit: RMB

Investee	Opening balance	Additional investments	Decreased investments	Changes for the period				Cash dividends or profits declared for distribution	Provision for impairment losses	Others	Closing balance	Impairment provision at the end of the period
				Investment income (loss) recognised under equity method	Adjustment to other comprehensive income	Other changes in equity						
I. Joint ventures												
Huan Yu	201,518,840.71	-	-	77,957,609.03	-	-	-	-	-	-	279,476,449.74	-
Fu Chuan Mining	49,286,315.55	-	-	28,944,635.09	-	-	-	-	-	-	78,230,950.64	-
Sub-total	250,805,156.26	-	-	106,902,244.12	-	-	-	-	-	-	357,707,400.38	-
II. Associates												
Yulu Mining	77,813,496.06	-	-	43,309,713.84	-	-	45,000,000.00	-	-	-	76,123,209.90	-
Luoyang Shenyu	5,264,497.21	-	-	1,240,924.32	-	-	-	-	-	-	6,505,421.53	-
Guochuang Intelligent Mining Equipment Research Institute (Luoyang) Co., Ltd.	3,927,560.33	-	-	82,336.60	-	-	-	-	-	-	4,009,896.93	-
Sub-total	87,005,553.60	-	-	44,632,974.76	-	-	45,000,000.00	-	-	-	86,638,528.36	-
Total	337,810,709.86	-	-	151,535,218.88	-	-	45,000,000.00	-	-	-	444,345,928.74	-



SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XVIII. NOTES TO MAJOR ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS (CONTINUED)

4. Operating revenue and operating cost

(1). Operating revenue and operating cost

Unit: RMB

Item	Amount for the current period		Amount for the same period last year	
	Revenue	Cost	Revenue	Cost
Principal operating activities	3,087,523,565.57	1,556,029,634.35	3,836,892,008.67	1,847,537,237.82
Other operating activities	105,435,448.51	89,470,462.53	120,593,949.64	110,460,271.64
Total	3,192,959,014.08	1,645,500,096.88	3,957,485,958.31	1,957,997,509.46

5. Investment income

Unit: RMB

Item	Amount for the current period	Amount for the same period last year
Income from long-term equity investments under equity method	151,535,218.88	-52,060,586.51
Total	151,535,218.88	-52,060,586.51

SECTION IX FINANCIAL STATEMENTS (CONTINUED)

XIX. SUPPLEMENTARY INFORMATION

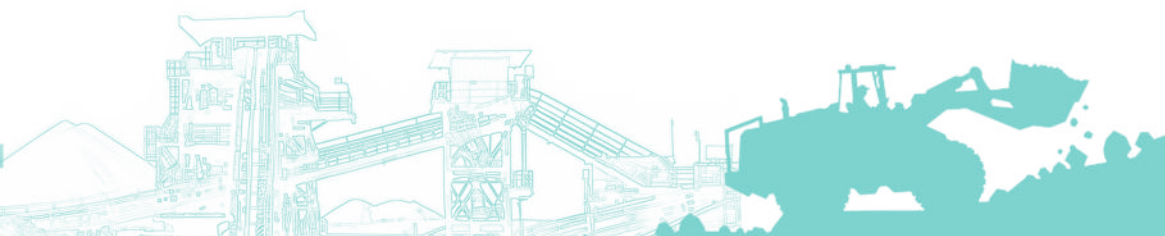
1. Breakdown of non-recurring profit or loss

Unit: RMB

Item	Amount
Profit or loss on disposal of non-current assets, including the write-offs of provision for impairment of assets	14,838,948.47
Government grants recognised through profit or loss (excluding those closely related to the Company's normal operating business, and compliant with national policies and regulations, available according to determined requirements, and having a continuous impact on the Company's profit or loss)	26,137,269.34
Gains or losses from fair value changes arising from financial assets and financial liabilities held by non-financial enterprises other than those used in the effective hedging activities related to the Company's normal operating business, as well as gains or losses from disposal of the above financial assets/liabilities	-265,702,216.05
Capital occupation fee charged to non-financial enterprises included in profit or loss for the period	12,144,341.22
Other non-operating income or expenses other than the above	6,728,331.00
Other profit or loss that meets the definition of non-recurring profit or loss	12,524,555.11
Less: Income tax effects	14,729,627.65
Effects attributable to minority interests (after tax)	37,563.78
Total	-208,095,962.34

2. Return on net assets and earnings per share ("EPS")

Profit for the reporting period	Weighted average return on net assets	EPS	
	(%)	Basic EPS (RMB per share)	Diluted EPS (RMB per share)
Net profit attributable to ordinary shareholders of the Company	8.82	0.25	0.25
Net profit after deduction of non-recurring profits or losses attributable to ordinary shareholders of the Company	9.16	0.26	0.26





To be a respected, modern,
and world-class resources company



CMOC GROUP LIMITED*